# SENATE JOURNAL

## EIGHTY-NINTH LEGISLATURE — REGULAR SESSION

## **AUSTIN, TEXAS**

### **PROCEEDINGS**

## FORTY-EIGHTH DAY

(Friday, May 30, 2025)

The Senate met at 11:34 a.m. pursuant to adjournment and was called to order by Senator Flores.

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 Presiding Officer announced that a quorum of the Senate was present.

Senator Perry offered the invocation as follows:

Heavenly Father, we thank You for the day You've given us. We thank You for the last, this 140 days, almost, almost done, and we pray that as we get away from this place we look back and the intended benefit for the ones that we did it for will actually achieve what You want. We pray that there's minimum unintended consequences, we pray for the bills that got done, that they needed to be done, we also pray for the ones that didn't get done, that there's a two-year window to get them back for the will of the people. We leave here with a reminder that it's such a special, privileged place to serve. In this session we had more outside influences trying to influence what we had to do and needed to do to get done for the people. And I just pray that as we go through this interim, first of all, we have travel grace to and from, in the district and the many meetings to come and already being booked and scheduled, but that we'll take a pause and reflect on just how special a place this is and how we have to be guarded and protective of each individual that serves. And I lift all of us up today, that they seek Your will in all of the decisions that we made and will make, that it's always with You in mind first and the people second. I thank You for the sacrifice Your son, Jesus Christ, and all that He has to offer through the eternity with You with no pain, and just reflect that You are the ultimate healer and You are the ultimate example of moral and what is righteous. I thank You for those that chose to serve this session, I pray for those that choose not to come back, it'll be well good, done good and faithful servant. Those that do come back, we have a moral obligation to educate those that send us here on what the real issues are and what the real solutions can be. In Jesus' name. 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.

## **GUESTS PRESENTED**

Senator Birdwell was recognized and introduced to the Senate a Rapoport Academy Meyer High School athletics delegation including the varsity basketball team, Head Coach and UIL 2A Division I Coach of the Year Turmaine Rice; Assistant Coach Jerry Dancer; Superintendent, Dr. Alexis Neumann; Principal, Dr. Tyler Ellis; Athletics Director Bryan Foreman; and the Rapoport family.

The Senate welcomed its guests.

## PHYSICIAN OF THE DAY

Senator Birdwell was recognized and presented Dr. Gerard Marroquin of Waco as the Physician of the Day.

The Senate welcomed Dr. Marroquin, accompanied by Julie D. Marroquin, and thanked him for his participation in the Physician of the Day program sponsored by the Texas Academy of Family Physicians.

## BILLS AND RESOLUTIONS SIGNED

The Presiding Officer announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

SB 10, SB 34, SB 251, SB 261, SB 456, SB 500, SB 519, SB 527, SB 614, SB 646, SB 667, SB 705, SB 748, SB 777, SB 790, SB 826, SB 857, SB 869, SB 918, SB 924, SB 926, SB 955, SB 1049, SB 1055, SB 1137, SB 1164, SB 1188, SB 1233, SB 1243, SB 1266, SB 1302, SB 1307, SB 1333, SB 1335, SB 1398, SB 1400, SB 1433, SB 1467, SB 1558, SB 1563, SB 1596, SB 1858, SB 1862, SB 1896, SB 2073, SB 2206, SB 2405, SB 2610, SB 2781, SB 2885, SB 2995, SCR 3, SCR 9, SCR 18, SCR 30, SCR 53, SJR 59.

## SENATE RESOLUTION 89

Senator Kolkhorst offered the following resolution:

**SR 89**, In memory of Elizabeth Ann Seligman McCarty.

The resolution was again read.

On motion of Senator Menéndez and by unanimous consent, the names of the Lieutenant Governor and Senators were added to the resolution as signers thereof.

**SR 89** was previously adopted on Wednesday, March 26, 2025.

In honor of the memory of Elizabeth Ann Seligman McCarty, the text of **SR 89** will be printed in the *Senate Journal* upon adjournment of this legislative day.

Senator Kolkhorst was recognized and introduced to the Senate family members of Elizabeth Ann Seligman McCarty including Dr. Christopher McCarty, Molly and Brandon Gonzales, Everett and Rory Gonzales, Javier and Daphne Gonzales, Kristen Westbrook, and Jennifer Ebel.

The Senate welcomed its guests and extended its sympathy.

## RECESS

On motion of Senator Zaffirini, the Senate at 11:59 a.m. recessed until 12:45 p.m. today.

### AFTER RECESS

The Senate met at 2:03 p.m. and was called to order by President Pro Tempore Creighton.

### **GUESTS PRESENTED**

Senator Parker was recognized and introduced to the Senate a Sons of the Flag delegation including CEO Johnnie Yellock and Landon Shaw.

The Senate welcomed its guests.

## MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Friday, May 30, 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 CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

**HB 117** (110 Yeas, 23 Nays, 2 Present, not voting)

**HB 149** (121 Yeas, 17 Nays, 2 Present, not voting)

**HB 252** (118 Yeas, 18 Nays, 2 Present, not voting)

**HB 718** (136 Yeas, 0 Nays, 2 Present, not voting)

**HB 1056** (101 Yeas, 32 Nays, 2 Present, not voting)

**HB 1973** (133 Yeas, 2 Nays, 2 Present, not voting)

**HB 3000** (112 Yeas, 24 Nays, 2 Present, not voting)

**HB 3619** (108 Yeas, 27 Nays, 2 Present, not voting)

**HB 4464** (108 Yeas, 28 Nays, 3 Present, not voting)

HB 4623 (106 Yeas, 28 Nays, 2 Present, not voting)

HB 5509 (120 Yeas, 16 Nays, 2 Present, not voting)

HB 5646 (136 Yeas, 1 Nays, 2 Present, not voting)

HCR 84 (122 Yeas, 13 Nays, 4 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 46** 

House Conferees: King - Chair/Capriglione/Pierson/Tinderholt/Turner

HB 119

House Conferees: Gerdes - Chair/Bonnen/Capriglione/Cortez/Hefner

HB 705

House Conferees: Wilson - Chair/Gerdes/Patterson/Romero/Walle

HB 1545

House Conferees: Bell, Keith - Chair/Hull/Kitzman/Longoria/Shaheen

**HB 2017** 

House Conferees: Gerdes - Chair/Harless/Leach/Moody/Schatzline

HB 2963

House Conferees: Capriglione - Chair/Bucy/Button/Curry/Howard

HB 3909

House Conferees: Hickland - Chair/Dyson/Shaheen/Simmons/Zwiener

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 13

House Conferees: Buckley - Chair/Dutton/Frank/Leach/Schatzline

**SB 15** 

House Conferees: Gates - Chair/Hickland/Hunter/Romero/Vasut

SR 30

House Conferees: Bonnen - Chair/Dutton/Johnson/Leach/Little

**SB 268** 

House Conferees: Howard - Chair/Frank/Oliverson/Shofner/VanDeaver

SB 331

House Conferees: Frank - Chair/Bucy/Harris Davila/Ordaz/Pierson

**SB 441** 

House Conferees: Lalani - Chair/Capriglione/Fairly/Martinez/Perez, Mary Ann

SB 447

House Conferees: Morales, Eddie - Chair/Anchía/Fairly/Guillen/Martinez

SB 457

House Conferees: Frank - Chair/Capriglione/Hull/Manuel/Rose

**SB 568** 

House Conferees: Buckley - Chair/Bernal/Cunningham/Hunter/Leo Wilson

SB 650

House Conferees: Bowers - Chair/Geren/Patterson/Thompson/Walle

**SB 763** 

House Conferees: Bell, Keith - Chair/Barry/Harless/Landgraf/Walle

SB 1610

House Conferees: Cook - Chair/Dyson/Harless/Howard/Troxclair

**SB 1660** 

House Conferees: Cook - Chair/Bowers/Jones, Jolanda/Little/Louderback

**SB 2018** 

House Conferees: Bonnen - Chair/Buckley/Capriglione/Hunter/Vasut

SB 2024

House Conferees: Leach - Chair/Geren/Martinez/McQueeney/Olcott

SB 2217

House Conferees: Shaheen - Chair/Barry/Curry/Davis, Aicha/Raymond

**SB 2337** 

House Conferees: Leach - Chair/Capriglione/Harris Davila/Longoria/Luther

SB 2753

House Conferees: Isaac - Chair/Bucy/Plesa/Shaheen/Swanson

SB 2900

House Conferees: Bhojani - Chair/Ashby/Gerdes/Geren/Longoria

SB 2972

House Conferees: Leach - Chair/Hinojosa/Lambert/Turner/Wilson

SB 3059

House Conferees: Metcalf - Chair/Fairly/Martinez Fischer/Orr/Vasut

Respectfully,

/s/Stephen Brown,

Chief Clerk

House of Representatives

## MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Friday, May 30, 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 CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 20 (134 Yeas, 0 Nays, 2 Present, not voting)

**HB 121** (97 Yeas, 38 Nays, 2 Present, not voting)

**HB 346** (124 Yeas, 11 Nays, 2 Present, not voting)

HB 549 (134 Yeas, 1 Nays, 1 Present, not voting)

**HB 2854** (106 Yeas, 28 Nays, 2 Present, not voting)

HB 3073 (135 Yeas, 2 Nays, 2 Present, not voting)

**HB 3333** (99 Yeas, 37 Nays, 2 Present, not voting)

**HB 3697** (106 Yeas, 30 Nays, 2 Present, not voting)

**HB 4081** (129 Yeas, 7 Nays, 2 Present, not voting)

**HB 4144** (107 Yeas, 29 Nays, 3 Present, not voting)

**HB 5624** (125 Yeas, 10 Nays, 3 Present, not voting)

HB 5658 (85 Yeas, 52 Nays, 2 Present, not voting)

**HB 5666** (93 Yeas, 44 Nays, 3 Present, not voting)

**HB 5677** (89 Yeas, 48 Nays, 2 Present, not voting)

**HB 5682** (82 Yeas, 53 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 40**

House Conferees: Landgraf - Chair/Dyson/Johnson/Leach/Meyer

## **HB 3642**

House Conferees: Hefner - Chair/Anchia/Button/Patterson/Wilson

Respectfully,

/s/Stephen Brown, Chief Clerk

House of Representatives

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 17 ADOPTED

Senator Kolkhorst called from the President's table the Conference Committee Report on **SB 17**. The Conference Committee Report was filed with the Senate on Friday, May 23, 2025.

On motion of Senator Kolkhorst, the Conference Committee Report was adopted by the following vote: Yeas 23, Nays 8.

Yeas: Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, King, Kolkhorst, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West.

Nays: Alvarado, Cook, Eckhardt, Gutierrez, Johnson, Menéndez, Miles, Zaffirini.

### RECESS

On motion of Senator Zaffirini, the Senate at 2:17 p.m. recessed until 2:45 p.m. today.

## AFTER RECESS

The Senate met at 4:22 p.m. and was called to order by President Pro Tempore Creighton.

# CONFERENCE COMMITTEE ON HOUSE BILL 2963 (Motion In Writing)

Senator Hall 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 2963** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 2963** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Hall, Chair; Perry, Middleton, Sparks, and Nichols.

# CONFERENCE COMMITTEE ON HOUSE BILL 40 (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 40** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 40** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; King, Creighton, Huffman, and Parker.

## MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Friday, May 30, 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 14 (118 Yeas, 6 Nays, 2 Present, not voting)

HB 127 (130 Yeas, 4 Nays, 2 Present, not voting)

**HB 223** (103 Yeas, 28 Nays, 2 Present, not voting)

**HB 2731** (99 Yeas, 38 Nays, 1 Present, not voting)

**HB 3848** (101 Yeas, 30 Nays, 2 Present, not voting)

**HB 4236** (96 Yeas, 39 Nays, 3 Present, not voting)

**HB 4690** (136 Yeas, 0 Nays, 2 Present, not voting)

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

SB 509 (97 Yeas, 37 Nays, 2 Present, not voting)

**SB 1198** (118 Yeas, 14 Nays, 2 Present, not voting)

THE HOUSE HAS DISCHARGED ITS CONFEREES AND CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

**HB 2525** (104 Yeas, 32 Nays, 2 Present, not voting)

THE HOUSE HAS TAKEN THE FOLLOWING OTHER ACTION:

## HB 4233

Pursuant to a sustained point of order due to non-germane amendments, the house returns HB 4233 to the senate for further consideration.

Respectfully,

/s/Stephen Brown, Chief Clerk House of Representatives

## MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Friday, May 30, 2025 - 5

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 500 (112 Yeas, 24 Nays, 2 Present, not voting)

Respectfully,

/s/Stephen Brown, Chief Clerk House of Representatives

# CONFERENCE COMMITTEE ON HOUSE BILL 3909 (Motion In Writing)

Senator Zaffirini 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 3909** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 3909** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Zaffirini, Chair; Hughes, Hall, Alvarado, and Birdwell.

# CONFERENCE COMMITTEE ON HOUSE BILL 119 (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 119** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 119** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Bettencourt, Parker, Kolkhorst, and A. Hinojosa.

# CONFERENCE COMMITTEE ON HOUSE BILL 3642 (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 3642** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 3642** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Nichols, Parker, Paxton, and J. Hinojosa.

## CONFERENCE COMMITTEE ON HOUSE BILL 1545 (Motion In Writing)

Senator Parker 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 1545** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 1545** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Parker, Chair; Blanco, Middleton, Paxton, and Sparks.

# CONFERENCE COMMITTEE ON HOUSE BILL 705 (Motion In Writing)

Senator Zaffirini 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 705** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 705** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Zaffirini, Chair; Blanco, Campbell, Nichols, and King.

# CONFERENCE COMMITTEE ON HOUSE BILL 2017 (Motion In Writing)

Senator Hagenbuch 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 2017** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President Pro Tempore asked if there were any motions to instruct the conference committee on **HB 2017** before appointment.

There were no motions offered.

Accordingly, the President Pro Tempore announced the appointment of the following conferees on the part of the Senate: Senators Hagenbuch, Chair; King, Parker, Flores, and Hancock.

# SENATE RULE 8.02 SUSPENDED (Referral to Committee)

On motion of Senator Gutierrez and by unanimous consent, Senate Rule 8.02 was suspended to take up for consideration HCR 153 at this time.

## HOUSE CONCURRENT RESOLUTION 153

The President Pro Tempore laid before the Senate the following resolution:

WHEREAS, The city of Pearsall in Frio County has played an important role in the power industry for decades by serving as home to numerous power line construction companies and their employees; and

WHEREAS, Over the years, a large percentage of the local population has embarked on careers in the industry, and today, numerous area residents are employed as linemen; and

WHEREAS, Pearsall's linemen help build, repair, and maintain the power lines that are essential to the electrical infrastructure that powers our state and nation; in the course of their duties, these accomplished professionals face difficult and dangerous circumstances on a daily basis and often travel across the country and even internationally to help restore power after hurricanes, tornadoes, and other disasters; they frequently perform their demanding tasks in severe environmental conditions, and they can spend long stretches of time away from home and family while completing their important work; and

WHEREAS, Becoming a lineman is often a family tradition for residents of the Pearsall area; many of those working today have followed both a father and grandfather into the occupation, which requires a high level of training and extensive skill and expertise; and

WHEREAS, The delivery of power is vital to the modern way of life, and the dedicated efforts of Pearsall's many line workers have benefited communities throughout Texas and far beyond; now, therefore, be it

RESOLVED, That the 89th Legislature of the State of Texas hereby designate Pearsall as the official Lineman Capital of Texas; and, be it further

RESOLVED, That, in accordance with the provisions of Section 391.003(e), Government Code, this designation remain in effect until the 10th anniversary of the date this resolution is finally passed by the legislature.

## HCR 153 was read.

On motion of Senator Gutierrez and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

## HOUSE CONCURRENT RESOLUTION 166

The President Pro Tempore laid before the Senate the following resolution:

WHEREAS, House Bill No. 4187 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors 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 corrections to the enrolled version of House Bill No. 4187:

- (1) IN SECTION 11 of the bill, in added Section 2166.504, Government Code (page 17, line 16), strike "442.034" and substitute "442.0062".
- (2) Strike SECTION  $\overline{15}$  of the bill (page  $\overline{18}$ , lines 2-6) and substitute the following:

SECTION 15. On the effective date of this Act, the Texas Historical Commission is responsible for the preservation, maintenance, and repair of official Texas historical markers as provided by Section 442.0062, Government Code, as added by this Act, including markers described by that section for which the Texas Facilities Commission previously had responsibility before that date.

## **KOLKHORST**

## HCR 166 was read.

On motion of Senator Kolkhorst and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

### RECESS

On motion of Senator Zaffirini, the Senate at 4:43 p.m. recessed until 5:15 p.m. today.

## AFTER RECESS

The Senate met at 5:51 p.m. and was called to order by President Pro Tempore Creighton.

## SENATE BILL 57 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 57** from the President's table for consideration of the House amendment to the bill.

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

## Floor Amendment No. 1

Amend SB 57 (house committee report) as follows:

- (1) Strike page 1, line 6 through page 2, line 19.
- (2) On page 3, line 9, between "on the" and "guidelines", insert "recommendations and".
  - (3) Strike page 4, line 27 through page 5, line 12 and substitute the following:
- Sec. 37.1086. <u>RECOMMENDATIONS AND GUIDELINES FOR SCHOOL DRILL ACCOMMODATIONS AND MULTIHAZARD EMERGENCY OPERATIONS PLAN PROVISIONS FOR INDIVIDUALS WITH DISABILITIES OR IMPAIRMENTS.</u> (a) The commissioner by rule [agency] shall establish:
- (1) recommendations regarding accommodations for a student with an individualized education program or a plan created under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794) during a mandatory school drill required under Section 37.114; and
  - (2) guidelines for:
- (A) the documentation of accommodations for a student described by Subdivision (1) in the provisions in a school district's multihazard emergency operations plan under Section 37.108(f)(4) to ensure the safety of students and district personnel with disabilities or impairments during a mandatory school drill required under Section 37.114 or a disaster or emergency situation;
- (B) required communications between campus administrators and staff regarding the accommodations described by Paragraph (A); and
- (C) required communications between campus administrators and the school district's school safety and security committee established under Section 37.109 regarding students or district personnel with disabilities or impairments for purposes of providing recommendations for updating the district's multihazard emergency operations plan required by Section 37.108(a).
  - (b) In establishing recommendations and guidelines under Subsection (a), the
  - (4) Add the following appropriately numbered SECTION to the bill:
- SECTION \_\_\_\_\_. Sections 37.109(a-1), (b), (c), and (d), Education Code, are amended to read as follows:
  - (a-1) The committee, to the greatest extent practicable, must include:
- (1) one or more representatives of an office of emergency management of a county or city in which the district is located;
- (2) one or more representatives of the local police department or sheriff's office;
- (3) one or more representatives of the district's police department, if applicable;
  - (4) the president of the district's board of trustees;
  - (5) a member of the district's board of trustees other than the president;
  - (6) the district's superintendent;
- (7) two [one] or more designees of the district's superintendent, one of whom must be a classroom teacher in the district and one of whom must be an administrator of special education in the district;

- (8) if the district partners with an open-enrollment charter school to provide instruction to students, a member of the open-enrollment charter school's governing body or a designee of the governing body; and
  - (9) two parents or guardians of students enrolled in the district.
  - (b) The committee shall:
- (1) participate on behalf of the district in developing and implementing emergency plans consistent with the district multihazard emergency operations plan required by Section 37.108(a) to ensure that the plans reflect specific campus, facility, or support services needs, including recommended accommodations for a student with an individualized education program or a plan created under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794);
- (2) periodically provide recommendations to the district's board of trustees and district administrators regarding updating the district multihazard emergency operations plan required by Section 37.108(a) in accordance with best practices identified by the agency, the Texas School Safety Center, or a person included in the registry established by the Texas School Safety Center under Section 37.2091;
- (3) provide the district with any campus, facility, or support services information required in connection with a safety and security audit required by Section 37.108(b), a safety and security audit report required by Section 37.108(c), or another report required to be submitted by the district to the Texas School Safety Center;
- (4) review each report required to be submitted by the district to the Texas School Safety Center to ensure that the report contains accurate and complete information regarding each campus, facility, or support service in accordance with criteria established by the center; and
- (5) consult with local law enforcement agencies on methods to increase law enforcement presence near district campuses.
- (c) Except as otherwise provided by this subsection, the committee shall meet at least once during each academic semester and at least once during the summer and as necessary to provide recommendations, based on communications with campus administrators described by Section 37.1086(a)(2)(C), for updating the district multihazard emergency operations plan required by Section 37.108(a) to include recommended accommodations for a student with an individualized education program or a plan created under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794). A committee established by a school district that operates schools on a year-round system or in accordance with another alternative schedule shall meet at least three times during each calendar year, with an interval of at least two months between each meeting.
- (d) The committee is subject to Chapter 551, Government Code. The committee shall meet in executive session when discussing information regarding a student's individualized education program or a plan created under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794) for a student [5] and may otherwise meet in executive session as provided by Chapter 551, Government Code [that chapter]. Notice of a committee meeting must be posted in the same manner as notice of a meeting of the district's board of trustees.

- (5) On page 5, line 26, between "establishing the" and "guidelines", insert "recommendations and".
  - (6) On page 6, strike lines 1 and 2.
  - (7) Renumber SECTIONS of the bill accordingly.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to SB 57.

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

## SENATE BILL 1838 WITH HOUSE AMENDMENT

Senator Zaffirini called SB 1838 from the President's table for consideration of the House amendment to the bill.

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

### Amendment

Amend **SB 1838** by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the appointment of attorneys ad litem and the compensation of certain attorneys ad litem in suits affecting the parent-child relationship filed by a governmental entity.

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

SECTION 1. Section 107.013(a), Family Code, is amended to read as follows:

- (a) In a suit filed by a governmental entity [under Subtitle E] in which termination of the parent-child relationship or the appointment of a conservator for a child is requested, the court shall appoint an attorney ad litem to represent the interests of:
- (1) an indigent parent of the child who responds in opposition to the termination or appointment;
  - (2) a parent served by citation by publication;
- (3) an alleged father who failed to register with the registry under Chapter 160 and whose identity or location is unknown; and
- (4) an alleged father who registered with the paternity registry under Chapter 160, but the petitioner's attempt to personally serve citation at the address provided to the registry and at any other address for the alleged father known by the petitioner has been unsuccessful.

SECTION 2. Section 107.015, Family Code, is amended by amending Subsections (a) and (c) and adding Subsections (e) and (f) to read as follows:

- (a) An attorney appointed under this chapter or Subtitle E to serve as an attorney ad litem for a child, an attorney in the dual role, or an attorney ad litem for a parent is entitled to reasonable fees and expenses in the amount set by the court to be paid by the parents of the child unless the parents are indigent.
- (c) If indigency of the parents is shown, an attorney ad litem appointed to represent a child or parent in a suit filed by a governmental entity who is not an employee of an office of child representation, office of parent representation, or other

entity that uses public money to provide legal representation to children or parents in a suit filed by a governmental entity shall be paid from the general funds of the county according to the fee schedule adopted under Section 107.0155 [that applies to an attorney appointed to represent a child in a suit under Title 3 as provided by Chapter 51]. The court may not award attorney ad litem fees under this chapter against the state, a state agency, or a political subdivision of the state except as provided by this subsection.

- (e) A court may remove a person from the list maintained by the court of persons qualified for appointment as attorney or guardian ad litem if, after notice and a hearing, the court determines the person submitted a voucher or claim for payment under Subsection (d) for services the person did not perform.
- (f) A person whose voucher or claim for payment under Subsection (d) was denied or modified by the court or has not been approved by the court by the 60th day after the date the voucher or claim for payment was submitted may file a petition addressed to the presiding judge of the administrative judicial region to compel payment or to appeal the denial or modification of the payment. The presiding judge of the administrative judicial region shall review the petition for payment filed under this section, determine the amount due to the petitioner, and order the commissioners court to pay that amount not later than the 45th day after the date a petition is filed under this subsection. The presiding judge of the administrative judicial region may hold a hearing in a proceeding described by this subsection.

SECTION 3. Part 1, Subchapter B, Chapter 107, Family Code, is amended by adding Section 107.0155 to read as follows:

Sec. 107.0155. FEE SCHEDULE FOR CERTAIN ATTORNEYS AD LITEM.

(a) Each court in a county hearing suits filed by a governmental entity shall jointly develop, adopt, and submit to the commissioners court of the county a fee schedule for the compensation of an attorney ad litem described by Section 107.015(c) that includes:

- (1) payments for:
- (A) time spent in court making an appearance on behalf of the parent or child in the case, including in an appellate court; and
- (B) reasonable and necessary time spent out of court on the case, including in the preparation of an appeal; and
  - (2) reimbursement for reasonable and necessary expenses, including:
    - (A) mileage and other case-related travel expenses; and
    - (B) costs for expert witnesses.
  - (b) A fee schedule adopted under Subsection (a) must:
- (1) describe with specificity services and expenses eligible for payment or reimbursement;
  - (2) include an hourly or fixed payment rate based on:
    - (A) reasonable and necessary time spent on a case;
    - (B) reasonable and necessary overhead costs associated with a case;

and

(C) the availability of qualified attorneys willing to serve at the rate;

and

- (3) include a form for the itemization of services and expenses for a claim for payment under Section 107.015(d).
- SECTION 4. (a) Not later than January 1, 2026, the courts in each county hearing suits filed by a governmental entity in which appointment of an attorney ad litem is required under Chapter 107 or Subtitle E, Title 5, Family Code, shall adopt the fee schedule required by Section 107.0155, Family Code, as added by this Act.
- (b) Section 107.015(c), Family Code, as amended by this Act, and Section 107.0155, Family Code, as added by this Act, apply only to an attorney ad litem appointed on or after January 1, 2026.

SECTION 5. This Act takes effect September 1, 2025.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to SB 1838.

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

## SENATE BILL 140 WITH HOUSE AMENDMENT

Senator Hall called **SB 140** from the President's table for consideration of the House amendment to the bill.

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

## Amendment

Amend **SB 140** by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED

## AN ACT

relating to certain definitions relating to the regulation of and private rights of action arising from certain solicitation-related communications.

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

SECTION 1. Section 302.001, Business & Commerce Code, is amended by adding Subdivision (6-a) and amending Subdivision (7) to read as follows:

- (6-a) "Telephone call" has the meaning assigned by Section 304.002.
- (7) "Telephone solicitation" means a [telephone] call or other transmission, including a transmission of a text or graphic message or of an image, initiated by a seller or salesperson [initiates] to induce a person to purchase, rent, claim, or receive an item. The term includes a telephone call a purchaser makes in response to a solicitation sent by mail or made by any other means.

SECTION 2. Section 302.003, Business & Commerce Code, is amended to read as follows:

Sec. 302.003. LIBERAL CONSTRUCTION AND APPLICATION. (a) This chapter shall be liberally construed and applied to promote its underlying purpose to protect persons and the public against false, misleading, or deceptive practices in the telephone solicitation business.

(b) The fact that a claimant has recovered under a private action arising from a violation of this chapter more than once may not limit recovery in a future legal proceeding in any manner.

SECTION 3. Section 304.005, Business & Commerce Code, is amended to read as follows:

Sec. 304.005. LIBERAL CONSTRUCTION AND APPLICATION. (a) This chapter shall be liberally construed and applied to promote its underlying purpose to protect persons and the public against false, misleading, abusive, or deceptive practices in the telemarketing business.

(b) The fact that a claimant has recovered under a private action arising from a violation of this chapter more than once may not limit recovery in a future legal proceeding in any manner.

SECTION 4. Subchapter F, Chapter 304, Business & Commerce Code, is amended by adding Section 304.2581 to read as follows:

Sec. 304.2581. DECEPTIVE TRADE PRACTICES. (a) A violation of this chapter is a false, misleading, or deceptive act or practice under Subchapter E, Chapter 17.

(b) A public or private right or remedy prescribed by Subchapter E, Chapter 17, may be used to enforce this chapter.

SECTION 5. Subchapter B, Chapter 305, Business & Commerce Code, is amended by adding Sections 305.054 and 305.055 to read as follows:

Sec. 305.054. DECEPTIVE TRADE PRACTICES. (a) A violation of this chapter is a false, misleading, or deceptive act or practice under Subchapter E, Chapter 17.

(b) A public or private right or remedy prescribed by Subchapter E, Chapter 17, may be used to enforce this chapter.

Sec. 305.055. CLAIMANT RECOVERY FOR VIOLATION. The fact that a claimant has recovered under a private action arising from a violation of this chapter more than once may not limit recovery in a future legal proceeding in any manner.

SECTION 6. The changes in law made by this Act apply only to conduct that occurs on or after the effective date of this Act.

SECTION 7. This Act takes effect September 1, 2025.

The amendment was read.

Senator Hall moved to concur in the House amendment to **SB 140**.

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

## SENATE BILL 467 WITH HOUSE AMENDMENT

Senator Paxton called **SB 467** from the President's table for consideration of the House amendment to the bill.

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

## Amendment

Amend **SB 467** by substituting in lieu thereof the following:

# A BILL TO BE ENTITLED

## AN ACT

relating to a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.351 to read as follows:

- Sec. 11.351. TEMPORARY EXEMPTION FOR IMPROVEMENT TO RESIDENCE HOMESTEAD DESTROYED BY FIRE. (a) In this section, "residence homestead" has the meaning assigned by Section 11.13.

  (b) A person is entitled to an exemption from taxation by a taxing unit in an
- (b) A person is entitled to an exemption from taxation by a taxing unit in an amount determined under Subsection (d) of the appraised value of an improvement to the person's residence homestead that:
  - (1) is completely destroyed by a fire;
  - (2) is a habitable dwelling immediately before the date the fire occurs; and
  - (3) remains uninhabitable for at least 30 days after the date the fire occurs.
- (c) A person is entitled to an exemption provided by this section only for the tax year in which the fire occurs.
- (d) The amount of the exemption authorized by this section is calculated by multiplying the appraised value of the improvement for the tax year in which the fire occurs by a fraction, the denominator of which is 365 and the numerator of which is the number of days remaining in the tax year after the date on which the fire occurs.
- (e) A property owner must submit an application for an exemption authorized by this section to the chief appraiser of the appraisal district in which the improvement that is the subject of the application is located not later than the 180th day after the date the fire occurs.
- (f) On receipt of an application under Subsection (e), the chief appraiser shall determine whether the improvement that is the subject of the application qualifies for the exemption authorized by this section. In determining whether an improvement qualifies for the exemption authorized by this section, the chief appraiser may rely on information provided by any other source the chief appraiser considers appropriate, including a county fire marshal or an insurance adjuster.
- (g) If a person becomes entitled to the exemption authorized by this section after the amount of tax due on the property is calculated and the effect of the qualification is to reduce the amount of the tax due on the property, the assessor for each applicable taxing unit shall recalculate the amount of the tax due on the property and correct the tax roll. If the tax bill has been mailed and the tax on the property has not been paid, the assessor shall mail a corrected tax bill to the person in whose name the property is listed on the tax roll or to the person's authorized agent. If the tax on the property has been paid, the tax collector for the taxing unit shall refund to the person who paid the tax the amount by which the payment exceeded the tax due.

SECTION 2. The change in law made by this Act applies only to an ad valorem tax year that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2026, but only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, to authorize the legislature to provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.

The amendment was read.

Senator Paxton moved to concur in the House amendment to SB 467.

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

## SENATE BILL 2167 WITH HOUSE AMENDMENT

Senator Paxton called **SB 2167** from the President's table for consideration of the House amendment to the bill.

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

## Floor Amendment No. 1 on Third Reading

Amend **SB 2167** on third reading by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_. Section 455.351, Occupations Code, is amended by adding Subsection (f-1) to read as follows:

(f-1) A civil penalty recovered in an action by a district or county attorney under this section shall be deposited to the credit of the general fund of the county where the court is located and used only for purposes of combatting human trafficking. A civil penalty recovered in an action by a municipal attorney under this section shall be deposited to the credit of the general fund of the municipality and used only for purposes of combatting human trafficking.

The amendment was read.

Senator Paxton moved to concur in the House amendment to SB 2167.

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

## SENATE BILL 785 WITH HOUSE AMENDMENT

Senator Flores called **SB 785** from the President's table for consideration of the House amendment to the bill.

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

## Floor Amendment No. 1

Amend SB 785 (house committee report) as follows:

- (1) On page 2, strike lines 17 through 27 and substitute the following:
- (2) shall ensure at least one of the residential zoning classifications or districts described by Subdivision (1) has been adopted and applies to an area of land within the municipality's boundaries; and
- (3) if the municipality has a comprehensive zoning classification map, shall indicate on the map the areas within the municipality's boundaries that comply with Subdivision (2).
  - (2) On page 3, line 7, strike "2025" and substitute "2026".

The amendment was read.

Senator Flores moved to concur in the House amendment to SB 785.

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

Nays: Schwertner.

## SENATE BILL 512 WITH HOUSE AMENDMENT

Senator Kolkhorst called **SB 512** from the President's table for consideration of the House amendment to the bill.

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

### Floor Amendment No. 1

Amend **SB 512** on page 1, line 22, by inserting between "agreement" and the period the following:

, provided that the money transmission licensee refunds the balance of the account to the customer in a manner that makes the funds readily available to the customer.

The amendment was read.

Senator Kolkhorst moved to concur in the House amendment to SB 512.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Gutierrez.

### SENATE BILL 1281 WITH HOUSE AMENDMENT

Senator Parker called **SB 1281** from the President's table for consideration of the House amendment to the bill.

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

## Amendment

Amend **SB 1281** by substituting in lieu thereof the following:

# A BILL TO BE ENTITLED

### AN ACT

relating to certain criminal offenses involving mail or a mail receptacle key or lock; creating a criminal offense; increasing a criminal penalty.

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

SECTION 1. Section 31.20(a), Penal Code, is amended by amending Subdivision (3) and adding Subdivision (4) to read as follows:

- (3) "Mail" means a letter, postal card, package, bag, or other sealed article that:
  - (A) is delivered by a common carrier or delivery service and:
    - (i) is in transit; or
    - (ii) has been delivered but not yet received by the addressee; or
- (B) has been left to be collected for delivery by a common carrier or delivery service.
- (4) "Negotiable instrument" has the meaning assigned by Section 3.104, Business & Commerce Code.

- SECTION 2. Section 31.20, Penal Code, is amended by amending Subsections (b) and (d) and adding Subsections (b-1), (b-2), (b-3), (d-1), and (e-1) to read as follows:
- (b) A person commits an offense if the person intentionally appropriates mail [from another person's mailbox or premises] without the effective consent of the addressee and with the intent to:
  - (1) deprive that addressee of the mail; or
  - (2) steal a negotiable instrument.
- (b-1) If an actor possesses mail from five or more addressees, there is a rebuttable presumption that actor appropriated the mail without the effective consent of the applicable addressee and with the intent to deprive the addressee of the mail.
- (b-2) If an actor possesses mail containing a combined total of five or more negotiable instruments, there is a rebuttable presumption that the actor:
- (1) appropriated the mail without the effective consent of the applicable addressee and with the intent to steal the negotiable instruments; and
- (2) committed the offense under this section with the intent to facilitate an offense under Chapter 32.
- (b-3) The presumptions established under Subsections (b-1) and (b-2) do not apply to a business or other commercial entity or governmental agency that is engaged in a business activity or governmental function that does not violate a penal law of this state.
- (d) If it is shown on the trial of an offense under <u>Subsection (b)(1)</u> [this section] that the appropriated mail contained an item of identifying information and the actor committed the offense with the intent to facilitate an offense under Section 32.51, the [an] offense [under this section] is:
- (1) a state jail felony if the mail is appropriated from fewer than 10 addressees:
- (2) a felony of the third degree if the mail is appropriated from at least 10 but fewer than 20 addressees;
- (3) a felony of the second degree if the mail is appropriated from at least 20 but fewer than 50 addressees; or
- (4) a felony of the first degree if the mail is appropriated from 50 or more addressees.
- (d-1) If it is shown on the trial of an offense under Subsection (b)(2) that the appropriated mail contained a negotiable instrument and the actor committed the offense with the intent to facilitate an offense under Chapter 32, the offense is:
- (1) a state jail felony if five or fewer negotiable instruments are appropriated;
- (2) a felony of the third degree if more than 5 but fewer than 10 negotiable instruments are appropriated;
- (3) a felony of the second degree if at least 10 but fewer than 50 negotiable instruments are appropriated; or
- (4) a felony of the first degree if 50 or more negotiable instruments are appropriated.

(e-1) An offense described for purposes of punishment by Subsection (d-1)(1), (2), or (3) is increased to the next higher category of offense if it is shown on the trial of the offense that at the time of the offense the actor knew or had reason to believe that an addressee from whom the actor appropriated a negotiable instrument was a disabled individual or an elderly individual.

SECTION 3. Subchapter D, Chapter 32, Penal Code, is amended by adding Section 32.56 to read as follows:

Sec. 32.56. UNLAWFUL CONDUCT INVOLVING MAIL RECEPTACLE KEY OR LOCK. (a) In this section:

- (1) "Mail" has the meaning assigned by Section 31.20.
- (2) "Postal service" means:
- (A) the United States Postal Service or a contractor of the United States Postal Service; or
  - (B) any commercial courier that delivers mail.
- (b) A person commits an offense if, with the intent to harm or defraud another or to deprive another of that person's property, the person obtains, possesses, duplicates, transfers, or uses a key or lock adopted by a postal service for any box or other authorized receptacle for the deposit or delivery of mail.
- (c) An offense under this section is a felony of the third degree, except that the offense is a felony of the second degree if it is shown on the trial of the offense that the actor has been previously convicted of an offense under this section.

SECTION 4. The changes in law made by this Act apply 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 5. This Act takes effect September 1, 2025.

The amendment was read.

Senator Parker moved to concur in the House amendment to SB 1281.

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

Nays: Gutierrez.

## SENATE BILL 2407 WITH HOUSE AMENDMENT

Senator Sparks called **SB 2407** from the President's table for consideration of the House amendment to the bill.

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

## Floor Amendment No. 1

Amend **SB 2407** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 8504.052, Special District Local Laws Code, is amended to read as follows:

Sec. 8504.052. TERMS. Directors hold office for staggered terms of <u>four</u> [six] years.

SECTION \_\_\_\_\_. At the first meeting of the board of the Lower Neches Valley Authority that follows the effective date of this Act, the three directors of the Lower Neches Valley Authority whose terms would expire on July 28, 2031, shall draw lots to determine which two of those directors will serve terms that expire on July 28, 2029, and which one of those directors will serve a term expiring on July 28, 2027. The three directors with terms expiring on July 28, 2027, and the three directors with terms expiring on July 28, 2029, will serve terms that expire on those dates.

The amendment was read.

Senator Sparks moved to concur in the House amendment to SB 2407.

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

## SENATE BILL 1579 WITH HOUSE AMENDMENT

Senator Blanco called **SB 1579** from the President's table for consideration of the House amendment to the bill.

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

## Floor Amendment No. 1

Amend **SB 1579** (house committee report) as follows:

- (1) On page 1, line 8, between "AND" and "UNDEVELOPED", insert "TAX DELINQUENT".
- (2) On page 1, line 20, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
- (3) On page 1, line 22, between "undeveloped" and "for", insert "and unoccupied".
  - (4) On page 2, line 2, between "undeveloped" and "or", insert ", abandoned,".
  - (5) On page 2, line 6, strike "and".
- (6) On page 2, line 8, strike the underlined period and substitute with an underlined semicolon.
  - (7) On page 2, between lines 8 and 9, insert the following:
- (5) has delinquent ad valorem taxes owed for the current tax year, as defined by Section 1.04, Tax Code; and
- (6) has delinquent ad valorem taxes owed for at least 5 out of the preceding 10 tax years.
- (8) On page 2, line 11, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
- (9) On page 3, strike line 3 and substitute the following:
- full and no delinquent ad valorem taxes or penalties are owed on the parcel at the time of the hearing, regardless of whether the taxes or penalties were paid after the notice provided under Section 212.304.
- (10) On page 3, line 6, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
  - (11) On page 3, line 9, strike "an undeveloped" and substitute "a".

- (12) On page 3, line 10, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
- (13) On page 4, line 14, strike "and to" and substitute ", each person who paid the ad valorem taxes imposed on the parcel of land during the 15 most recent tax years, and".
- (14) On page 4, line 18, strike "and" and substitute ", each person who paid the ad valorem taxes imposed on the parcel of land during the 15 most recent tax years, and each".
- (15) On page 4, line 20, strike "and" and substitute ", each person who paid the ad valorem taxes imposed on the parcel of land during the 15 most recent tax years, and each".
- (16) On page 5, line 8, strike "and" and substitute ", each person who paid the ad valorem taxes imposed on the parcel of land during the 15 most recent tax years, and each".
- (17) On page 5, line 11, between "located" and "or", insert ", in the records of the county tax office for the county in which the parcel of land is located,".
- (18) On page 5, line 17, between "clerk" and "or", insert ", in the records of the county tax office,".
  - (19) On page 6, line 9, between "owner" and "or", insert ", owner's agent,".
- (20) On page 6, lines 24 and 25, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
- (21) On page 6, line 27, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
- (22) On page 7, line 14, strike "has been abandoned and unoccupied" and substitute "is abandoned, unoccupied, and tax delinquent".
  - (23) On page 7, line 20, between "appoint" and "the", insert "as a receiver".
  - (24) On page 7, line 21, between the underlined comma and "a", strike "or".
- (25) On page 7, strike line 23 and substitute ", or a person who may directly benefit from an administrative action taken as a receiver.".
- (26) On page 8, line 15, strike "abandoned and unoccupied" and substitute "abandoned, unoccupied, and tax delinquent".
  - (27) On page 9, between lines 4 and 5, insert the following:
- (f) A parcel of land under the control of a receiver appointed under this subchapter may be redeemed by the record owner or the owner's agent during the 12 months following the appointment of the receiver by paying all current and delinquent ad valorem taxes owed and the proportional cost of notice and administrative fees, if applicable.
  - (28) On page 9, line 5, strike " $(\underline{f})$ " and substitute " $(\underline{g})$ ".
  - (29) On page 9, line 19, strike  $\overline{(g)}$  and substitute  $\overline{(h)}$ .
  - (30) On page 10, line 11, strike "(h)" and substitute "(i)".
  - (31) On page 10, line 13, strike "(1)" and substitute "(1)".
  - (32) On page 10, line 16, strike " $\overline{(g)}(1)$ " and substitute " $\underline{(h)}(1)$ ".

The amendment was read.

Senator Blanco moved to concur in the House amendment to SB 1579.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hagenbuch, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Hall, Hughes, Middleton.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 509 ADOPTED

Senator Bettencourt called from the President's table the Conference Committee Report on **SB 509**. The Conference Committee Report was filed with the Senate on Monday, May 26, 2025.

On motion of Senator Bettencourt, the Conference Committee Report was adopted by the following vote: Yeas 25, Nays 6.

Yeas: Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, Johnson, King, Kolkhorst, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, Zaffirini.

Nays: Alvarado, Cook, Eckhardt, Gutierrez, Menéndez, West.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 2155 ADOPTED

Senator Perry called from the President's table the Conference Committee Report on **SB 2155**. The Conference Committee Report was filed with the Senate on Monday, May 26, 2025.

On motion of Senator Perry, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Eckhardt, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Creighton, Hughes.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 1198 ADOPTED

Senator Birdwell called from the President's table the Conference Committee Report on **SB 1198**. The Conference Committee Report was filed with the Senate on Wednesday, May 28, 2025.

On motion of Senator Birdwell, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Cook.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 21 ADOPTED

Senator Schwertner called from the President's table the Conference Committee Report on **SB 21**. The Conference Committee Report was filed with the Senate on Tuesday, May 27, 2025.

On motion of Senator Schwertner, the Conference Committee Report was adopted by the following vote: Yeas 23, Nays 8.

Yeas: Bettencourt, Birdwell, Blanco, Campbell, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Menéndez, Middleton, Miles, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Alvarado, Cook, Creighton, Eckhardt, Gutierrez, Hughes, Kolkhorst, Nichols.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 2778 ADOPTED

Senator A. Hinojosa called from the President's table the Conference Committee Report on **SB 2778**. The Conference Committee Report was filed with the Senate on Tuesday, May 27, 2025.

On motion of Senator A. Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hagenbuch, Hall, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Hancock, Hughes.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 1506 ADOPTED

Senator Parker called from the President's table the Conference Committee Report on **SB 1506**. The Conference Committee Report was filed with the Senate on Monday, May 26, 2025.

On motion of Senator Parker, the Conference Committee Report was adopted by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West.

Nays: Cook, Eckhardt, Johnson, Zaffirini.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 1833 ADOPTED

Senator Parker called from the President's table the Conference Committee Report on **SB 1833**. The Conference Committee Report was filed with the Senate on Monday, May 26, 2025.

On motion of Senator Parker, the Conference Committee Report was adopted 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 800 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 800** from the President's table for consideration of the House amendments to the bill.

The President Pro Tempore laid the bill and the House amendments before the Senate.

### Floor Amendment No. 1

Amend **SB 800** (house committee report) on page 1 as follows:

- (1) At the end of line 21, strike "and".
- (2) On line 23, between the underlined semicolon and the "and", insert the following appropriately numbered subparagraphs:
  - how to report a sexual assault to the institution; and
     information regarding the crime victims' compensation

## program;

## Floor Amendment No. 2

Amend **SB 800** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. The heading to Section 51.91941, Education Code, is amended to read as follows:

Sec. 51.91941. SUICIDE PREVENTION AND SEXUAL ASSAULT INFORMATION REQUIRED ON STUDENT IDENTIFICATION CARD.

SECTION \_\_\_\_\_. Section 51.91941(b), Education Code, is amended to read as follows:

- (b) Each student identification card issued by an institution of higher education:
  - (1) must have printed on the card the contact information for:
    - (A) the National Suicide Prevention Lifeline; [and]
    - (B) the Crisis Text Line; and
    - (C) the National Sexual Assault Hotline; and
  - (2) may have printed on the card the contact information for:

- (A) the campus police department or security for the campus at which the student to whom the card is issued regularly attends classes or, if the campus does not have a campus police department or security, a local nonemergency police contact:
- (B) the campus health clinic for the campus at which the student to whom the card is issued regularly attends classes or, if the campus does not have a health clinic, a local health clinic; and
  - (C) a local suicide prevention hotline, if available.

SECTION \_\_\_\_. Section 51.91941(b), Education Code, as amended by this Act, applies only to a student identification card issued on or after the effective date of this Act.

## Floor Amendment No. 3

Amend **SB 800** (house committee report) on page 1 as follows:

- (1) At the end of line 21, strike "and".
- (2) Between lines 23 and 24, insert the following appropriately numbered subparagraph:
- <u>( )</u> a list of local community and statewide organizations that provide support services to survivors of sexual assault; and

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to SB 800.

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

### SENATE BILL 1760 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 1760** from the President's table for consideration of the House amendments to the bill.

The President Pro Tempore laid the bill and the House amendments before the Senate.

## Floor Amendment No. 1

Amend **SB 1760** (house committee report) on page 4, line 4, by striking "\$45" and substituting "\$80".

## Floor Amendment No. 2

Amend **SB 1760** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 1163.003(a), Estates Code, is amended to read as follows:

- (a) The guardian of the estate shall attach to each annual account:
- (1) a voucher, including a receipt, invoice, or proof of payment, for each item of credit claimed in the account or, to support the item in the absence of the voucher, other evidence satisfactory to the court;
- (2) an official letter from the bank or other depository where the money on hand of the estate or ward is deposited that shows the amounts in general or special deposits; [and]

- (3) proof of the existence and possession of:
  - (A) securities owned by the estate or shown by the account; and
  - (B) other assets held by a depository subject to court order;
- (4) an official statement that covers the date that the accounting period ends issued by each bank or other depository where:
  - (A) the money on hand of the estate or ward is deposited; or
  - (B) the securities or other assets are held for safekeeping; and
- (5) a bill of sale, contract, or other agreement evidencing the sale of personal property of the estate or ward during the accounting period.

SECTION \_\_\_\_\_. Section 1163.003, Estates Code, as amended by this Act, applies to a guardianship proceeding that is pending or commenced on or after the effective date of this Act.

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to SB 1760.

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

## SENATE BILL 2587 WITH HOUSE AMENDMENTS

Senator Zaffirini called SB 2587 from the President's table for consideration of the House amendments to the bill.

The President Pro Tempore laid the bill and the House amendments before the Senate.

## Floor Amendment No. 1

Amend **SB 2587** (house committee report) on page 14 by striking lines 8 through 21 and substituting the following:

- (1) a fire extinguisher license or apprentice permit under Chapter 6001, Insurance Code, including a Type PL, Type A, Type B, or Type K license;
- (2) a fire alarm license or approval under Chapter 6002, Insurance Code, including:
  - (A) a fire alarm technician license;
  - (B) a residential fire alarm technician license;
  - (C) a fire alarm monitoring technician license;
  - (D) a residential alarm superintendent license;
  - (E) a fire alarm planning superintendent license;
  - (F) a residential fire alarm superintendent single station license;
  - (G) a fire alarm instructor approval; or
  - (H) a fire alarm training school approval;
- (3) a fire protection sprinkler system contractor registration certificate or a responsible managing employee license under Chapter 6003, Insurance Code, including:
  - (A) a responsible managing employee general license;
  - (B) a responsible managing employee dwelling license;
  - (C) a responsible managing employee underground license; or
  - (D) a responsible managing employee general inspector license; or

- (4) a license required by Subchapters C and D, Chapter 2154, Occupations Code, including:
- (A) a pyrotechnic operator's license under Section 2154.154, Occupations Code;
- (B) a pyrotechnic special effects operator's license under Section 2154.155, Occupations Code; or
- (C) a flame effect operator's license under Section 2154.156, Occupations Code [a license issued by the state fire marshal].

## Floor Amendment No. 2

Amend SB 2587 (house committee report) as follows:

- (1) On page 19, between lines 20 and 21, insert the following:
- SECTION \_\_\_\_\_. Section 411.1386(a), Government Code, is amended to read as follows:
- (a) Except as provided by Subsections (a-1) and (a-6), the clerk of the county having venue over a proceeding for the appointment of a guardian under Title 3, Estates Code, shall, based on information provided in an application filed under Section 1101.001, Estates Code, obtain criminal history record information as provided by Subsection (a-7) that relates to any person, other than an attorney or a person who is a certified guardian, proposed to serve as a guardian under Title 3, Estates Code, including:
  - (1) a proposed temporary guardian;
  - (2) [,] a proposed successor guardian; or
- (3) [, or] any person who will have care and custody of [contact with] the proposed ward or the proposed ward's estate on behalf of the proposed guardian and who is not otherwise required to submit to a criminal background check under this section [, other than an attorney or a certified guardian].
  - (2) Add the following appropriately numbered SECTIONS to the bill:
- SECTION \_\_\_\_\_. Section 1101.001(b), Estates Code, is amended to read as follows:
  - (b) The application must be sworn to by the applicant and state:
    - (1) the proposed ward's name, sex, date of birth, and address;
- (2) the name, former name, if any, relationship, and address of the person the applicant seeks to have appointed as guardian;
  - (3) whether guardianship of the person or estate, or both, is sought;
- (3-a) whether alternatives to guardianship and available supports and services to avoid guardianship were considered;
- (3-b) whether any alternatives to guardianship and supports and services available to the proposed ward considered are feasible and would avoid the need for a guardianship;
- (4) the nature and degree of the alleged incapacity, the specific areas of protection and assistance requested, and the limitation or termination of rights requested to be included in the court's order of appointment, including a termination of:
- (A) the right of a proposed ward who is 18 years of age or older to vote in a public election;

- (B) the proposed ward's eligibility to hold or obtain a license to operate a motor vehicle under Chapter 521, Transportation Code; and
- (C) the right of a proposed ward to make personal decisions regarding residence:
  - (5) the facts requiring the appointment of a guardian;
  - (6) the interest of the applicant in the appointment of a guardian;
- (7) the nature and description of any kind of guardianship existing for the proposed ward in any other state;
- (8) to enable a criminal history record information background check to be obtained on the person, the name, [and] address, phone number, and date of birth, if applicable, of any person [or institution] having the care and custody of the proposed ward or the proposed ward's estate;
- (9) the approximate value and a detailed description of the proposed ward's property, including:
- (A) liquid assets, including any compensation, pension, insurance, or allowance to which the proposed ward may be entitled; and
  - (B) non-liquid assets, including real property;
- (10) the name and address of any person whom the applicant knows to hold a power of attorney signed by the proposed ward and a description of the type of power of attorney;
- (11) for a proposed ward who is a minor, the following information if known by the applicant:
- (A) the name of each of the proposed ward's parents and either the parent's address or that the parent is deceased;
- (B) the name and age of each of the proposed ward's siblings, if any, and either the sibling's address or that the sibling is deceased; and
- (C) if each of the proposed ward's parents and adult siblings are deceased, the names and addresses of the proposed ward's other living relatives who are related to the proposed ward within the third degree by consanguinity and who are adults;
- (12) for a proposed ward who is a minor, whether the minor was the subject of a legal or conservatorship proceeding in the preceding two years and, if so:
  - (A) the court involved;
  - (B) the nature of the proceeding; and
  - (C) any final disposition of the proceeding;
- (13) for a proposed ward who is an adult, the following information if known by the applicant:
- (A) the name of the proposed ward's spouse, if any, and either the spouse's address or that the spouse is deceased;
- (B) the name of each of the proposed ward's parents and either the parent's address or that the parent is deceased;
- (C) the name and age of each of the proposed ward's siblings, if any, and either the sibling's address or that the sibling is deceased;
- (D) the name and age of each of the proposed ward's children, if any, and either the child's address or that the child is deceased; and

- (E) if there is no living spouse, parent, adult sibling, or adult child of the proposed ward, the names and addresses of the proposed ward's other living relatives who are related to the proposed ward within the third degree by consanguinity and who are adults;
  - (14) facts showing that the court has venue of the proceeding; and
- (15) if applicable, that the person whom the applicant seeks to have appointed as a guardian is a private professional guardian who is certified under Subchapter C, Chapter 155, Government Code, and has complied with the requirements of Subchapter G, Chapter 1104.

SECTION \_\_\_\_\_. The heading to Section 1104.402, Estates Code, is amended to read as follows:

- Sec. 1104.402. [COURT CLERK'S] DUTY TO OBTAIN CRIMINAL HISTORY RECORD INFORMATION; AUTHORITY TO CHARGE FEE.
- SECTION \_\_\_\_\_. Section 1104.402, Estates Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:
- (a) Except as provided by Section 1104.404 or 1104.406(a), the clerk of the county having venue of the proceeding for the appointment of a guardian shall, based on information provided in an application filed under Section 1101.001, obtain criminal history record information that is maintained by the Department of Public Safety or the Federal Bureau of Investigation identification division relating to any person, other than an attorney or a person who is a certified guardian, proposed to serve as a guardian under this title, including:
  - (1) a proposed temporary guardian;
  - (2) [,] a proposed successor guardian; or
- (3) [, or] any person who will have care and custody of [eontact with] the proposed ward or the proposed ward's estate on behalf of the proposed guardian and who is not otherwise required to submit to a criminal background check under this section [, other than an attorney or a person who is a certified guardian].
- (a-1) A proposed guardian who is an attorney or a certified guardian shall provide to the court the name, address, phone number, and date of birth of any person who will have care and custody of the proposed ward or the proposed ward's estate on the proposed guardian's behalf. If the person having care and custody of the proposed ward or the proposed ward's estate on the proposed guardian's behalf is not also a certified guardian, the clerk shall obtain criminal history record information for that person as specified by Subsection (a).

SECTION \_\_\_\_\_. Section 1104.405(a), Estates Code, is amended to read as follows:

- (a) Criminal history record information obtained or provided under Section 1104.402 or 1104.404 is privileged and confidential and is for the exclusive use of the court. The criminal history record information may not be released or otherwise disclosed to any person or agency except on court order. The court may use the criminal history record information only to determine whether to:
- (1) appoint, remove, or continue the appointment of a private professional guardian, a guardianship program, or the Health and Human Services Commission; or

(2) appoint any person proposed to serve as a guardian under this title, including a proposed temporary guardian, a proposed successor guardian, or any person who will have care or custody of [eontaet with] the proposed ward or the proposed ward's estate on behalf of the proposed guardian, other than an attorney or a certified guardian.

SECTION \_\_\_\_. Subchapter A, Chapter 1151, Estates Code, is amended by adding Section 1151.006 to read as follows:

Sec. 1151.006. GUARDIAN'S DUTY TO NOTIFY COURT OF CHANGES CONCERNING CARE AND CUSTODY OF WARD; CLERK'S DUTY TO OBTAIN CRIMINAL HISTORY RECORD INFORMATION. (a) This section applies only to a guardian who is a certified guardian or attorney and who has designated a person to have care and custody of the ward or the ward's estate on the guardian's behalf as provided by Section 1104.402(a-1).

- (b) A guardian shall notify the court of any change concerning the designation or contact information of a person having care and custody of a ward or the ward's estate on the guardian's behalf not later than the 30th day after the date the change occurs. If, as a result of a change in designation, the guardian wants to designate another person who will have care and custody of the ward or the ward's estate on the guardian's behalf, the notification must also include the name, address, phone number, and date of birth of that other person.
- (c) On receipt of notification of a change under Subsection (b) that includes the name of a person who will have care and custody of the ward or the ward's estate on behalf of the guardian, the clerk of the court having jurisdiction over the proceeding shall obtain criminal history record information that is maintained by the Department of Public Safety or the Federal Bureau of Investigation identification division relating to that person.

SECTION \_\_\_\_\_. Section 155.205(a), Government Code, is amended to read as follows:

- (a) In accordance with Subsection (c) and the rules adopted by the supreme court under Section 155.203, the commission shall obtain criminal history record information that is maintained by the Department of Public Safety. The clerk shall obtain in accordance with Subsection (b) criminal history record information from the Federal Bureau of Investigation identification division relating to an individual seeking appointment as a guardian or temporary guardian, and any individual who will have care and custody of a proposed ward or the proposed ward's estate on behalf of a certified guardian or attorney who has been appointed guardian as required by Section 1104.402(a-1), Estates Code.
  - (3) Renumber SECTIONS of the bill appropriately.

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to SB 2587.

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

### SENATE BILL 850 WITH HOUSE AMENDMENT

Senator Middleton called **SB 850** from the President's table for consideration of the House amendment to the bill.

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

### Floor Amendment No. 1

Amend SB 850 (house committee report) as follows:

- (1) On page 1, line 8, strike "\$1" and substitute "\$20".
- (2) On page 4, lines 14 and  $\overline{15}$ , strike "the appeal is completed" and substitute "the chief appraiser notifies the collector of the final determination of the appeal".
- (3) On page 4, line 19, immediately following the underscored period, add the following:

If the refund is not made within the period required by this subsection due to an act or omission of the chief appraiser, the appraisal district that employs the chief appraiser shall reimburse the collector for any interest required to be included with the amount refunded.

- (4) On page 5, line 14, strike "\$1" and substitute "\$20".
- (5) On page 5, line 17, between "taxpayer" and "after", insert ", or apply the amount of the erroneous or excessive payment to the amount of taxes the taxpayer owes for the following tax year,".
  - (6) On page 5, line 22, strike "\$1" and substitute "\$20".
  - (7) On page 8, line 12, strike "\$1" and substitute "\$20".
  - (8) On page 8, line 14, strike " $\overline{\$1}$ " and substitute " $\overline{\$20}$ ".

The amendment was read.

Senator Middleton moved to concur in the House amendment to SB 850.

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

## SENATE BILL 1923 WITH HOUSE AMENDMENT

Senator West called **SB 1923** from the President's table for consideration of the House amendment to the bill.

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

## Amendment

Amend SB 1923 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the modification of certain orders providing for the support of a child.

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

SECTION 1. Section 156.409, Family Code, is amended by amending Subsections (a), (a-1), and (b) and adding Subsection (c) to read as follows:

(a) The court shall, on the motion of a party or a person having physical possession of the child, modify an order providing for the support of the child to provide that the person having physical possession of the child for at least six months shall have the right to receive and give receipt for payments of support for the child

and to hold or disburse money for the benefit of the child if the sole managing conservator of the child or the joint managing conservator who has the exclusive right to determine the primary residence of the child has:

- (1) voluntarily relinquished to the person having physical possession of the child the primary care and possession of the child for at least six months;
- (2) been incarcerated or sentenced to be incarcerated for at least 90 days; [ex]
- (3) relinquished the primary care and possession of the child in a proceeding under Title 3 or Chapter 262; or
- (4) entered into an authorization agreement under Chapter 34 with the person having physical possession of the child.
- (a-1) If the court modifies a support order under this section, the court shall order the obligor to pay the person or entity having physical possession of the child any unpaid child support that is not subject to offset or reimbursement under Section 157.008 and that accrues after the date the sole or joint managing conservator:
- (1) relinquishes possession and control of the child, whether voluntarily or in a proceeding under Title 3 or Chapter 262; [e+]
  - (2) is incarcerated; or
- (3) enters into an authorization agreement under Chapter 34 with the person having physical possession of the child.
- (b) If a respondent has been ordered under Chapter 105 to provide the court and the state case registry with the respondent's current mailing address or e-mail address, notice [Notice] of a motion for modification or hearing on a motion for modification under this section may be served:
  - (1) in the manner for serving a notice under Section 157.065; or
- (2) by e-mail through the electronic filing system established under Section 72.031, Government Code.
- (c) A notice or document associated with a motion for modification under this section not otherwise described by Subsection (b) may be delivered in the manner described by Subdivision (2) of that subsection.

SECTION 2. The change in law made by this Act applies only to a motion for modification of an order providing for the support of a child filed on or after the effective date of this Act. A motion for modification of an order providing for the support of a child filed before the effective date of this Act is governed by the law in effect on the date the motion was filed, and the former law is continued for that purpose.

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

The amendment was read.

Senator West moved to concur in the House amendment to SB 1923.

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

## SENATE BILL 863 WITH HOUSE AMENDMENT

Senator Perry called **SB 863** from the President's table for consideration of the House amendment to the bill.

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

# Floor Amendment No. 1

Amend SB 863 (house committee report) as follows:

- (1) On page 1, line 15, strike SECTION 2 of the bill and insert a new SECTION 2 which reads as follows: "Section 27.153, Water Code, is amended by adding Subsection (b-1) to read as follows: (b-1) Notwithstanding Subsection (b)(1), the commission by rule or by individual or general permit may authorize the injection of reclaimed water that is treated in accordance with standards adopted by the commission for that purpose."
- (2) Add a new SECTION 3 of the bill which reads as follows: "This Act takes effect September 1, 2025."

The amendment was read.

Senator Perry moved to concur in the House amendment to SB 863.

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

# SENATE BILL 1362 WITH HOUSE AMENDMENT

Senator Hughes called **SB 1362** from the President's table for consideration of the House amendment to the bill.

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

#### Floor Amendment No. 2

Amend **SB 1362** (house committee report) on page 3, between lines 11 and 12 by inserting the following:

Art. 7C.006. INAPPLICABILITY. This chapter does not apply to a protective order issued under the Family Code or the Code of Criminal Procedure or to a protective order issued under the laws of another state that is recognized or enforceable under the Family Code or the Code of Criminal Procedure.

The amendment was read.

Senator Hughes moved to concur in the House amendment to SB 1362.

The motion prevailed by the following vote: Yeas 20, Nays 11.

Yeas: Bettencourt, Birdwell, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, Huffman, Hughes, King, Kolkhorst, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks.

Nays: Alvarado, Blanco, Cook, Eckhardt, Gutierrez, J. Hinojosa, Johnson, Menéndez, Miles, West, Zaffirini.

# SENATE BILL 1522 WITH HOUSE AMENDMENT

Senator Perry called **SB 1522** from the President's table for consideration of the House amendment to the bill.

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

# Amendment

Amend SB 1522 by substituting in lieu thereof the following:

# A BILL TO BE ENTITLED AN ACT

relating to the regulation of continuing care facilities.

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

SECTION 1. Section 246.002, Health and Safety Code, is amended by amending Subdivisions (1), (5), (6), and (7) and adding Subdivisions (1-a) and (8-a) to read as follows:

- (1) "Assisted living facility" has the meaning assigned by Section 247.002.
- (1-a) "Board" means the Texas Department [State Board] of Insurance.
- (5) "Entrance fee" means an initial or deferred transfer of money or other property valued at an amount exceeding three months' payments for residency in a living unit and related services at a facility [rent or services,] made, or promised to be made, as full or partial consideration for acceptance by a provider of a specified individual entitled to receive continuing care under a continuing care contract. The term does not include a deposit made under a reservation agreement or amounts paid for an optional modification to a living unit under an agreement separate from a continuing care contract.
- (6) "Facility" means an establishment that provides continuing care to an individual. The term includes [does not include] an individual's residence [if the residence is not a living unit provided by a provider].
- (7) "Living unit" means a room, apartment, cottage, or other area that is in a facility and that is set aside for the exclusive use or control of one or more specified individuals. The term does not include a room, apartment, cottage, or other area that is in a nursing facility or assisted living facility.
  - (8-a) "Nursing facility" has the meaning assigned by Section 242.301.

SECTION 2. Section 246.0025, Health and Safety Code, is amended to read as follows:

Sec. 246.0025. DEFINITION OF CONTINUING CARE. (a) In this chapter, "continuing care" means to provide the following care under a continuing care contract to an individual who is not related by consanguinity or affinity, as determined under Chapter 573, Government Code, to the person providing the care:

- (1) the furnishing of a living unit and related services; and
- (2) an agreement to provide priority, guaranteed, or discounted access to progressive levels of health care services to an individual as necessary[, together with personal care services, nursing services, medical services, or other health related services], regardless of whether the services are provided at the same facility in which [and] the living unit is located or whether the services are provided through a contract with a third party, including the provision of health care services:
  - (A) in an assisted living facility or nursing facility; and
- (B) by a home and community support services agency, as defined by Section 142.001 [are provided at the same location:
- [(1) to an individual who is not related by consanguinity or affinity, as determined under Chapter 573, Government Code, to the person furnishing the care; and

# [(2) under a continuing care contract].

(b) The term "continuing care" includes the furnishing of services under a continuing care contract with an agreement to provide priority, guaranteed, or discounted access to progressive levels of health care services to an individual as necessary, [described by Subsection (a)] to enable [an individual in the individual's residence or otherwise enabling] the individual to remain in the individual's residence.

SECTION 3. Section 246.004, Health and Safety Code, is amended to read as follows:

- Sec. 246.004. RIGHTS OF RESIDENTS. (a) A resident receiving care in a portion of a facility licensed to provide nursing home care [, personal eare,] or assisted living services [eustodial eare] is entitled to all statutory rights provided to a resident of a nursing home [, personal eare,] or an assisted living facility, as applicable [eustodial care resident].
- (b) A continuing care contract or reservation agreement may not prohibit residents from assembling.
- (c) A facility shall provide to a resident, prospective resident, or designated agent of a resident or prospective resident, on request, an electronic or hard copy of the most recent revised disclosure statement filed by the provider under Section 246.054.
- SECTION 4. Subchapter B, Chapter 246, Health and Safety Code, is amended by adding Section 246.0215 to read as follows:
- Sec. 246.0215. APPLICABILITY. This chapter does not apply to an admission or residence agreement offered by a residential community that charges an entrance fee if:
- (1) residents of the residential community pay for available assisted living services and nursing home care on a fee-for-service basis;
- (2) fees for available assisted living services and nursing home care are the same for a prospective resident as a current resident of the living unit; and
- (3) the admission or residence agreement includes the following statement or a substantially equivalent statement in type that is boldfaced, capitalized, underlined, or otherwise set out from the surrounding written material so as to be conspicuous:
- "A continuing care contract provides priority, guaranteed, or discounted access to progressive levels of health care services. (Name of community or facility) is not a licensed continuing care facility and does not hold a certificate of authority from the Texas Department of Insurance. This agreement is not a continuing care contract and is exempt from the requirements of Chapter 246, Health and Safety Code."
- SECTION 5. Section 246.022, Health and Safety Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:
- (c) Except as provided by Subsection (c-1), the [The] commissioner shall grant an application for a certificate of authority if the commissioner finds that:
  - (1) the applicant or the facility is financially sound;
- (2) the competence, experience, and integrity of the applicant, its board of directors, its officers, or its management make it in the public interest to issue the certificate; and

- (3) the applicant is capable of complying with this chapter.
- (c-1) The commissioner may reject an application for a certificate of authority under Subsection (c) if the applicant does not own the real property on which the facility is located or proposed to be located.

SECTION 6. Section 246.055, Health and Safety Code, is amended to read as follows:

- Sec. 246.055. ADVERTISEMENT IN CONFLICT WITH DISCLOSURES. (a) A provider may not engage in any type of advertisement for a continuing care contract or facility if the advertisement contains a statement or representation in conflict with the disclosures required under this subchapter.
- (b) A person may not use the title "continuing care facility" or "continuing care retirement community" in advertising materials unless the person holds a certificate of authority issued under this chapter.

SECTION 7. Sections 246.056(c) and (d), Health and Safety Code, are amended to read as follows:

- (c) If a continuing care contract is rescinded under this section, the entrance fee [any money or property transferred to the provider, other than periodic charges specified in the contract and applicable only to the period a living unit was actually occupied by the resident,] shall be refunded not later than the 30th day after the date of rescission.
- (d) Each continuing care contract must include the following statement or a substantially equivalent statement in type that is boldfaced, capitalized, underlined, or otherwise set out from the surrounding written material so as to be conspicuous:

"You may cancel this contract at any time prior to midnight of the seventh day, or a later day if specified in the contract, after the date on which you sign this contract or you receive the facility's disclosure statement, whichever occurs later. If you elect to cancel the contract, you must do so by written notice and you will be entitled to receive a refund of the entrance fee [all assets transferred other than periodic charges applicable to your occupancy of a living unit]."

SECTION 8. Section 246.057(b), Health and Safety Code, is amended to read as follows:

- (b) If a continuing care contract is canceled under this section, the resident or the resident's legal representative is entitled to a refund of all money or property transferred to the provider, minus:
- (1) any nonstandard costs specifically incurred by the provider or facility at the request of the resident that are described in the contract or in an addendum to the contract signed by the resident; [and]
- (2) a reasonable service charge, if set out in the contract, that may not exceed the greater of \$1,000 or two percent of the entrance fee; and
- (3) any money transferred to the provider for optional modifications to the resident's or prospective resident's living unit under an agreement that is separate from the continuing care contract.

SECTION 9. Section 246.071(a), Health and Safety Code, is amended to read as follows:

(a) If a [Before a] provider accepts [may accept] the payment of a deposit made under a reservation agreement or any portion of an entrance fee before the date the prospective resident may occupy a living unit, the provider must establish an entrance fee escrow account with a bank or trust company, as escrow agent, that is located in this state.

SECTION 10. Section 246.072, Health and Safety Code, is amended to read as follows:

- Sec. 246.072. RETURN OF DEPOSITS; RELEASE OR RETURN OF ENTRANCE FEE. (a) On a written request from or on behalf of the provider or a prospective resident, the escrow agent shall return the amount on deposit to the person who paid the deposit if the reservation agreement is terminated before the prospective resident occupies the living unit [or shall maintain the deposit as an entrance fee in the entrance fee escrow account].
- (b) Unless the escrow agent receives a written request from or on behalf of a provider or a resident for the return of an entrance fee under Subsection (a) [Section 246.056], the agent shall, at the provider's discretion, release the fee to the provider or place the fee in a loan reserve fund escrow.

SECTION 11. The heading to Section 246.073, Health and Safety Code, is amended to read as follows:

Sec. 246.073. RELEASE TO [THE] PROVIDER FOR NEW FACILITY OR EXPANSION.

SECTION 12. Section 246.073, Health and Safety Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

- (a) This section applies only to:
  - (1) a newly constructed facility; or
- (2) an expansion of an existing facility in which the number of existing living units is increased by 50 percent or more.

  (a-1) Except as provided by Subsection (b), an escrow agent shall release an
- entrance fee to the provider if:
- (1) a minimum of 50 percent of the number of living units in the facility have been reserved for residents, as evidenced by:
- (A) uncanceled executed continuing care contracts or reservation agreements with those residents; and
- (B) the receipt by the agent of entrance fee deposits of at least 10 percent of the entrance fee designated for each reserved living unit [in each continuing care contract];
- (2) the total amount of aggregate entrance fees received or receivable by the provider under binding continuing care contracts or reservation agreements, the anticipated proceeds of any first mortgage loan or other long-term financing commitment described under Subdivision (3), and funds from other sources in the actual possession of the provider are equal to or more than the total amount of:
- (A) 90 percent of the aggregate cost of constructing or purchasing, equipping, and furnishing the facility;
- (B) 90 percent of the funds estimated, in the statement of anticipated source and application of funds included in the disclosure statement, to be necessary to cover initial losses of the facility; and

- (C) 90 percent of the amount of any loan reserve fund escrow required to be maintained by the provider under Section 246.077; and
- (3) a commitment has been received by the provider for any permanent mortgage loan or other long-term financing described in the statement of anticipated source and application of funds included in the current disclosure statement and any conditions of the commitment before disbursement of funds have been substantially satisfied, other than completion of the construction or closing on the purchase of the facility, [•;] and [•
- [(A)] if construction of the facility has not been [substantially] completed:
- $\underline{\text{(A)}}$  [ $\underline{\text{(i)}}$ ] all necessary government permits or approvals have been obtained;
- (B) [(ii)] the provider and the general contractor responsible for construction of the facility have entered into a maximum price contract;
- $\underline{\text{(C)}}$  [(iii)] a recognized surety authorized to do business in this state has executed in favor of the provider a bond covering faithful performance of the construction contract by the general contractor and the payment of all obligations under the contract;
- $\underline{\text{(D)}}$  [ $\overline{\text{(iv)}}$ ] the provider has entered a loan agreement for an interim construction loan in an amount that, when combined with the amount of entrance fees in escrow plus the amount of funds from other sources in the actual possession of the provider, equals or exceeds the estimated cost of constructing, equipping, and furnishing the facility;
- $\underline{\text{(E)}}$  [(v)] the lender has disbursed not less than 10 percent of the amount of the construction loan for physical construction or completed site preparation work;
- (F) [and [(vi)] the provider has placed orders at firm prices for not less than 50 percent of the value of items necessary for equipping and furnishing the facility in accordance with the description in the disclosure statement, including any installation charges;
  - $\frac{(G)}{(B)}$  [or  $\overline{(B)}$  if construction or purchase of the facility has been substantially

# <del>completed:</del>

- [(i)] an occupancy permit covering the living unit has been issued by the local government that has authority to issue the permit; and
- (H) [(ii) if the entrance fee applies to a living unit that has been previously occupied,] the living unit is available for occupancy by the new resident.

SECTION 13. Section 246.0736, Health and Safety Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

- (a) After the initial release of an entrance fee by an escrow agent for a specific facility subject to Section 246.073, and before construction of the facility is completed, the commissioner shall authorize an escrow agent to continue to release escrowed entrance fees for that facility to the provider without further proof of satisfying the requirements of Section 246.073 if:
- (1) the provider provides a monthly report to the department on marketing activities for living units of the facility; and

- (2) the provider immediately informs the department of any problems, issues, or irregularities encountered in its marketing activities for the facility.
- (d) After construction on a facility described by Section 246.073(a) is completed, all necessary occupancy permits for the facility have been issued by the local government that has authority to issue permits, and all living units in the facility are available for occupancy, the release of escrowed entrance fees for the facility is governed by Section 246.072.

SECTION 14. Section 246.074, Health and Safety Code, is amended to read as follows:

Sec. 246.074. RETURN OF ENTRANCE FEE. The escrow agent shall return an entrance fee to the person who paid it if the fee is not released to the provider or placed in the loan reserve fund escrow required under Section 246.077 [within]:

- (1) <u>not later than</u> 36 months after the date on which any portion of the entrance fee is received by the provider; [or]
- (2) within the time period [a longer time] specified by the provider in the disclosure statement delivered with the continuing care contract under which the fee was paid, if the specified time period is longer than the time period under Subdivision (1); or
- (3) if any of the following events occur, as soon as practicable after the date the event occurs:
  - (A) the prospective resident dies before occupying a unit;
- (B) construction on a facility not yet in operation is stopped indefinitely before the facility is completed; or
  - (C) a continuing care contract is rescinded under Section 246.056.

SECTION 15. Section 246.075, Health and Safety Code, is amended to read as follows:

- Sec. 246.075. ESCROW OF <u>CERTAIN FEES</u> [APPLICATION FEE] NOT REQUIRED. This subchapter does not require the escrow of a waitlist fee or a similar fee of \$1,000 or less, or of any nonrefundable portion of a deposit or entrance fee that:
  - (1) does not exceed an amount equal to two percent of the entrance fee; and
- (2) is clearly designated as nonrefundable in the continuing care contract or reservation agreement.

SECTION 16. Section 246.077(b), Health and Safety Code, is amended to read as follows:

(b) At the option of the facility, the loan reserve fund escrow amount may exclude the portion of principal and interest payments applicable to that portion of the facility that is a licensed nursing facility or licensed assisted living facility [home].

SECTION 17. Sections 246.114(b) and (d), Health and Safety Code, are amended to read as follows:

(b) A facility subject to this section [that initially filed with the commissioner an actuarial review performed on or after September 1, 1982, and before September 1, 1987,] shall file with the commissioner [subsequent] actuarial reviews at least once every five years [five year intervals from the date of completion of the initial actuarial review].

- (d) The commissioner may require an actuarial review of a facility more often than once every five years [before the end of the five year interval in which the facility would otherwise be required to file an actuarial review] if:
- (1) the facility leases from a third party any portion of the grounds on which the facility is located or buildings in which the facility operates; or
- (2) [-] in the opinion of the commissioner, the facility exhibits conditions of financial instability warranting an earlier review.

SECTION 18. Section 246.114(c), Health and Safety Code, is repealed.

SECTION 19. Section 246.0025, Health and Safety Code, as amended by this Act, applies only to a provider that is issued a certificate of authority under Subchapter B, Chapter 246, Health and Safety Code, on or after January 1, 2026. A provider that is issued a certificate of authority before that date is governed by the law in effect immediately before January 1, 2026, and the former law is continued in effect for that purpose.

SECTION 20. This Act takes effect January 1, 2026.

The amendment was read.

Senator Perry moved to concur in the House amendment to SB 1522.

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

# SENATE BILL 2368 WITH HOUSE AMENDMENT

Senator Campbell called **SB 2368** from the President's table for consideration of the House amendment to the bill.

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

# Floor Amendment No. 1

Amend SB 2368 (house committee report) as follows:

- (1) On page 1, strike lines 8 through 12 and substitute the following:
- (b-2) Notwithstanding Subsection (b), the penalty for a violation of Section 39.360 in which a business entity fails to submit all required information to or knowingly submits false information to an independent organization certified under Section 39.151 may be in an amount not to exceed \$1 million for each violation.
- (2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:
- SECTION \_\_\_\_. Chapter 117, Business & Commerce Code, is amended by adding Section 117.004 to read as follows:
- Sec. 117.004. ENFORCEMENT BY PUBLIC UTILITY COMMISSION OF TEXAS. (a) The Public Utility Commission of Texas may impose an administrative penalty in the manner provided by Chapter 15, Utilities Code, on a business entity that is subject to the jurisdiction of the commission under Title 2, Utilities Code, for a violation of this chapter in which the business entity enters into an agreement granting a company access to or control of the business entity's critical electric grid equipment or critical infrastructure.
- (b) The penalty for a violation described by Subsection (a) may be in an amount not to exceed \$1 million for each violation.

SECTION \_\_\_\_. Subchapter B, Chapter 15, Utilities Code, is amended by adding Sections 15.034 and 15.035 to read as follows:

Sec. 15.034. CONFIDENTIALITY OF ENFORCEMENT INFORMATION. (a) Information and material in the possession of or obtained or compiled by the commission that is related to a commission enforcement proceeding under this subchapter is confidential and not subject to disclosure under Chapter 552, Government Code.

- (b) Information and material in the possession of or obtained or compiled by the commission that is related to a commission enforcement proceeding under this subchapter is not subject to disclosure, discovery, subpoena, or any other means of legal compulsion for release, except:
  - (1) to the commission or an employee or agent of the commission; or
  - (2) at the commission's discretion, to:
    - (A) a person involved in the enforcement proceeding;
    - (B) a law enforcement agency; or
    - (C) a member of the legislature.

Sec. 15.035. APPLICABILITY. For the purposes of imposing an administrative penalty under this subchapter, "person" includes:

- (1) an electric utility as defined by Section 31.002;
- (2) a municipally owned utility; and
- (3) an electric cooperative.

SECTION \_\_\_\_\_. Section 15.035, Utilities Code, as added by this Act, applies only to a violation committed on or after the effective date of this Act. A violation committed before the effective date of this Act is governed by the law in effect when the violation was committed, and the former law is continued in effect for that purpose.

The amendment was read.

Senator Campbell moved to concur in the House amendment to **SB 2368**.

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

# SENATE BILL 2986 WITH HOUSE AMENDMENT

Senator Campbell called **SB 2986** from the President's table for consideration of the House amendment to the bill.

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

# Floor Amendment No. 1

Amend **SB 2986** on second reading in added Section 51.984, Education Code, as follows:

- (1) Strike Subsection (c) of that section.
- (2) Reletter the subsections of that section and cross references to those subsections accordingly.

The amendment was read.

Senator Campbell moved to concur in the House amendment to **SB 2986**.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Blanco, Campbell, Creighton, Eckhardt, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, Zaffirini.

Nays: Alvarado, Cook, Gutierrez, Johnson, West.

# SENATE BILL 1957 WITH HOUSE AMENDMENT

Senator Hagenbuch called **SB 1957** from the President's table for consideration of the House amendment to the bill.

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

#### Floor Amendment No. 1

Amend **SB 1957** (house committee report) by striking page 1, lines 19 through 22 and substituting "person has been convicted of or placed on deferred adjudication community supervision for a felony offense."

The amendment was read.

Senator Hagenbuch moved to concur in the House amendment to SB 1957.

The motion prevailed by the following vote: Yeas 23, Nays 8.

Yeas: Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, King, Kolkhorst, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, Zaffirini.

Nays: Alvarado, Cook, Eckhardt, Gutierrez, Johnson, Menéndez, Miles, West.

# SENATE BILL 510 WITH HOUSE AMENDMENT

Senator Bettencourt called **SB 510** from the President's table for consideration of the House amendment to the bill.

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

# Floor Amendment No. 1

Amend **SB 510** (house committee report) as follows:

- (1) On page 1, line 11, between "if" and "the", insert ", after providing the registrar a written notice of the alleged violation and a reasonable opportunity to correct the alleged violation,".
  - (2) On page 2, between lines 3 and 4, insert the following:
- (c) The secretary of state shall prescribe rules for the administration of this section.

The amendment was read.

Senator Bettencourt moved to concur in the House amendment to SB 510.

The motion prevailed by the following vote: Yeas 20, Nays 11.

Yeas: Bettencourt, Birdwell, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, Huffman, Hughes, King, Kolkhorst, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks.

Nays: Alvarado, Blanco, Cook, Eckhardt, Gutierrez, J. Hinojosa, Johnson, Menéndez, Miles, West, Zaffirini.

# (Senator Flores in Chair)

#### SENATE BILL 571 WITH HOUSE AMENDMENT

Senator Bettencourt called **SB 571** 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 571** (house committee report) as follows:

- (1) Strike page 30, line 24 through page 31, line 2 and substitute the following: in effect until the final disposition of the matter. The State Office of Administrative Hearings shall hold a final hearing on the matter not later than the 61st day after the date of the final disposition of any criminal charges related to the arrest to determine whether the person should be included in the registry.
  - (d) The commissioner shall adopt rules to implement this section.
- (2) On page 41, strike lines 20 through 25 and substitute the following: the final disposition of the matter. The State Office of Administrative Hearings shall hold a final hearing on the matter not later than the 61st day after the date of the final disposition of any criminal charges related to the arrest to determine whether the person's certification or permit should be revoked.
  - (d) The board shall propose rules to implement this section.

The amendment was read.

Senator Bettencourt moved to concur in the House amendment to SB 571.

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

Nays: Eckhardt.

# SENATE BILL 2477 WITH HOUSE AMENDMENTS

Senator Bettencourt called **SB 2477** 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 2477 (house committee report) as follows:

- (1) On page 2, line 20, strike "or".
- (2) On page 2, line 23, strike the underlined period and substitute an underlined semicolon.
  - (3) On page 2, between lines 23 and 24, insert the following:

- (3) except as otherwise provided by this chapter, a municipality from applying the following regulations that are generally applicable to other developments in the municipality:
  - (A) sewer and water access requirements;
  - (B) building codes; or
  - (C) stormwater mitigation requirements; or
- (4) a municipality from enforcing a deed restriction, to the extent authorized by Section 212.153.
- (4) Add the following appropriately numbered SECTION and renumber subsequent SECTIONS accordingly:
- SECTION \_\_\_\_. (a) This section takes effect only if SB 840, 89th Legislature, Regular Session, 2025, is enacted and becomes law. If that legislation is not enacted or does not become law, this section has no effect.
- (b) It is the intent of the 89th Legislature, Regular Session, 2025, that Chapter 218, Local Government Code, as added by this Act, be harmonized with Chapter 218, Local Government Code, as added by SB 840, 89th Legislature, Regular Session, 2025, and that this Act may not be construed to supersede, limit, or narrow the application of that legislation. To the extent that a provision of Chapter 218, Local Government Code, as added by this Act, irreconcilably conflicts with a provision enacted by SB 840, 89th Legislature, Regular Session, 2025, it is the intent of the 89th Legislature, Regular Session, 2025, that the provision enacted by SB 840, 89th Legislature, Regular Session, 2025, shall control.

# Floor Amendment No. 2

Amend **SB 2477** (house committee report) on page 6 by striking lines 2 through 4 and substituting the following: multifamily residential use unless:

- (1) the land on which the building is located was already subject to an impact fee before a building permit related to the conversion was filed with the municipality; and
- (2) for an impact fee related to water and wastewater facilities, the conversion increases the demand for water and wastewater service for the building.

The amendments were read.

Senator Bettencourt moved to concur in the House amendments to SB 2477.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: 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: Alvarado, Cook, Eckhardt.

# SENATE BILL 1191 WITH HOUSE AMENDMENT

Senator Creighton called **SB 1191** 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 on Third Reading

Amend **SB 1191** on third reading in the SECTION of the bill amending Section 28.0252(a), Education Code, by striking the second sentence and substituting the following:

The method must provide for:

- (1) an equal amount of additional weight to be given to an advanced placement course, an international baccalaureate course, an OnRamps dual enrollment course, and a dual credit course not included in the Workforce Education Course Manual or its successor adopted by the Texas Higher Education Coordinating Board; and
- (2) the amount of additional weight to be given to a dual credit course described by Subdivision (1) to be different from the amount of additional weight to be given to a dual credit course included in the Workforce Education Course Manual or its successor adopted by the Texas Higher Education Coordinating Board.

The amendment was read.

Senator Creighton moved to concur in the House amendment to SB 1191.

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

# SENATE BILL 2615 WITH HOUSE AMENDMENTS

Senator Creighton called SB 2615 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 2615 by substituting in lieu thereof the following:

# A BILL TO BE ENTITLED AN ACT

relating to restricting telework for employees of public institutions of higher education.

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

SECTION 1. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.992 to read as follows:

Sec. 51.992. RESTRICTIONS ON TELEWORK FOR HIGHER EDUCATION EMPLOYEES. (a) In this section:

- (1) "Faculty member" has the meaning assigned by Section 51.101.
- (2) "Institution of higher education" has the meaning assigned by Section 61.003.
- (3) "Telework" means a work arrangement that allows an employee of an institution of higher education to conduct on a regular basis all or some institutional business at a place other than the employee's regular or assigned temporary place of employment during all or a portion of the employee's established work hours.
- (b) Notwithstanding Section 658.010, Government Code, an institution of higher education may not allow telework for an employee except as provided by this section.

- (c) An institution of higher education may allow telework for an employee on a temporary or permanent basis if the employee:
  - (1) has a temporary illness;
- (2) has a temporary or permanent medical condition or disability requiring the institution to make a reasonable accommodation under state or federal law for the telework;
  - (3) is employed in a nonteaching position and:
- (A) has demonstrated the ability to work well with minimal supervision;
- (B) has a deep understanding of the employee's duties and responsibilities;
  - (C) has demonstrated the ability to manage the employee's time;
- (D) has a record of thoroughly and efficiently accomplishing the employee's duties; and
- (E) is employed in a position that does not require the employee's day-to-day physical presence at the institution or in-person interaction with students, administration, or other employees;
- (4) is employed in a teaching position but is not a faculty member of the institution;
- (5) is employed in a teaching position and is currently assigned to teach only a course or program that the institution has:
- (A) approved for remote instruction in accordance with the institution's academic oversight or faculty governance procedures; and
  - (B) designated as:
    - (i) distance education; or
    - (ii) a dual credit course or program provided by the institution;
- (6) is employed as a faculty member and is on a temporary research assignment located off the institution's campus; or
- (7) is employed as a faculty member who provides telehealth services as part of the employee's assigned clinical, research, or instructional duties.
- (d) This section does not prohibit an employee of an institution of higher education from providing instruction for a dual credit course or program at the campus of a school district or open-enrollment charter school.
- (e) The Texas Higher Education Coordinating Board may adopt rules as necessary to implement this section.
- SECTION 2. Section 51.992, Education Code, as added by this Act, applies beginning with the 2025-2026 academic year.
- SECTION 3. 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 2615** (house committee report) on page 3 by striking lines 12 and 13 and substituting the following:

storm;

- (e) An employee of an institution of higher education is exempt from the prohibition on telework under this section during the period of a catastrophe that, as determined by the institution's chief administrative officer or the officer's designee:
- (1) is an event that directly interferes with the employee's ability to work in person, such as:
  - (A) a fire, flood, earthquake, hurricane, tornado, or wind, rain, or snow
- (B) a power failure, technical breakdown, cyber attack, transportation failure, or interruption of communication facilities;
  - (C) an epidemic; or
- (D) a riot, civil disturbance, or enemy attack or another actual or threatened act of lawlessness or violence; and
  - (2) either:
- (A) poses or may pose a danger to the employee's physical health or safety; or
- (B) prevents or may prevent the employee from performing the employee's assigned duties at the institution.
- (f) After the period of a catastrophe described by Subsection (e), an institution of higher education shall make all reasonable efforts to ensure that an employee of the institution engages in telework only as provided by this section.

# Floor Amendment No. 2

Amend **CSSB 2615** (house committee report) on page 3, by striking lines 10 and 11 and substituting the following: dual credit course or program:

- (1) at the campus of a school district or open-enrollment charter school; or
- (2) if required for the course or program, by telework.

The amendments were read.

Senator Creighton moved to concur in the House amendments to SB 2615.

The motion prevailed by the following vote: Yeas 21, Nays 10.

Yeas: Bettencourt, Birdwell, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, King, Kolkhorst, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks.

Nays: Alvarado, Blanco, Cook, Eckhardt, Gutierrez, Johnson, Menéndez, Miles, West, Zaffirini.

# SENATE BILL 2965 WITH HOUSE AMENDMENT

Senator Creighton called **SB 2965** 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 2965 (house committee report) as follows:

- (1) On page 1, line 23, between the period and "If", insert "The board must send a copy of the resolution to the municipality by certified mail, return receipt requested, not later than the 30th day after the date on which the board adopts the resolution. If the governing body of the municipality disagrees with the board's determination that the municipal services will not meet or exceed the level of service provided by the district, the municipality may adopt a resolution stating the grounds for the disagreement and requesting arbitration in the manner provided by Section 775.0221."
- (2) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 775.0221, Health and Safety Code, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

- (a-1) If the governing body of a municipality adopts a resolution under Section 775.022 disputing the determination of the board of a district that municipal services will not meet or exceed the level of service provided by the district and requesting arbitration, the municipality and the district shall resolve the dispute using binding arbitration.
- (b) A request for binding arbitration must be in writing and may not be made before the 60th day after the date the municipality receives, as applicable:
- (1) a resolution from the district under Section 775.022 determining that municipal services will not meet or exceed the level of service provided by the district; or
- (2) notice from the district regarding the amount of compensation required under Section 775.022.

The amendment was read.

Senator Creighton moved to concur in the House amendment to SB 2965.

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

# SENATE BILL 2321 WITH HOUSE AMENDMENT

Senator King called **SB 2321** 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 2321** by substituting in lieu thereof the following:

# A BILL TO BE ENTITLED AN ACT

relating to the regulation of emissions by the Texas Commission on Environmental Quality during an event affecting electric demand or grid reliability.

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

SECTION 1. Subchapter D, Chapter 382, Health and Safety Code, is amended by adding Section 382.086 to read as follows:

Sec. 382.086. ENFORCEMENT DURING ELECTRIC DEMAND AND RELIABILITY EVENT. (a) The commission may exercise the commission's enforcement discretion to waive enforcement for emissions from electric generation

facilities and on-site backup generation facilities in this state during a period requested by an independent system operator if the independent system operator notifies the commission that additional electric generation is necessary to mitigate an emergency condition or a significant risk of an emergency condition.

- (b) After an independent system operator submits a notification to the commission under Subsection (a):
- (1) the independent system operator shall notify market participants in this state of the period in the notification during which limits or standards described by Subdivision (2) may not apply to the operation of an electric generation facility or
- on-site backup generation facility in this state; and

  (2) notwithstanding any other state law and subject to Subsection (d), the commission has the discretion to enforce a rule or standard, including an emissions limit or standard, hours of operation limit, or any similar operational limit, against the owner or operator of an electric generation facility or on-site backup generation facility for the period in the notification.
- (c) The owner or operator of an electric generation facility or on-site backup generation facility eligible for waived enforcement during the period in a notification submitted under Subsection (a) shall:
- (1) take commercially reasonable steps to operate environmental controls and minimize excess emissions during the period;
  - (2) maintain operational records during the period; and
- (3) submit proper documentation of the facility's operational records to the commission, including:

  - (A) the facility's name; (B) a contact name and phone number;
  - (C) the county in which the facility is located;
- (D) the customer reference number issued to the facility by the commission;
- (E) the name of any units in the facility that exceeded an emissions limit or standard during the period; and
- (F) a description of the emissions event, including the date, time, pollutant, quantity, and duration.
- (d) The commission has the discretion to consider whether an exceedance of an emissions limit or standard during a period for which a notification is submitted under Subsection (a) is appropriate as the basis for an enforcement action against the owner or operator of an electric generation facility or on-site backup generation facility based on information available to the commission, including information contained in the documentation required by Subsection (c)(3).
- (e) The owner or operator of an electric generation facility or an on-site backup generation facility eligible for waived enforcement during the period in a notification submitted under Subsection (a) shall report any exceedance of an emissions limit or standard in accordance with commission regulations and permit requirements.

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

The amendment was read.

Senator King moved to concur in the House amendment to **SB 2321**.

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

# SENATE BILL 973 WITH HOUSE AMENDMENT

Senator Eckhardt called **SB 973** 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 on Third Reading

Amend **SB 973** on third reading by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 25.18(a), Tax Code, is amended to read as follows:

(a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(i). The plan may not include a standard or timeline that prevents the chief appraiser from appraising property as necessary to comply with the requirements of Section 23.01(a).

The amendment was read.

Senator Eckhardt moved to concur in the House amendment to SB 973.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hagenbuch, Hall, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Sparks, West, Zaffirini.

Nays: Hancock, Hughes, Schwertner.

# SENATE BILL 1723 WITH HOUSE AMENDMENT

Senator Creighton called **SB 1723** 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 1723** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 411.141, Government Code, is amended by amending Subdivisions (1) and (7) and adding Subdivisions (1-a), (11-a), and (13) to read as follows:

- (1) "Authorized law enforcement agency" means a law enforcement agency that is authorized by the director to perform rapid DNA analyses under Section 411.146(c-1).
- (1-a) "CODIS" means the FBI's Combined DNA Index System. The term includes the national DNA index system sponsored by the FBI.

- (7) "DNA record" means the results of a forensic DNA analysis performed by a DNA laboratory or the results of a rapid DNA analysis performed by an authorized law enforcement agency under this subchapter. The term includes a DNA profile and related records, which may include a code or other identifying number referenced to a separate database to locate:
  - (A) the originating entity; and
- (B) if known, the name and other personally identifying information concerning the individual who is the subject of the analysis.
- (11-a) "Law enforcement agency" means an agency of the state or an agency of a political subdivision of the state that is authorized by law to employ peace officers.
- (13) "Rapid DNA analysis" means the fully automated processing of a known reference or forensic sample to provide a DNA record that is eligible for comparison in the CODIS database in not more than 24 hours.

SECTION \_\_\_\_\_. Section 411.142(h), Government Code, is amended to read as follows:

(h) The director shall establish standards for DNA analysis by <u>a [the]</u> DNA laboratory <u>and standards for rapid DNA analysis by an authorized law enforcement agency</u> that meet or exceed the current standards for quality assurance and proficiency testing for forensic DNA analysis issued by the FBI. The DNA database may contain only DNA records of DNA analyses performed according to the standards adopted by the director.

SECTION \_\_\_\_\_. Sections 411.143(c), (e), and (f), Government Code, are amended to read as follows:

- (c) Other purposes of the database include:
- (1) assisting in the recovery or identification of human remains from a disaster or for humanitarian purposes;
  - (2) assisting in the identification of living or deceased missing persons;
  - (3) if personal identifying information is removed:
    - (A) establishing a population statistics database; and
- (B) assisting in identification research, forensic validation studies, or forensic protocol development; and
- (4) retesting to validate or update the original analysis or assisting in <u>quality</u> control with respect to the database or with respect to the laboratories or agencies performing forensic DNA analyses [or DNA laboratory quality control].
- (e) The director may not store a name or other personal identifying information in the CODIS database unless approved by the FBI. A file or reference number to another information system may be included in the CODIS database only if the director determines the information is necessary to:
  - (1) generate an investigative lead or exclusion;
  - (2) support the statistical interpretation of a test result; or
  - (3) allow for the successful implementation of the DNA database.
- (f) Except as provided by this subchapter, the DNA database may  $\underline{\text{only}}$  [net] include criminal history record information approved by the FBI.
- SECTION \_\_\_\_\_. Section 411.144, Government Code, is amended to read as follows:

- Sec. 411.144. REGULATION OF DNA LABORATORIES; PENALTIES. (a) The director by rule shall establish procedures for a DNA laboratory or criminal justice agency, including an authorized law enforcement agency, in the collection, preservation, shipment, analysis, and use of a DNA sample for forensic DNA analysis, including rapid DNA analysis, in a manner that permits the exchange of DNA evidence between DNA laboratories and criminal justice agencies and the use of the evidence in a criminal case.
- (b) A DNA laboratory or criminal justice agency, including an authorized law enforcement agency, shall follow the procedures:
  - (1) established by the director under this section; and
- (2) specified by the FBI, including use of comparable test procedures, laboratory equipment, supplies, and computer software.
- (c) The director may at any reasonable time enter and inspect the premises or audit the records, reports, procedures, or other quality assurance matters of:
  - (1) any DNA laboratory that:
    - (A) [(1)] provides DNA records to the director under this subchapter; or (B) [(2)] conducts forensic analysis; and
  - (2) any authorized law enforcement agency.
- (d) A DNA laboratory conducting a forensic DNA analysis under this subchapter or an authorized law enforcement agency performing a rapid DNA analysis under this subchapter shall:
- (1) forward the DNA record of the analysis to the director at the department's crime laboratory or another location as required by the director; and
  - (2) comply with this subchapter and rules adopted under this subchapter.
- (e) The director is the Texas liaison for DNA data, records, evidence, and other related matters between:
  - (1) the FBI; and
- (2) a DNA laboratory or a criminal justice agency, including an authorized law enforcement agency.
  - (f) The director may:
    - (1) conduct DNA analyses; [or]
- (2) contract with a laboratory, state agency, private entity, or institution of higher education for services to perform DNA analyses for the director; or
- (3) authorize a law enforcement agency to perform rapid DNA analyses under Section 411.146(c-1).
- SECTION \_\_\_\_\_. Section 411.146, Government Code, is amended by amending Subsections (c) and (e) and adding Subsection (c-1) to read as follows:
- (c)(1) The director shall adopt rules regarding the collection, preservation, shipment, and analysis of a DNA database sample under this subchapter, including the type of sample or specimen taken.
- (2) A criminal justice agency permitted or required to collect a DNA sample for forensic DNA analysis, including rapid DNA analysis, under this subchapter:
   (A) may collect the sample or contract with a phlebotomist, laboratory,
- (A) may collect the sample or contract with a phlebotomist, laboratory, state agency, private entity, or institution of higher education for services to collect the sample at the time determined by the agency; and
  - (B) shall:

- (i) preserve each sample collected until it is forwarded to the director under Subsection (d); and
  - (ii) maintain a record of the collection of the sample.
- (c-1) Subject to the other requirements prescribed by this subchapter and rules adopted under this subchapter, a law enforcement agency may perform a rapid DNA analysis under this subchapter if:
- (1) the agency requests the director's approval to use a system capable of performing a rapid DNA analysis; and
- (2) the director authorizes the agency to use the system described by Subdivision (1) to perform rapid DNA analyses.
- (e) A DNA laboratory or an authorized law enforcement agency may analyze a DNA sample collected under this section only:
  - (1) to type the genetic markers contained in the sample;
  - (2) for criminal justice or law enforcement purposes; or
  - (3) for other purposes described by this subchapter.
- SECTION \_\_\_\_\_. Sections 411.147(b) and (e), Government Code, are amended to read as follows:
- (b) The director may adopt rules relating to the internal disclosure, access, or use of a sample or DNA record in a DNA laboratory or authorized law enforcement agency.
- (e) A criminal justice agency may have access to a DNA sample for a law enforcement purpose through:
  - (1) the agency's laboratory; [or]
  - (2) a laboratory used by the agency; or
  - (3) an authorized law enforcement agency.
- SECTION \_\_\_\_\_. Section 411.1471(d), Government Code, is amended to read as follows:
- (d) The director by rule shall require law enforcement agencies taking a specimen under this section to preserve the specimen and maintain a record of the collection of the specimen. A law enforcement agency taking a specimen under this section may use any method to take the specimen approved by the director in the rule adopted under this subsection. The rule adopted by the director must prohibit a law enforcement agency from taking a blood sample for the purpose of creating a DNA record under this section. The agency may:
  - (1) [either] send the specimen to the director;
- $\overline{(2)}$  [or] send to the director an analysis of the sample performed at a laboratory chosen by the agency and approved by the director; or
- (3) send to the director a rapid DNA analysis of the sample if the director has authorized the agency to perform the analysis.
- SECTION \_\_\_\_\_. Section 411.1473(c), Government Code, is amended to read as follows:
  - (c) A law enforcement agency taking a specimen under this section may:
    - (1) [either] send the specimen to the director;
- $\overline{(2)}$  [or] send to the director an analysis of the specimen performed by a laboratory chosen by the agency and approved by the director; or

(3) send to the director a rapid DNA analysis of the specimen if the director has authorized the agency to perform the analysis.

The amendment was read.

Senator Creighton moved to concur in the House amendment to SB 1723.

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

Nays: Cook.

# SENATE BILL 865 WITH HOUSE AMENDMENT

Senator Alvarado called SB 865 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 on Third Reading

Amend SB 865 on third reading by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. This Act may be cited as the Landon Payton Act.

The amendment was read.

Senator Alvarado moved to concur in the House amendment to SB 865.

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

# **SENATE CONCURRENT RESOLUTION 54**

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 2268 has been adopted by the senate and the house of representatives and is being prepared for enrollment; and

WHEREAS, The bill contains a technical 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 senate be instructed to make the following correction to the enrolled version of Senate Bill No. 2268:

In SECTION 2 of the bill, strike added Section 34.0104(b-1), Utilities Code (page 1, lines 14 through 21), and added Section 34.0104(b-2), Utilities Code, as added by Floor Amendment No. 1 by Hunter, and substitute the following:

(b-1) Notwithstanding Subsection (b)(3):

- (1) a construction loan provided to a municipally owned utility, or an instrumentality of a municipal corporation established for the benefit of a municipally owned utility, may be in the form of a public security, as defined by Section 1201.002, Government Code, issued by the loan applicant if the public security is payable on a parity basis with other debt of the loan applicant secured by a senior lien on net revenues of the facility or the loan applicant's utility system; and
- (2) a construction loan provided to an electric cooperative may be secured by a senior lien on substantially all electric system assets of the electric cooperative, including the facility for which the loan is provided, payable on a parity basis with other debt of the loan applicant secured by a senior lien.

# SCR 54 was read.

On motion of Senator Schwertner and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

# HOUSE CONCURRENT RESOLUTION 168

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, House Bill No. 126 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors 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 corrections:

- (1) In SECTION 1 of the bill, in added Section 51.9246(c-2), Education Code, strike "Subsection (c-3)" and substitute "Subsections (c-3) and (k-1)".
- (2) In SECTION 1 of the bill, strike added Section 51.9246(k-1), Education Code, as added by Floor Amendment No. 1 by Creighton, and substitute the following:
- (k-1) Unless a prospective student athlete younger than 17 years of age is enrolled at an institution of higher education, an individual, corporate entity, or other organization, including an institution to which this section applies, may not enter into an arrangement relating to the athlete's name, image, or likeness with the athlete or with an individual related to the athlete by consanguinity or affinity.

#### CREIGHTON

# HCR 168 was read.

On motion of Senator Creighton and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

# SENATE BILL 413 WITH HOUSE AMENDMENT

Senator Middleton called **SB 413** 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 413** (house committee report) as follows:

(1) On page 1, line 7, after "minutes" include ", as approved by the board of trustees,".

The amendment was read.

Senator Middleton moved to concur in the House amendment to SB 413.

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

# (President in Chair)

# SENATE JOINT RESOLUTION 27 WITH HOUSE AMENDMENTS

Senator Huffman called **SJR 27** from the President's table for consideration of the House amendments to the resolution.

The President laid the resolution and the House amendments before the Senate.

#### Amendment

Amend SJR 27 by substituting in lieu thereof the following:

# A JOINT RESOLUTION

proposing a constitutional amendment regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct.

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

SECTION 1. Section 1-a, Article V, Texas Constitution, is amended by amending Subdivisions (2), (3), (8), and (9) and adding Subdivisions (2-a) and (2-b) to read as follows:

- (2) The State Commission on Judicial Conduct consists of the following 13 [thirteen (13)] members[, to wit]:
- (i) six individuals appointed by the Supreme Court with the advice and consent of the Senate [one (1) Justice of a Court of Appeals]; and
- (ii) seven [one (1) District Judge; (iii) two (2) members of the State Bar, who have respectively practiced as such for over ten (10) consecutive years next preceding their selection; (iv) five (5)] citizens appointed by the Governor with the advice and consent of the Senate, who are [5] at least 35 [thirty (30)] years of age.
- (2-a) A [, not licensed to practice law nor holding any salaried public office or employment; (v) one (1) Justice of the Peace; (vi) one (1) Judge of a Municipal Court; (vii) one (1) Judge of a County Court at Law; and (viii) one (1) Judge of a Constitutional County Court; provided that no person may not [shall] be appointed to or remain a member of the Commission if the person [, who] does not maintain physical residence within this State [,] or has [who shall have] ceased to retain the qualifications [above] specified in Subsection (2) of this Section for that person's appointment.
- (2-b) A person appointed under Subsection (2) of this Section who is a judge or justice [respective class of membership, and provided that a Commissioner of class (i), (ii), (iii), (vii), or (viii)] may not be a judge or justice [reside or hold a judgeship] in the same type of court [of appeals district] as another member of the Commission who is a judge or justice. [Commissioners of classes (i), (ii), (vii), and (viii) above shall be chosen by the Supreme Court with advice and consent of the Senate, those of class (iii) by the Board of Directors of the State Bar under regulations to be prescribed by the Supreme Court with advice and consent of the Senate, those of class (iv) by appointment of the Governor with advice and consent of the Senate, and the commissioners of classes (v) and (vi) by appointment of the Supreme Court as provided by law, with the advice and consent of the Senate.]
- (3) The regular term of office of Commissioners shall be six [(6)] years[\(\frac{1}{2}\) but the initial members of each of classes (i), (ii) and (iii) shall respectively be chosen for terms of four (4) and six (6) years, and the initial members of class (iiii) for respective terms of two (2), four (4) and six (6) years]. Interim vacancies shall be filled in the same manner as vacancies due to expiration of a full term, but only for the

unexpired portion of the term in question. Commissioners may succeed themselves in office only if the commissioner has [having] served less than three [ $\frac{3}{2}$ ] consecutive years.

- (8) After such investigation as it deems necessary, the Commission may in its discretion issue a private or public admonition, warning, reprimand, or requirement that the person obtain additional training or education, or if the Commission determines that the situation merits such action, it may institute formal proceedings and order a formal hearing to be held before it concerning a person holding an office or position specified in Subsection (6) of this Section, or it may in its discretion request the Supreme Court to appoint an active or retired District Judge or Justice of a Court of Appeals, or retired Judge or Justice of the Court of Criminal Appeals or the Supreme Court, as a Master to hear and take evidence in the matter, and to report thereon to the Commission and to the Supreme Court. The Master shall have all the power of a District Judge in the enforcement of orders pertaining to witnesses, evidence, and procedure. If, after formal hearing, or after considering the record and report of a Master, the Commission finds the person engaged in wilful or persistent conduct that is clearly inconsistent with the proper performance of a judge's duties or other good cause therefor, the Commission:
- (i) unless issuing an order under Subparagraph (ii) of this subsection, [it] shall issue for the person an order of public admonition, warning, reprimand, censure, or requirement that the person holding an office or position specified in Subsection (6) of this Section obtain additional training or education;
- (ii) for a person holding an office or position specified in Subsection (6) of this Section who has never been issued an order under this subparagraph and in response to a complaint or report other than a complaint or report alleging the person engaged in conduct constituting a criminal offense, may issue an order of private admonition, warning, reprimand, censure, or requirement that the person obtain additional training or education; [5] or
- (iii) may [it shall] recommend to a review tribunal the removal or retirement[, as the case may be,] of the person and shall [thereupon] file with the tribunal the entire record before the Commission.
- (9) A tribunal to review the Commission's recommendation for the removal or retirement of a person holding an office or position specified in Subsection (6) of this Section is composed of seven [(7)] Justices [or Judges] of the Courts of Appeals who are selected [by lot] by the Chief Justice of the Supreme Court. [Each Court of Appeals shall designate one of its members for inclusion in the list from which the selection is made.] Service on the tribunal shall be considered part of the official duties of a justice [judge], and no additional compensation may be paid for such service. The review tribunal shall review the record of the proceedings on the law and facts and in its discretion may, for good cause shown, permit the introduction of additional evidence. Within 90 days after the date on which the record is filed with the review tribunal, it shall order public censure, suspension without pay for a specified period, retirement or removal, as it finds just and proper, or wholly reject the recommendation. A Justice, Judge, Master, or Magistrate may appeal a decision of the review tribunal to the Supreme Court under the substantial evidence rule. Upon an order for involuntary retirement for disability or an order for removal, the office in

question shall become vacant. The review tribunal, in an order for involuntary retirement for disability or an order for removal, shall [may] prohibit such person from holding judicial office in the future. The rights of a person [an incumbent] so retired to retirement benefits shall be the same as if the person's [his] retirement had been voluntary.

SECTION 2. Section 1-a(6)(A), Article V, Texas Constitution, is amended to read as follows:

(6) A. Any Justice or Judge of the courts established by this Constitution or created by the Legislature as provided in Section 1, Article V, of this Constitution, may, subject to the other provisions hereof, be removed from office for willful or persistent violation of rules promulgated by the Supreme Court of Texas, incompetence in performing the duties of the office, willful violation of the Code of Judicial Conduct, or willful or persistent conduct that is clearly inconsistent with the proper performance of the person's [his] duties or casts public discredit upon the judiciary or administration of justice. Any person holding such office may be disciplined or censured, in lieu of removal from office, as provided by this section. Any person holding an office specified in this subsection may be suspended from office with or without pay by the Commission immediately on being indicted by a State or Federal grand jury for a felony offense or charged with a misdemeanor involving official misconduct. On the filing of a sworn complaint charging a person holding such office with willful or persistent violation of rules promulgated by the Supreme Court of Texas, incompetence in performing the duties of the office, willful violation of the Code of Judicial Conduct, or willful and persistent conduct that is clearly inconsistent with the proper performance of the person's [his] duties or casts public discredit on the judiciary or on the administration of justice, the Commission, after giving the person notice and an opportunity to appear and be heard before the Commission, may recommend to the Supreme Court the suspension of such person from office with or without pay, pending final disposition of the charge. The Supreme Court, after considering [the record of such appearance and] the recommendation of the Commission, may suspend the person from office with or without pay, pending final disposition of the charge.

SECTION 3. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct. The constitutional amendment takes effect January 1, 2026.

- (b) Notwithstanding any other law, the terms of the commissioners of the State Commission on Judicial Conduct serving before January 1, 2026, expire December 31, 2025.
- (c) The Texas Supreme Court, with the advice and consent of the Senate, shall appoint initial commissioners to the State Commission on Judicial Conduct to serve staggered terms beginning January 1, 2026, as follows:

- (1) two commissioners to serve six-year terms;
- (2) two commissioners to serve four-year terms; and
- (3) two commissioners to serve two-year terms.
- (d) The governor shall appoint initial commissioners to the State Commission on Judicial Conduct to serve staggered terms beginning January 1, 2026, as follows:
  - (1) three commissioners to serve six-year terms;
  - (2) two commissioners to serve four-year terms; and
  - (3) two commissioners to serve two-year terms.
  - (e) This temporary provision expires January 1, 2031.

SECTION 4. 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 provide for voting for or against the proposition: "The constitutional amendment regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct."

# Floor Amendment No. 1

Amend **CSSJR 27** (house committee report) as follows:

- (1) On page 1, line 10, strike "and (2-b)" and substitute ", (2-b), and (8-a)".
- (2) On page 1, line 13, strike "individuals" and substitute "judges or justices of courts in this state".
- (3) On page 3, strike lines 7 through 10 and substitute the following: the Commission may, in its discretion:
- (i) for a person holding an office or position specified in Subsection (6) of this Section who has never been issued an order under this subparagraph and in response to a complaint or report other than a complaint or report alleging the person engaged in conduct constituting a criminal offense, issue an order of private admonition, warning, reprimand, censure, or requirement that the person obtain additional training or education;
- (ii) issue a [private or] public admonition, warning, reprimand, or requirement that the person obtain additional training or education;[7] or
- (iii) if the Commission determines that the situation merits such action, [it may] institute
- (4) On page 3, strike lines 18 through 21 and substitute the following: Commission and to the Supreme Court.
- (8-a) A [The] Master appointed under Subsection (8)(iii) of this Section shall have all the power of a District Judge in the enforcement of orders pertaining to witnesses, evidence, and procedure. If, after formal hearing under Subsection (8)(iii) of this Section, or after considering the record and report of a Master appointed under Subsection (8)(iii) of this Section, the Commission
- (5) On page 3, lines 25 and 26, strike "unless issuing an order under Subparagraph (ii) of this subsection,"
- (6) On page 4, strike lines 3 through 12 and substitute the following: education; [5] or
  - (ii) may [it shall] recommend to a review
  - (7) On page 7, line 6, strike "December 31, 2025" and substitute "July 1, 2026".

- (8) On page 7, line 7, strike "The" and substitute "Notwithstanding any other law, the".
  - (9) On page 7, line 8, strike "initial" and substitute "additional".
- (10) On page 7, line 14, strike "The governor shall appoint initial" and substitute "Notwithstanding any other law, the governor shall appoint additional".
- (11) On page 7, between lines 19 and 20, insert the following appropriately lettered subsections to the added temporary provision and reletter subsequent subsections of the provision accordingly:
- (\_\_\_\_\_) Notwithstanding any other law and except as otherwise provided by this subsection, a complaint submitted to the State Commission on Judicial Conduct before January 1, 2026, shall be reviewed by the commissioners of the State Commission on Judicial Conduct appointed before January 1, 2026, unless the complaint has not been resolved by July 1, 2026, in which event the complaint shall be reviewed by the commissioners appointed on or after that date.
- (\_\_\_\_\_) Notwithstanding any other law, a complaint submitted to the State Commission on Judicial Conduct on or after January 1, 2026, shall be reviewed by the commissioners of the State Commission on Judicial Conduct appointed on or after that date.

# Floor Amendment No. 1 on Third Reading

Amend **SJR 27** on third reading in amended Subdivision (2)(i), Section 1-a, Article V, Texas Constitution, (page 1, line 14, house committee report) between "Senate" and "[one" by inserting ", two of whom must be trial court judges".

The amendments were read.

Senator Huffman moved to concur in the House amendments to SJR 27.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, Johnson, King, Kolkhorst, Menéndez, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, Zaffirini.

Nays: Cook, Eckhardt, Miles, West.

# SENATE BILL 3070 WITH HOUSE AMENDMENTS

Senator Hall called **SB 3070** from the President's table for consideration of the House amendments to the bill.

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

#### Floor Amendment No. 1

Amend **SB 3070** (senate engrossment) by striking all below the enacting clause and substituting the following:

SECTION 1. Section 411.093(a), Government Code, is amended to read as follows:

- (a) The Texas Department of Licensing and Regulation is entitled to obtain criminal history record information as provided by Subsection (b) that relates to:
  - (1) an applicant for or the holder of:

- (A) a driver education instructor license under Chapter 1001, Education Code:
  - (B) a license under Chapter 466;
  - (C) a license under Chapter 202, Occupations Code;
  - (D) [(C)] a license under Chapter 401, Occupations Code;
  - (E) [(D)] a license under Chapter 402, Occupations Code; [or]
  - (F) a license under Chapter 2001, Occupations Code; or
- (G) (E) an instructor license or motorcycle school license under Chapter 662, Transportation Code;
  - (2) a person who is:
- (A) an applicant for or the holder of a license under Chapter 91, Labor Code; or
- (B) a controlling person, as defined by Chapter 91, Labor Code, of an entity described by Paragraph (A); or
  - (3) a person who:
- (A) is an applicant for or the holder of a license under Chapter 455, Occupations Code; or
- (B) has an interest described under Section 455.1525(e), Occupations Code, in an entity described by Paragraph (A).

SECTION 2. Section 411.467(d), Government Code, is amended to read as follows:

- (d) The department shall also send the alert to:
  - (1) any appropriate law enforcement agency;
  - (2) the Texas Department of Transportation;
- (3) the Texas Department of Licensing and Regulation [Lottery Commission]; and
  - (4) the Independent Bankers Association of Texas.

SECTION 3. Sections 466.002(1), (3), and (4), Government Code, are amended to read as follows:

- (1) "Commission" means the Texas [Lottery] Commission of Licensing and Regulation.
- (3) "Department" or "division [Division]" means the Texas Department of Licensing and Regulation [lottery division established by the commission under Chapter 467].
- (4) "Director" or "executive [Executive] director" means the executive director of the department [commission].

SECTION 4. Subchapter A, Chapter 466, Government Code, is amended by adding Section 466.005 to read as follows:

Sec. 466.005. LIMITED-SCOPE SUNSET REVIEW OF STATE LOTTERY PROGRAM. (a) The Sunset Advisory Commission shall conduct a limited-scope review of the state lottery program during the state fiscal biennium ending August 31, 2029, in the manner provided by Chapter 325 (Texas Sunset Act).

(b) In conducting the limited-scope review under this section, the Sunset

- Advisory Commission's staff evaluation and report must be limited to:
  - (1) the transfer of the state lottery program to the department;

- (2) the extent to which the department is implementing and enforcing statutory changes enacted by the 89th and 90th Legislatures; and
- (3) whether the department remains the appropriate agency to administer the state lottery program.
- (c) Unless continued in existence, the state lottery is abolished and this chapter expires September 1, 2029.

SECTION 5. The heading to Section 466.014, Government Code, is amended to read as follows:

Sec. 466.014. POWERS AND DUTIES OF <u>DEPARTMENT</u> [<u>COMMISSION</u>] AND EXECUTIVE DIRECTOR.

SECTION 6. Sections 466.014(a) and (d), Government Code, are amended to read as follows:

- (a) The <u>department</u> [<u>commission</u>] and executive director have broad authority and shall exercise strict control and close supervision over all lottery games conducted in this state to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery.
- (d) A contract between the <u>department</u> [division] and a lottery operator under Subsection (b) must contain a provision allowing the contract to be terminated without penalty if the department [division] is abolished.

SECTION 7. Section 466.015, Government Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

- (b) The commission shall adopt rules to the extent they are not inconsistent with Chapters 551 and 552 governing the:
- (1) security for the lottery and the commission, including the development of an internal security plan;
- (2) apportionment of the total revenues from the sale of tickets and from all other sources in the amounts provided by this chapter;
- (3) enforcement of prohibitions on the sale of tickets to or by an individual younger than 18 years of age; and
- (4) enforcement of prohibitions on a person playing or facilitating the play of a lottery game by telephone or through an Internet application or mobile Internet application in violation of Section 466.318.
- (d) The commission may not adopt a rule under this section that is inconsistent with any provision of state law.

SECTION 8. Subchapter B, Chapter 466, Government Code, is amended by adding Section 466.0171 to read as follows:

Sec. 466.0171. ANNUAL AUDIT. (a) The state auditor shall annually conduct a comprehensive audit of the department's state lottery program, including any department action taken relating to the program.

(b) Each audit required by Subsection (a) must specifically identify any lottery program action or activity that varies from a lottery program action or activity identified in a preceding audit conducted by the state auditor.

SECTION 9. Section 466.018, Government Code, is amended to read as follows:

Sec. 466.018. INVESTIGATIONS. The attorney general, the district attorney for Travis County, or the district attorney, criminal district attorney, or county attorney performing the duties of district attorney for the county in which the violation or alleged violation occurred may investigate a violation or alleged violation of this chapter and of the penal laws of this state by the <u>department</u> [eommission] or its employees, a sales agent, a lottery vendor, or a lottery operator.

SECTION 10. Section 466.019, Government Code, is amended to read as follows:

Sec. 466.019. ENFORCEMENT. (a) The executive director or designated personnel of the <u>department</u> [eommission] may investigate violations of this chapter and violations of the rules adopted under this chapter. After conducting investigations, the executive director, a person designated by the <u>department</u> [eommission], or any law enforcement agency may file a complaint with the district attorney of Travis County or with the district attorney of the county in which a violation is alleged to have occurred.

- (b) The executive director has the administrative, enforcement, and collection powers provided by Subtitle B, Title 2, Tax Code, in regard to the lottery. For purposes of the application of Title 2 of the Tax Code:
- (1) the state's share of proceeds from the sale of lottery tickets is treated as if it were a tax; and
- (2) a power granted to the comptroller may be exercised by the <u>department</u> [<u>eommission</u>].

SECTION 11. Sections 466.020(a), (c), and (d), Government Code, are amended to read as follows:

- (a) The executive director shall maintain an office [a department] of security within the department [in the commission]. The office of security shall assist the executive director in addressing any security-related matter arising under this chapter or Chapter 2001, Occupations Code. The office may coordinate as necessary with the financial crimes intelligence center established under Chapter 2312, Occupations Code, for assistance with investigations, to receive guidance on security-related matters, and to provide information relevant to the office's operations [The executive director shall appoint a deputy to administer the department. The deputy must be qualified by training and experience in law enforcement or security to supervise, direct, and administer the activities of the department].
- (c) A security officer or investigator employed by the <u>office</u> [department] of security or a peace officer who is working in conjunction with the <u>department</u> [emmission] or the Department of Public Safety in the enforcement of this chapter, without a search warrant, may search and seize a lottery vending machine, lottery computer terminal, or other lottery equipment that is located on premises for which a person holds a sales agent license issued under this chapter.
- (d) The Department of Public Safety, at the department's [eommission's] request, shall perform a full criminal background investigation of a prospective [deputy or] investigator of the office [department] of security. The department [eommission] shall reimburse the Department of Public Safety for the actual costs of an investigation.

SECTION 12. Section 466.022, Government Code, is amended to read as follows:

Sec. 466.022. CONFIDENTIAL INFORMATION. (a) Except as otherwise provided by law, all department [eommission] records are subject to public inspection in accordance with Chapter 552.

- (b) In addition to <u>department</u> [<u>commission</u>] records excepted from disclosure under Chapter 552, the <u>following</u> information is confidential and is exempt from disclosure:
- (1) security plans and procedures of the <u>department</u> [eommission] designed to ensure the integrity and security of the operation of the lottery;
- (2) information of a nature that is designed to ensure the integrity and security of the selection of winning tickets or numbers in the lottery, other than information describing the general procedures for selecting winning tickets or numbers:
- (3) the street address and telephone number of a prize winner, if the prize winner has not consented to the release of the information; and
- (4) except as otherwise authorized by Section 466.411, all personally identifiable information of a natural person who is:
- (A) a lottery prize winner and who has chosen to remain anonymous under Section 466.411; or
- (B) an owner of a beneficial interest in a legal entity that is a lottery prize winner and who has chosen to remain anonymous under Section 466.411.

SECTION 13. Section 466.023(b), Government Code, is amended to read as follows:

(b) An investigation report or other document submitted by the Department of Public Safety to the <u>department</u> [eommission] becomes part of the investigative files of the <u>department</u> [eommission] and is subject to discovery by a person that is the subject of the investigation report or other document.

SECTION 14. Section 466.026, Government Code, is amended to read as follows:

Sec. 466.026. AMBER ALERT. On receipt of notice by the Department of Public Safety that the Statewide Texas Amber Alert Network has been activated, the department [commission] shall disseminate Amber Alert information at its retail locations through the lottery operator system.

SECTION 15. Sections 466.027(a), (b), (c), and (d), Government Code, are amended to read as follows:

- (a) The <u>department [eommission]</u> shall operate an instant-ticket lottery game to benefit the fund for veterans' assistance established by Section 434.017.
  - (b) The <u>department</u> [eommission] shall:
- (1) determine the ticket price, payout amounts, and manner in which the game is conducted;
- (2) make tickets to the game available for sale continuously to the extent practicable; and
- (3) change the design or theme of the game regularly to ensure that the game remains competitive with other instant-ticket lottery games offered by the department [eommission].

- (c) The <u>department</u> [<u>commission</u>] shall market and advertise the lottery game operated under this section in a manner intended to inform the public that the game tickets are available for purchase and that the game proceeds are used to fund veterans programs in this state. The game tickets must clearly state that the game proceeds are used to benefit the veterans in this state. The Texas Veterans Commission may make recommendations to the <u>department</u> [<u>Texas Lottery Commission</u>] relating to the marketing and advertising of the game.
- (d) The <u>department</u> [<u>eommission</u>] shall encourage each sales agent that sells tickets to instant-ticket games or similar types of lottery games to sell tickets to the game operated under this section.

SECTION 16. Subchapter B, Chapter 466, Government Code, is amended by adding Sections 466.029 and 466.030 to read as follows:

Sec. 466.029. PRESERVATION OF LOTTERY-RELATED DOCUMENTS. (a) Notwithstanding any other law, the department shall preserve all department records, including e-mails, relating to the operation of the state lottery until at least the first anniversary of the last date the record is modified.

(b) The department may not use a software program to automatically delete a record relating to the operation of the state lottery on a date earlier than the last day of the period specified by Subsection (a).

Sec. 466.030. REQUIRED RECORDING OF CERTAIN STATE LOTTERY MEETINGS. (a) The department shall make and maintain a recording of any formal meeting of the commission related to the state lottery or of the lottery advisory committee.

(b) The department shall maintain the recording described by Subsection (a) until at least the fifth anniversary of the meeting date.

SECTION 17. Section 466.105(b), Government Code, is amended to read as follows:

(b) Notwithstanding the provisions of Title 2, Utilities Code, the <u>department</u> [<u>eommission</u>] may negotiate rates and execute contracts with telecommunications service providers for the interexchange services necessary for the operation of the lottery. The <u>department</u> [<u>eommission</u>] may acquire transmission facilities by lease, purchase, or <u>lease-purchase</u>. The acquisition of transmission facilities must be done on a competitive bid basis if possible.

SECTION 18. Section 466.106(a), Government Code, is amended to read as follows:

(a) In all contracts for lottery equipment, supplies, services, and advertising, the <u>department</u> [eommission] and each lottery operator shall give preference to equipment or supplies produced in this state or services or advertising offered by bidders from this state, the cost to the state and quality being equal.

SECTION 19. Sections 466.107(a) and (c), Government Code, are amended to read as follows:

- (a) The executive director and each lottery operator shall take positive steps to:
  - (1) inform minority businesses of opportunities to:
- (A) provide lottery equipment and supplies to the <u>department</u> [eommission];

- (B) provide services, including advertising, to the <u>department</u> [eommission] for the operation of the lottery; or
  - (C) obtain a license to sell lottery tickets;
  - (2) waive or modify bond requirements, if feasible;
- (3) award contracts for lottery equipment or supplies to minority businesses when possible;
- (4) award contracts for lottery services, including advertising, to minority businesses when possible;
  - (5) license minority businesses as sales agents;
- (6) monitor the effectiveness of the efforts to increase the ability of minority businesses to do business with the department [eommission]; and
- (7) require all bidders or contractors, when appropriate, to include specific plans or arrangements to use subcontracts with minority businesses.
- (c) The department [commission] shall annually report to the legislature and the governor on the level of minority business participation as pertains to both the department's [commission's] contracts and the licensing of sales agents. The report must include recommendations for the improvement of minority business opportunities in lottery-related business.

SECTION 20. Section 466.108, Government Code, is amended to read as follows:

Sec. 466.108. TELEVISION CONTRACTS. If the drawing or selection of winning tickets is televised under a contract with the <u>department</u> [eommission], the contract must be awarded by competitive bid. The commission shall adopt rules governing the competitive bidding process. Money received under the contract shall be deposited in the state lottery account established under Section 466.355.

SECTION 21. Section 466.109, Government Code, is amended to read as follows:

Sec. 466.109. PUBLICITY OF INDIVIDUALS PROHIBITED. (a) A state officer, including a commission member or the executive director, or an officer or employee of the department [eommission], may not appear in an advertisement or promotion for the lottery that is sponsored by the department [eommission] or in a televised lottery drawing. An advertisement or promotion for the lottery may not contain the likeness or name of a state officer, including a commission member or the executive director, or an officer or employee of the department [eommission].

- (b) In connection with providing security for the lottery, this section does not prohibit a security officer or investigator employed by the <u>department</u> [eommission] from appearing in a televised lottery drawing or other promotion for the lottery that is sponsored by the department [eommission].
- (c) Notwithstanding this section, the executive director may designate an employee of the department [eommission] to participate in a promotional event.

SECTION 22. Section 466.110, Government Code, is amended to read as follows:

Sec. 466.110. PROHIBITED ADVERTISEMENTS. The legislature intends that advertisements or promotions sponsored by the <u>department</u> [emmission or the <u>division</u>] for the lottery not be of a nature that unduly influences any person to purchase a lottery ticket or number.

- SECTION 23. Section 466.151(a), Government Code, is amended to read as follows:
- (a) If the executive director authorizes a person who is not an employee of the department [eommission] to sell tickets, the person must be licensed as a sales agent by the department [eommission].
- SECTION 24. Sections 466.155(a), (b), (e), and (f), Government Code, are amended to read as follows:
- (a) After a hearing, the <u>executive</u> director shall deny an application for a license or the <u>department</u> [<u>eommission</u>] shall suspend or revoke a license if the <u>executive</u> director or <u>department</u> [<u>eommission</u>], as applicable, finds that the applicant or sales agent:
  - (1) is an individual who:
- (A) has been convicted of a felony, criminal fraud, gambling or a gambling-related offense, or a misdemeanor involving moral turpitude, if less than 10 years has elapsed since the termination of the sentence, parole, mandatory supervision, or probation served for the offense;
  - (B) is or has been a professional gambler;
  - (C) is married to an individual:
    - (i) described in Paragraph (A) or (B); or
    - (ii) who is currently delinquent in the payment of any state tax;
- (D) is an officer or employee of the  $\underline{\text{department}}$  [ $\underline{\text{eommission}}$ ] or a lottery operator; or
- (E) is a spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of residence of a person described by Paragraph (D);
  - (2) is not an individual, and an individual described in Subdivision (1):
    - (A) is an officer or director of the applicant or sales agent;
- (B) holds more than 10 percent of the stock in the applicant or sales agent;
- (C) holds an equitable interest greater than 10 percent in the applicant or sales agent;
- (D) is a creditor of the applicant or sales agent who holds more than 10 percent of the applicant's or sales agent's outstanding debt;
- (E) is the owner or lessee of a business that the applicant or sales agent conducts or through which the applicant will conduct a ticket sales agency;
- (F) shares or will share in the profits, other than stock dividends, of the applicant or sales agent; or
  - (G) participates in managing the affairs of the applicant or sales agent;
- (3) has been finally determined to be delinquent in the payment of a tax or other money collected by the comptroller, the Texas Workforce Commission, or the Texas Alcoholic Beverage Commission;
  - (4) is a person whose location for the sales agency is:
- (A) a location licensed for games of bingo under Chapter 2001, Occupations Code;
  - (B) on land that is owned by:
    - (i) this state; or

- (ii) a political subdivision of this state and on which is located a public primary or secondary school, an institution of higher education, or an agency of the state: or
- (C) a location for which a person holds a wine and malt beverage retailer's permit, mixed beverage permit, mixed beverage permit with a retailer late hours certificate, private club registration permit, or private club registration permit with a retailer late hours certificate issued under Chapter 25, 28, 29, or 32, Alcoholic Beverage Code, other than a location for which a person holds a wine and malt beverage retailer's permit issued under Chapter 25, Alcoholic Beverage Code, that derives less than 30 percent of the location's gross receipts from the sale or service of alcoholic beverages; or
  - (5) has violated this chapter or a rule adopted under this chapter.
- (b) If the <u>executive</u> director proposes to deny an application for a license or the <u>department</u> [<u>eommission</u>] proposes to suspend or revoke a license under this section, the applicant or sales agent is entitled to written notice of the time and place of the hearing. A notice may be served on an applicant or sales agent personally or sent by certified or registered mail, return receipt requested, to the person's mailing address as it appears on the <u>department's</u> [<u>eommission's</u>] records. A notice must be served or mailed not later than the <u>20th</u> day before the date of the hearing. The <u>department</u> [<u>eommission</u>] shall provide for a formal administrative hearings process.
- (e) The <u>executive</u> director may not issue a license to a person who has previously had a license under this chapter revoked unless the <u>executive</u> director is satisfied the person will comply with this chapter and the rules adopted under this chapter. The <u>executive</u> director may prescribe the terms under which a suspended license will be <u>reissued</u>.
- (f) The <u>executive</u> director may not issue a license to an applicant who fails to certify to the <u>executive</u> director the applicant's compliance with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.).
- SECTION 25. Sections 466.160(a), (b), and (d), Government Code, are amended to read as follows:
- (a) The <u>department</u> [<u>eommission</u>] may suspend a sales agent's license summarily without notice or hearing if the <u>department</u> [<u>eommission</u>] finds that the action is necessary to maintain the integrity, security, honesty, or fairness of the operation or administration of the lottery or to prevent financial loss to the state and:
- (1) the sales agent fails to deposit money received from ticket sales under Section 466.351;
- (2) an event occurs that would render the sales agent ineligible for a license under Section 466.155;
- (3) the sales agent refuses to permit the executive director, the <u>department</u> [<u>director</u>, the <u>commission</u>], or the state auditor to examine the agent's books, records, papers, or other objects under Section 466.017(b); or
- (4) the executive director learns the sales agent has failed to disclose information that would, if disclosed, render the sales agent ineligible for a license under Section 466.155.

- (b) The <u>department</u> [<u>eommission</u>] may summarily suspend a sales agent's license if proceedings for a preliminary hearing before the State Office of Administrative Hearings are initiated simultaneously with the summary suspension. The preliminary hearing shall be set for a date not later than 10 days after the date of the summary suspension, unless the parties agree to a later date.
- (d) To initiate a proceeding to summarily suspend a sales agent's license, the department [commission] must serve notice to the sales agent informing the agent of the right to a preliminary hearing and of the time and place of the preliminary hearing. The notice must be personally served on the sales agent or an officer, employee, or agent of the sales agent or sent by certified or registered mail, return receipt requested, to the sales agent's mailing address as it appears on the department's [commission's] records. The notice must state the alleged violations that constitute grounds for summary suspension. The suspension is effective at the time the notice is served. If notice is served in person, the sales agent shall immediately surrender the license to the department [commission]. If notice is served by mail, the sales agent shall immediately return the license to the department [commission]. If the sales agent uses an on-line electronic terminal to sell tickets, the executive director or a lottery operator on the instructions of the executive director may terminate the connection of the terminal to the department's [commission's] lottery computer at the time:
  - (1) the proceeding to summarily suspend the license is initiated; or
- (2) the <u>department</u> [<u>division</u>] discovers the sales agent has failed to deposit money received <u>from ticket</u> sales, if the sales agent's license is being summarily suspended under Subsection (a)(1).

SECTION 26. Sections 466.161(b) and (c), Government Code, are amended to read as follows:

- (b) This section does not waive any immunity of the <u>department</u> [eommission] or this state.
- (c) This section does not create a cause of action against this state, the <u>department</u> [emmission], a <u>department</u> [emmission] employee, or a sales agent.

SECTION 27. Section 466.201, Government Code, is amended to read as follows:

- Sec. 466.201. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION. (a) The <u>department</u> [eommission] is entitled to conduct an investigation of and is entitled to obtain criminal history record information maintained by the Department of Public Safety, the Federal Bureau of Investigation Identification Division, or another law enforcement agency to assist in the investigation of:
  - (1) a sales agent or an applicant for a sales agent license;
  - (2) a person required to be named in a license application;
  - (3) a lottery operator or prospective lottery operator;
- (4) an employee of a lottery operator or prospective lottery operator, if the employee is or will be directly involved in lottery operations;
- (5) a person who manufactures or distributes lottery equipment or supplies, or a representative of a person who manufactures or distributes lottery equipment or supplies offered to the lottery;

- (6) a person who has submitted a written bid or proposal to the <u>department</u> [eommission] in connection with the procurement of goods or services by the department [eommission], if the amount of the bid or proposal exceeds \$500;
- (7) an employee or other person who works for or will work for a sales agent or an applicant for a sales agent license;
- (8) a person who proposes to enter into or who has a contract with the department [commission] to supply goods or services to the department [commission]; or
- (9) if a person described in Subdivisions (1) through (8) is not an individual, an individual who:
  - (A) is an officer or director of the person;
  - (B) holds more than 10 percent of the stock in the person;
  - (C) holds an equitable interest greater than 10 percent in the person;
- (D) is a creditor of the person who holds more than 10 percent of the person's outstanding debt;
- (E) is the owner or lessee of a business that the person conducts or through which the person will conduct lottery-related activities;
- (F) shares or will share in the profits, other than stock dividends, of the person;
  - (G) participates in managing the affairs of the person; or
  - (H) is an employee of the person who is or will be involved in:
    - (i) selling tickets; or
    - (ii) handling money from the sale of tickets.
- (b) The department [emmission] shall conduct an investigation of and obtain criminal history record information maintained by the Department of Public Safety, the Federal Bureau of Investigation Identification Division, or another law enforcement agency to assist in the investigation of:
  - (1) the executive director or a prospective executive director; or
- (2) an employee or prospective employee of the <u>department who</u> the executive director determines has or will have access to sensitive or confidential data relating to this chapter or Chapter 2001, Occupations Code [commission].
- (c) Not later than the first anniversary after the date of each renewal, the department [eommission] shall obtain criminal history record information maintained by the Department of Public Safety on a sales agent whose license is renewed under Section 466.158.

SECTION 28. Section 466.202, Government Code, is amended to read as follows:

Sec. 466.202. FINGERPRINTS. (a) The executive director may discharge from employment or [an employee of the commission who fails to provide a complete legible set of fingerprints on request. The executive director may] refuse to consider, as applicable, an employee or [a] prospective employee of the department [commission] who fails to provide a complete legible set of fingerprints for purposes of conducting an investigation and obtaining criminal history record information under Section 466.201(b)(2) [con request].

(b) The executive director may deny an application for a license or the <u>department</u> [eommission] may suspend or revoke a license if the applicant or sales agent fails on request to provide a complete legible set of fingerprints of a person required to be named in a license application.

SECTION 29. Sections 466.203(a) and (c), Government Code, are amended to read as follows:

- (a) The executive director may request the cooperation of the Department of Public Safety to perform a background investigation of a person listed in Section 466.201(a) or (b). The executive director shall reimburse the <u>Department of Public Safety [department]</u> for the actual cost of an investigation.
- (c) Unless otherwise prohibited by law, the Department of Public Safety may retain any record or information submitted to it under this section. The <u>Department of Public Safety [department]</u> shall notify the executive director of any change in information provided to the executive director when the <u>Department of Public Safety [department]</u> learns of the change.

SECTION 30. Section 466.204, Government Code, is amended to read as follows:

- Sec. 466.204. ACCESS TO INTERNAL REVENUE SERVICE INFORMATION. The executive director may obtain information relating to a person's qualification for licensing, employment, or contracting under this chapter from the Internal Revenue Service under a contract between the comptroller and the Internal Revenue Service on:
  - (1) a sales agent or an applicant for a sales agent license;
  - (2) an employee or prospective employee of the department [eommission];
  - (3) a person required to be named in a license application;
  - (4) a lottery operator or prospective lottery operator;
- (5) an employee of a lottery operator or prospective lottery operator, if the employee is or will be directly involved in lottery operations;
- (6) a person who manufactures or distributes lottery equipment or supplies, or a representative of a person who manufactures or distributes lottery equipment or supplies offered to the lottery;
- (7) a person who has submitted a written bid or proposal to the <u>department</u> [eommission] in connection with the procurement of goods or services by the department [eommission];
- (8) an employee or other person who works for or will work for a sales agent or an applicant for a sales agent license; or
- (9) a person who proposes to enter into or who has a contract with the department [commission] to supply goods or services to the department [commission].

SECTION 31. Section 466.254, Government Code, is amended to read as follows:

Sec. 466.254. PURCHASE OF TICKET BY OR PAYMENT OF PRIZE TO CERTAIN PERSONS; CRIMINAL OFFENSE. (a) A person may not purchase a ticket or claim, collect, or receive a lottery prize or a share of a lottery prize if the person is:

- (1) a member, officer, or employee of a person that has a contract with the <u>department</u> [eommission] to sell or lease goods or services used in the operation of the <u>lottery</u>, and the member, officer, or employee is directly involved in selling or leasing the goods or performing the services that are the subject of the contract with the department [eommission];
  - $\overline{(2)}$  a member, officer, or employee of a lottery operator;
  - (3) an officer or employee of the department [eommission]; or
- (4) a spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of residence of a person described by Subdivision (1), (2), or (3).
- (b) A person commits an offense if the person violates Subsection (a). An offense under this subsection is a Class A misdemeanor.

SECTION 32. Subchapter F, Chapter 466, Government Code, is amended by adding Sections 466.255, 466.257, 466.258, and 466.259 to read as follows:

Sec. 466.255. LIMITATION ON NUMBER OF LOTTERY TICKETS PER TRANSACTION; CRIMINAL OFFENSE. (a) A person may not sell to one individual more than 100 lottery tickets in a single transaction.

(b) A person commits an offense if the person violates Subsection (a). An offense under this subsection is a Class B misdemeanor.

Sec. 466.257. METHOD, LOCATION, AND HOURS FOR PURCHASE OF TICKET. A person may only purchase a ticket:

- (1) in person;
- (2) at the location of a licensed sales agency; and
- (3) during the normal business hours of the licensed sales agency.

Sec. 466.258. REQUIRED AGE VERIFICATION OF TICKET PURCHASER; CRIMINAL OFFENSE. (a) A licensed sales agent or an employee of a sales agent shall use an age verification process prescribed by commission rule to verify the age of each ticket purchaser at the point of sale.

- (b) A person who violates Subsection (a) commits an offense. An offense under this subsection is a Class B misdemeanor.
- Sec. 466.259. LIMITATION ON CERTAIN LOTTERY EQUIPMENT. (a) The commission by rule shall limit the access at a sales agent's licensed location to lottery vending machines, lottery computer terminals, or other equipment that prints lottery tickets in a number disproportionate to the amount of legitimate retail business conducted at the location.
- (b) Unless otherwise provided by commission rules adopted under Subsection (a), the department may not provide to a sales agent's licensed location more than five lottery vending machines, lottery computer terminals, or other equipment dedicated to printing lottery tickets.

SECTION 33. Section 466.302(a), Government Code, is amended to read as follows:

(a) A person commits an offense if the person intentionally or knowingly sells a ticket at a price the person knows is greater than that fixed by the <u>department</u> [emmission] or by the lottery operator authorized to set that price.

SECTION 34. Section 466.3051, Government Code, is amended by amending Subsections (a) and (d) and adding Subsection (g) to read as follows:

- (a) A sales agent or an employee of a sales agent commits an offense if with criminal negligence the person [intentionally or knowingly] sells or offers to sell a ticket to an individual that the person knows is younger than 18 years of age.
- (d) It is a defense to the application of Subsection (b) that the individual younger than 18 years of age is participating in an inspection or investigation on behalf of the department [emmission] or other appropriate governmental entity regarding compliance with this section.
- (g) The commission or department may not take any disciplinary action against a sales agent to whom Subsection (a) applies if:
- (1) the sales agent's employee electronically accessed the electronically readable information on the ticket purchaser's driver's license, commercial driver's license, or personal identification certificate; 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 18 years of age or older on the purchase date.

SECTION 35. Section 466.3052(a), Government Code, is amended to read as follows:

- (a) A person commits an offense if the person intentionally or knowingly sells a ticket and the person accepts anything other than the following as payment for the ticket:
  - (1) United States currency;
- (2) a negotiable instrument in the form of a check that meets the requirements of Section 3.104, Business & Commerce Code;
  - (3) a debit made through a financial institution debit card;
- (4) a coupon or voucher issued by the <u>department</u> [eommission] for purposes of purchasing a lottery ticket; or
- (5) a mail order subscription on a mail order subscription form authorized by the department [eommission].

SECTION 36. Section 466.311(b), Government Code, is amended to read as follows:

(b) A person commits an offense if the person knowingly refuses to produce for inspection by the [director,] executive director, department [eommission], or state auditor a book, record, or document required to be maintained or made by this chapter or a rule adopted under this chapter.

SECTION 37. Subchapter G, Chapter 466, Government Code, is amended by adding Section 466.318 to read as follows:

Sec. 466.318. PLAY OR FACILITATING PLAY BY TELEPHONE OR BY INTERNET OR MOBILE INTERNET APPLICATION. (a) A person may not by telephone or through an Internet application or mobile Internet application:

- (1) purchase or order the purchase of a ticket for a lottery game; or
- (2) for compensation:
  - (A) accept an order for a ticket for a lottery game from a player;
  - (B) sell a ticket for a lottery game to a player; or
  - (C) arrange:
    - (i) to purchase a ticket on behalf of a person playing a lottery game;

- (ii) for another person to purchase a ticket on behalf of a person playing a lottery game.
  - (b) A person commits an offense if the person violates this section.
  - (c) An offense under Subsection (a)(1) is a Class A misdemeanor.
  - (d) An offense under Subsection (a)(2) is a Class A misdemeanor.
- SECTION 38. Section 466.401(a), Government Code, is amended to read as follows:
- (a) The office [department] of security shall supervise ticket validation and lottery drawings.
- SECTION 39. Sections 466.408(a), (c), and (f), Government Code, are amended to read as follows:
- (a) The department [division] shall retain an unclaimed prize on a winning ticket for payment or delivery to the person entitled to the prize for 180 days after the date on which the winner was selected.
- (c) If a claim is not made for a prize other than prize money on or before the 180th day after the date on which the winner was selected, the prize shall revert to the department [division] for use in subsequent games.
- (f) The department [eommission] may deduct money paid to an eligible person under Subsection (e) from prize money that would otherwise be deposited under Subsection (b).
- SECTION 40. Sections 466.410(a), (b), (d), (f), (g), and (j), Government Code, are amended to read as follows:
- (a) A person may assign, in whole or in part, the right to receive prize payments that are paid by the <u>department</u> [eommission] in installments over time if the assignment is made to a person designated by an order of a district court of Travis County, except that a person may not assign the right to receive prize payments if the person is subject to a child support order and is delinquent in making support payments under that order.
- (b) A district court shall issue an order approving a voluntary assignment and directing the <u>department</u> [emmission] to direct prize payments in whole or in part to the assignee if:
- (1) a copy of the petition for the order and copies of all notices of any hearing in the matter have been served on the executive director not later than 20 days prior to any hearing or entry of any order. The <u>department [eommission]</u> may intervene in a proceeding to protect the interests of the <u>department [eommission]</u> but shall not be considered an indispensable or necessary party. A petition filed under this section shall include in the caption the prize winner's name as it appears on the lottery claim form;
- (2) the assignment is in writing, executed by the assignor and assignee (or designated agent), and by its terms subject to the laws of this state; and
- (3) the assignor provides a sworn and notarized affidavit stating that the assignor:
- (A) is of sound mind, over 18 years of age, is in full command of the person's faculties, and is not acting under duress;
- (B) is not delinquent in payment of child support under a court or administrative order issued in this state or another state;

- (C) has been advised regarding the assignment by independent legal counsel and has had the opportunity to receive independent financial and tax advice concerning the effects of the assignment;
- (D) understands that the assignor will not receive the prize payments, or portions of the prize payments, for the assigned years;
- (E) understands and agrees that with regard to the assigned payments, the state, the <u>department</u> [<u>eommission</u>], and its officials and employees will have no further liability or responsibility to make the assigned payments to the assignor;
- (F) has been provided a one-page written disclosure statement stating, in boldfaced type, 14 points or larger:
  - (i) the payments being assigned, by amounts and payment dates;
  - (ii) the purchase price being paid, if any;
- (iii) if a purchase price is paid, the rate of discount to the present value of the prize, assuming daily compounding and funding on the contract date; and
- (iv) the amount, if any, of any origination or closing fees that will be charged to the assignor; and
- (G) was advised in writing, at the time the assignment was signed, that the assignor had the right to cancel without any further obligation not later than the third business day after the date the assignment was signed.
- (d) With respect to any given prize, the order shall also recite and identify all prior assignments by amount of or fraction of payment assigned, the identity of the assignee, and the date(s) of payment(s) assigned. A court order obtained pursuant to this section, together with all such prior orders, shall not require the department [commission] to divide any single prize payment among more than three different persons.
- (f) A certified copy of a court order granted under this section shall be delivered to the department [commission] and such order must be provided to the department [commission] no later than 20 days prior to the date upon which the first assigned payment is to be paid to the assignee. Within 20 days of receipt of the court order, the department [commission] shall acknowledge in writing to both the assignor and the assignee its receipt of said court order. Unless the department [commission] provides written notice to the assignor and assignee that the department [commission] cannot comply with the court order, the department [commission] shall thereafter make the prize payments in accordance with the court order.
- (g) The department [eommission] shall establish and collect a reasonable fee to defray any administrative expenses associated with an assignment made under this section, including the cost to the department [eommission] of any processing fee imposed by a private annuity provider. The department [eommission] shall establish the amount of the fee to reflect the direct and indirect costs associated with processing the assignment.
- (j) After receiving a letter or ruling from the Internal Revenue Service or a published decision of a court as provided by Subsection (i)(1) or (2), the executive director shall immediately file a copy of the letter, ruling, or published decision with the secretary of state. When the executive director files a copy of the letter, ruling, or published decision with the secretary of state, an assignor is ineligible to assign a

prize under this section, and the <u>department</u> [<u>eommission</u>] shall not make any payment to an assignee pursuant to a <u>court order</u> entered after the date of such letter or ruling.

SECTION 41. Sections 466.411(b) and (d), Government Code, are amended to read as follows:

- (b) The <u>department</u> [<u>commission</u>] may release or disclose the personally identifiable information of a natural person who is a lottery prize winner if the person chooses to have the prize paid in periodic installments. The <u>department</u> [<u>commission</u>] may only disclose the information on or after the 30th day after the date the person claims the lottery prize if the person chooses to remain anonymous under Subsection (a).
- (d) This section does not prohibit release of a natural person prize winner's city or county of residence or prevent the <u>department</u> [eommission] from releasing the person's personally identifiable information to the Health and Human Services Commission or as necessary to comply with Section 466.407 or 466.4075.

SECTION 42. Subchapter I, Chapter 466, Government Code, is amended by adding Section 466.412 to read as follows:

Sec. 466.412. REQUIRED FORM FOR PRIZE WINNERS. Notwithstanding any other law, the director may not authorize payment of a prize until the prize winner submits to the department any form required by the Internal Revenue Service and the department independently verifies the form information.

SECTION 43. Section 466.451, Government Code, is amended to read as follows:

Sec. 466.451. MULTIJURISDICTION AGREEMENT AUTHORIZED. The department [eommission] may enter into a written agreement with the appropriate officials of one or more other states or other jurisdictions, including foreign countries, to participate in the operation, marketing, and promotion of a multijurisdiction lottery game or games. The commission may adopt rules relating to a multijurisdiction lottery game or games.

SECTION 44. Section 466.452(b), Government Code, is amended to read as follows:

(b) The <u>department [eommission]</u> may deposit a portion of the revenue received from the sale <u>of multijurisdiction</u> lottery game tickets in this state into a fund shared with other parties to an agreement under this subchapter for the payment of prizes awarded in multijurisdiction lottery games in which the <u>department [eommission]</u> participates. The <u>department [eommission]</u> may retain that revenue in the fund for as long as necessary to pay prizes claimed during the period designated for claiming a prize in the multijurisdiction lottery game.

SECTION 45. Section 466.453, Government Code, is amended to read as follows:

Sec. 466.453. PAYMENT OF COSTS AUTHORIZED. The <u>department</u> [eommission] may share in the payment of costs associated with participating in multijurisdiction lottery games.

SECTION 46. Section 544.0456(c), Government Code, is amended to read as follows:

(c) On a monthly basis, the commission shall:

- (1) conduct electronic data matches with the Texas <u>Department of Licensing</u> and <u>Regulation [Lottery Commission]</u> to determine whether a recipient of supplemental nutrition assistance benefits or a recipient's household member received reportable lottery winnings;
  - (2) use the database system developed under Section 532.0201 to:
- (A) match vital statistics unit death records with a list of individuals eligible for financial assistance or supplemental nutrition assistance benefits; and
- (B) ensure that any individual receiving assistance under either program who is discovered to be deceased has the individual's eligibility for assistance promptly terminated; and
- (3) review the out-of-state electronic benefit transfer card transactions a recipient of supplemental nutrition assistance benefits made to determine whether those transactions indicate a possible change in the recipient's residence.

SECTION 47. Sections 572.003(b) and (c), Government Code, are amended to read as follows:

- (b) The term means:
- (1) the <u>banking commissioner</u> [<u>Banking Commissioner</u>] of <u>the Texas</u> [<u>The Banking</u>] Department of Banking [<u>Texas</u>];
- (2) the administrative director of the Office of Court Administration of the Texas Judicial System;
  - (3) the chief executive of the Office of Public Utility Counsel;
  - (4) the executive director of the State Bar of Texas;
  - (5) [the director of the lottery division of the Texas Lottery Commission;
- [(6) the deputy in charge of the department of security in the lottery division of the Texas Lottery Commission;
- [<del>(7)</del>] the executive director of the [bingo division of the] Texas Department of Licensing and Regulation [Lottery Commission]; or
  - (6) (8) the secretary of state.
  - (c) The term means a member of:
    - (1) the Public Utility Commission of Texas;
    - (2) the Texas Commission on Environmental Quality;
    - (3) the Texas Alcoholic Beverage Commission;
    - (4) the Finance Commission of Texas;
    - (5) the Texas Facilities Commission;
    - (6) the Texas Board of Criminal Justice;
    - (7) the board of trustees of the Employees Retirement System of Texas;
    - (8) the Texas Transportation Commission;
    - (9) the Texas Department of Insurance;
    - (10) the Parks and Wildlife Commission;
    - (11) the Public Safety Commission;
    - (12) the Texas Ethics Commission;
    - (13) the State Securities Board;
    - (14) the Texas Water Development Board;
- (15) the governing board of a public senior college or university as defined by Section 61.003, Education Code, or of The University of Texas Southwestern Medical Center, The University of Texas Medical Branch at Galveston, The

University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas M. D. Anderson Cancer Center, The University of Texas Health Science Center at Tyler, University of North Texas Health Science Center at Fort Worth, Texas Tech University Health Sciences Center, Texas State Technical College—Harlingen, Texas State Technical College—Marshall, Texas State Technical College—Sweetwater, or Texas State Technical College—Waco;

- (16) the Texas Higher Education Coordinating Board;
- (17) the Texas Workforce Commission;
- (18) the board of trustees of the Teacher Retirement System of Texas;
- (19) the Credit Union Commission;
- (20) the School Land Board;
- (21) the board of the Texas Department of Housing and Community Affairs;
- (22) the Texas Racing Commission;
- (23) the State Board of Dental Examiners;
- (24) the Texas Medical Board;
- (25) the Board of Pardons and Paroles;
- (26) the Texas State Board of Pharmacy;
- (27) the Department of Information Resources governing board;
- (28) the board of the Texas Department of Motor Vehicles;
- (29) the Texas Real Estate Commission;
- (30) the board of directors of the State Bar of Texas;
- (31) the Bond Review Board;
- (32) the Health and Human Services Commission;
- (33) the Texas Funeral Service Commission;
- (34) the board of directors of a river authority created under the Texas Constitution or a statute of this state; or
  - (35) [the Texas Lottery Commission; or
  - [(36)] the Cancer Prevention and Research Institute of Texas.

SECTION 48. Section 2054.007(a), Government Code, is amended to read as follows:

(a) The lottery <u>program</u> [<u>division</u>] of the Texas [<u>Lottery</u>] Commission <u>of Licensing and Regulation</u> is not subject to the planning and procurement requirements <u>of this chapter.</u>

SECTION 49. Sections 467.001(3), (4), (5), (6), (7), (8), (9), (10), and (11), Government Code, are transferred to Section 51.001, Occupations Code, redesignated as Sections 51.001(1-b), (2-a), (2-b), (4-a), (4-b), (4-c), (4-d), (4-e), and (4-f), Occupations Code, and amended to read as follows:

- (1-b) [(3-b)] "Communicate directly with" has the meaning assigned by Section 305.002, Government Code.
- (2-a) [(4)] "Gift" includes a gratuity, trip, meal, or other thing of value for which the recipient does not compensate the person making the gift and that is not conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient.
- $\underline{\text{(2-b)}}$  [(5)] "Legislation" has the meaning assigned by Section 305.002, Government Code.

- (4-a) [(6)] "Member of the legislative branch" has the meaning assigned by Section 305.002, Government Code.
- (4-b) [(7)] "Participated" means to have taken action as an officer or employee through decision, approval, disapproval, recommendation, giving advice, or similar action.
- (4-c) [(8)] "Particular matter" includes an investigation, an application, a request for a ruling or determination, a license proceeding, rulemaking, a contract, a controversy, a claim, a charge, an accusation, an arrest, or a judicial or other proceeding.
- $\underline{(4-d)}$  [ $\underline{(9)}$ ] "Person that has a significant financial interest in the lottery" means:
- (A) a person or a board member, officer, trustee, or general partner of a person that manufactures, distributes, sells, or produces lottery equipment, supplies, services, or advertising;
- (B) an employee of a person that manufactures, distributes, sells, or produces lottery equipment, supplies, services, or advertising and that employee is directly involved in the manufacturing, distribution, selling, or production of lottery equipment, supplies, services, or advertising;
- (C) a person or a board member, officer, trustee, or general partner of a person that has made a bid to operate the lottery in the preceding two years or that intends to make a bid to operate the lottery or an employee of the person if the employee is directly involved in making the bid; or
  - (D) a sales agent.
- (4-e) [(10)] "Political committee" has the meaning assigned by Section 251.001, Election Code.
- $\underline{\text{(4-f)}}$  [ $\underline{\text{(11)}}$ ] "Political contribution" has the meaning assigned by Section 251.001, Election Code.
- SECTION 50. Section 51.053, Occupations Code, is amended by adding Subsection (b-1) to read as follows:
- (b-1) In addition to the eligibility requirements provided by Subsection (b), a person is not eligible for appointment as a member of the commission if the person:
- (1) has been convicted of a felony or of any crime involving moral turpitude; or
  - (2) is not a citizen of the United States.
- SECTION 51. Section 467.025, Government Code, is transferred to Subchapter B, Chapter 51, Occupations Code, redesignated as Section 51.061, Occupations Code, and amended to read as follows:
- Sec. <u>51.061</u> [467.025]. PROHIBITED CONDUCT. (a) A commission member may not:
  - (1) accept any employment or remuneration from:
    - (A) a person that has a significant financial interest in the lottery; or
- (B) a bingo commercial lessor, bingo distributor, or bingo manufacturer;
  - (2) play any lottery or bingo game conducted in this state;
- (3) accept or be entitled to accept any part of the winnings to be paid from a lottery or bingo game conducted in this state;

- (4) use the member's official authority to affect the result of an election or nomination for public office; or
- (5) directly or indirectly coerce, attempt to coerce, command, or advise a person to pay, lend, or contribute anything of value to another person for political purposes.
- (b) A commission member or former commission member or the spouse of a commission member or former commission member may not solicit or accept employment from a person regulated by the commission before the second anniversary of the date on which the commission member's service on the commission ends.

SECTION 52. Section 467.036, Government Code, is transferred to Subchapter B, Chapter 51, Occupations Code, redesignated as Section 51.062, Occupations Code, and amended to read as follows:

- Sec. <u>51.062</u> [467.036]. ACCESS TO CRIMINAL HISTORY RECORDS. (a) The governor shall conduct an investigation of and is entitled to obtain criminal history record information maintained by the Department of Public Safety, the Federal Bureau of Investigation Identification Division, or another law enforcement agency relating to an individual the governor intends to appoint to the commission.
- (b) The <u>department</u> [<u>eommission</u>] shall conduct an investigation of and is entitled to obtain criminal history record information maintained by the Department of Public Safety, the Federal Bureau of Investigation Identification Division, or another law enforcement agency relating to an individual the <u>department employs or [eommission</u>] intends to employ who has or will have access to sensitive or confidential data relating to this chapter, Chapter 466, Government Code, or Chapter 2001 of this code.

SECTION 53. Section 467.101, Government Code, is transferred to Subchapter D, Chapter 51, Occupations Code, redesignated as Section 51.2011, Occupations Code, and amended to read as follows:

Sec. <u>51.2011</u> [467.101]. POWERS AND DUTIES OF COMMISSION REGARDING STATE LOTTERY AND BINGO REGULATION. (a) The commission has broad authority and shall exercise strict control and close supervision over all activities authorized and conducted in this state under:

- (1) Chapter 2001[, Occupations Code]; and
- (2) Chapter 466, Government Code [of this code].
- (b) The commission shall ensure that games are conducted fairly and in compliance with the law.
  - (c) The commission also has the powers and duties granted under:
    - (1) Chapter 2001 [, Occupations Code]; and
    - (2) Chapter 466, Government Code [of this code].

SECTION 54. Section 467.104, Government Code, is transferred to Subchapter D, Chapter 51, Occupations Code, redesignated as Section 51.212, Occupations Code, and amended to read as follows:

- Sec. <u>51.212</u> [467.104]. <u>LOTTERY AND BINGO PROGRAM RECORDS</u>. (a) Except as otherwise provided by law, all commission records relating to the state lottery under Chapter 466, Government Code, and the regulation of charitable bingo under Chapter 2001 are subject to public inspection in accordance with Chapter 552, Government Code.
- (b) The executive director shall keep the records described by Subsection (a) [of the commission].
- SECTION 55. Section 467.105, Government Code, is transferred to Subchapter D, Chapter 51, Occupations Code, redesignated as Section 51.213, Occupations Code, and amended to read as follows:
- Sec. <u>51.213</u> [467.105]. LEGAL REPRESENTATION. (a) The attorney general shall designate at least one member of the attorney general's staff to counsel and advise the commission and to represent the commission in legal proceedings. The attorney general shall make available to the appropriate prosecuting attorneys any information obtained regarding a violation of a law under the commission's jurisdiction.
- (b) The attorney general may apply for injunctive or declaratory relief to enforce a law under the commission's jurisdiction or a rule adopted by the commission. Action by the attorney general under this subsection does not limit the authority of the attorney general or a prosecuting attorney to bring a criminal proceeding.
- SECTION 56. Section 467.106, Government Code, is transferred to Subchapter D, Chapter 51, Occupations Code, redesignated as Section 51.214, Occupations Code, and amended to read as follows:
- Sec. 51.214 [467.106]. GIFT OR POLITICAL CONTRIBUTION TO OFFICER OR EMPLOYEE. (a) A commission member, the executive director, or an employee of the department [commission] may not intentionally or knowingly accept a gift or political contribution from:
  - (1) a person that has a significant financial interest in the lottery;
- (2) a person related in the first degree of consanguinity or affinity to a person that has a significant financial interest in the lottery;
- (3) a person that owns more than a 10 percent interest in an entity that has a significant financial interest in the lottery;
- (4) a political committee that is directly established, administered, or controlled, in whole or in part, by a person that has a significant financial interest in the lottery; or
- (5) a person who, within the two years preceding the date of the gift or contribution, won a lottery prize exceeding \$600 in amount or value.
- (b) A person may not make a gift or political contribution to a person known by the actor to be a commission member, the executive director, or an employee of the department [eommission], if the actor:
  - (1) has a significant financial interest in the lottery;
- (2) is related in the first degree of consanguinity or affinity to a person that has a significant financial interest in the lottery;
- (3) owns more than a 10 percent interest in an entity that has a significant financial interest in the lottery;

- (4) is a political committee that is directly established, administered, or controlled, in whole or in part, by a person that has a significant financial interest in the lottery; or
- (5) within the two years preceding the date of the gift or contribution, won a lottery prize exceeding \$600 in amount or value.
- (c) A person commits an offense if the person violates this section. An offense under this section is a Class A misdemeanor.

SECTION 57. Section 467.107, Government Code, is transferred to Subchapter D, Chapter 51, Occupations Code, redesignated as Section 51.215, Occupations Code, and amended to read as follows:

- Sec. <u>51.215</u> [467.107]. GIFT OR POLITICAL CONTRIBUTION TO FORMER OFFICER OR EMPLOYEE. (a) A former commission member, former executive director, or former employee of the <u>department</u> [commission] may not, before the second anniversary of the date that the person's service in office or employment with the <u>department</u> [commission] ceases, intentionally or knowingly accept a gift or political contribution from:
  - (1) a person that has a significant financial interest in the lottery;
- (2) a person related in the first degree of consanguinity or affinity to a person that has a significant financial interest in the lottery;
- (3) a person that owns more than a 10 percent interest in an entity that has a significant financial interest in the lottery;
- (4) a political committee that is directly established, administered, or controlled, in whole or in part, by a person that has a significant financial interest in the lottery; or
- (5) a person who, within the two years preceding the date of the gift or contribution, won a lottery prize exceeding \$600 in amount or value.
- (b) A person may not make a gift or political contribution to a person known by the actor to be a former commission member, former executive director, or former employee of the department [commission], if the actor:
  - (1) has a significant financial interest in the lottery;
- (2) is related in the first degree of consanguinity or affinity to a person that has a significant financial interest in the lottery;
- (3) owns more than a 10 percent interest in an entity that has a significant financial interest in the lottery;
- (4) is a political committee that is directly established, administered, or controlled, in whole or in part, by a person that has a significant financial interest in the lottery; or
- (5) within the two years preceding the date of the gift or contribution, won a lottery prize exceeding \$600 in amount or value.
- (c) A person commits an offense if the person violates this section. An offense under this section is a Class A misdemeanor.

SECTION 58. Section 467.108, Government Code, is transferred to Subchapter D, Chapter 51, Occupations Code, redesignated as Section 51.216, Occupations Code, and amended to read as follows:

- Sec. 51.216 [467.108]. REPRESENTATION BY FORMER OFFICER OR EMPLOYEE. (a) A former commission member or [7] former executive director [7, or former director may not:
- (1) for compensation, represent a person that has made or intends to make a bid to operate the lottery before the <u>department or</u> commission before the second anniversary of the date that the person's service in office or employment with the department or commission ceases;
- (2) represent any person or receive compensation for services rendered on behalf of any person regarding a particular matter in which the former officer or employee participated during the period of service or employment with the department or commission, either through personal involvement or because the matter was within the scope of the officer's or employee's official responsibility; or
- (3) for compensation communicate directly with a member of the legislative branch to influence legislation on behalf of a person that has a significant financial interest in the lottery, before the second anniversary of the date that the person's service in office or employment with the department or commission ceases.
- (b) A person commits an offense if the person violates this section. An offense under this section is a Class A misdemeanor.

SECTION 59. Subchapter D, Chapter 51, Occupations Code, is amended by adding Sections 51.217 and 51.218 to read as follows:

- Sec. 51.217. LOTTERY ADVISORY COMMITTEE. (a) The commission shall establish a lottery advisory committee to provide external expertise on the lottery. The commission shall appoint to the advisory committee members who represent a balance of interests, including representatives of:
  - (1) the public;
  - (2) licensed sales agents;
- (3) interest groups with divergent viewpoints on the lottery and lottery operations; and
- (4) entities associated with or benefiting from the lottery's contributions to this state.
- (b) In appointing advisory committee members under Subsection (a), the commission shall appoint:

  - (1) one member with experience in lottery law enforcement; (2) one member with experience in lottery legal matters; and
  - (3) one member with experience in lottery finance.
- (c) A lottery advisory committee member serves at the pleasure of the commission.
- (d) A lottery advisory committee member is not entitled to receive compensation or reimbursement for serving as a member.
  - (e) The lottery advisory committee shall:
- (1) advise the commission and department on the needs and problems of this state's lottery industry;
- (2) provide input on proposed lottery rules during development and before final adoption unless an emergency requires immediate action by the commission;
- (3) report regularly to the commission and department on the advisory committee's activities;

- (4) regularly brief the commission and department on advancements and challenges in this state's lottery industry; and
- (f) perform other duties as determined by the commission or department.
  (f) The commission shall adopt rules to govern the lottery advisory committee, including rules on:
  - (1) member composition, appointment procedures, and terms;
  - (2) quorum requirements for advisory committee meetings;
- (3) additional representation requirements for and qualifications of advisory committee members, including experience or geographic location;
- (4) any necessary training requirements for advisory committee members; and
- (5) the method for the public to provide comments on issues the advisory committee considers.
- (g) The lottery advisory committee shall meet quarterly or at the commission's or department's request.
- (h) The commission may not adopt a rule that restricts the lottery advisory committee from discussing any lottery-related topic.
  - (i) Each meeting of the lottery advisory committee shall be open to the public.
- Sec. 51.218. ANNUAL REPORT. (a) The department annually shall submit a report to the governor and the legislature that:
- (1) includes a summary of lottery revenue, prize disbursements, and other expenses for the state fiscal year preceding the report;
- (2) includes a comprehensive business plan to guide the department's major lottery initiatives that contains:

  (A) specific goals for the department; and
  (B) an evaluation of:

  - - (i) the department's overall performance on lottery operations;
    - (ii) the effectiveness of specific lottery programs and initiatives;
- (iii) the efficiency of the department's lottery operations; (iv) the amount of lottery revenue generated for state purposes other than the payment of prizes; and
- (v) the factors affecting the amount of lottery revenue received and disbursed, including ticket sales and administrative efficiency;
- (3) addresses the trends and issues related to violations of state laws under the department's lottery and bingo jurisdiction identified:
- (A) in complaints submitted under Section 51.252 as analyzed to identify the trends and issues by alleged violation type and to evaluate the effectiveness of the department's enforcement process; and
- (B) through an inspection, audit, or other means of regulating lottery operations under Chapter 466, Government Code, and bingo under Chapter 2001;
- (4) includes for the preceding calendar year charitable bingo information on:
- (A) the total amount reported by licensed authorized organizations of adjusted gross receipts from bingo operations under Chapter 2001;
- (B) the total amount reported by licensed authorized organizations of net proceeds from bingo operations under Chapter 2001; and

- (C) a comparison of the amounts reported under Paragraphs (A) and (B), including the percentage the net proceeds represents compared to the adjusted gross receipts; and
- (5) provides biennial recommendations to the legislature on emerging trends, technological advancements, regulatory developments, and market dynamics affecting the lottery and bingo industries.
- (b) For purposes of Subsection (a)(4):

  (1) the term "adjusted gross receipts" means the amount remaining after deducting prizes paid but excluding prize fees collected from bingo players; and
- (2) the department shall determine the total amount of net proceeds in a manner that does not reduce gross receipts by the amount of rent paid for the rental of bingo premises by a licensed authorized organization to another licensed authorized organization if the other organization pays rent for the premises to a licensed commercial lessor.

SECTION 60. Section 2001.002, Occupations Code, is amended by amending Subdivisions (8) and (25-a) and adding Subdivisions (8-a) and (10) to read as follows:

- (8) "Commission" means the Texas [Lottery] Commission of Licensing and Regulation.
- (8-a) "Department" means the Texas Department of Licensing and Regulation.
  - $\overline{(10)}$  "Executive director" means the executive director of the department.
- (25-a) "Regular license" means a license to conduct bingo issued by the department [commission] under Subchapter C that is not a temporary license.

SECTION 61. Section 2001.003, Occupations Code, is amended to read as follows:

Sec. 2001.003. REGULATORY FUNDING FROM LICENSE FEES AND BINGO PRIZE FEES. It is the intent of the legislature that the funding necessary for the administration of this chapter by the department [commission] be collected by the department [eommission] from commercial lessor, manufacturer, and distributor license fees and money paid to the department [eommission] by bingo players as bingo prize fees.

SECTION 62. The heading to Subchapter B, Chapter 2001, Occupations Code, is amended to read as follows:

SUBCHAPTER B. DEPARTMENT [COMMISSION] POWERS AND DUTIES

SECTION 63. Subchapter B, Chapter 2001, Occupations Code, is amended by adding Section 2001.0501 to read as follows:

Sec. 2001.0501. ALLOCATION OF POWERS AND DUTIES. A power granted or duty assigned to the commission under this chapter is a power or duty of the executive director, the department, or the commission, as established by commission rule.

SECTION 64. Section 2001.053, Occupations Code, is amended to read as follows:

Sec. 2001.053. OFFICERS AND INVESTIGATORS. The department [eommission] may employ officers or investigators the department [eommission] considers necessary to administer this chapter.

SECTION 65. Sections 2001.056(b), (c), (d), and (e), Occupations Code, are amended to read as follows:

- (b) A license holder may not use or distribute a bingo card unless the card has been approved by the <u>department [eommission]</u>.

  (c) The <u>department [eommission]</u> may set the price or adopt a schedule of prices
- for the sale or provision of bingo cards by a licensed authorized organization.
- (d) A licensed authorized organization may not sell or provide a bingo card at a price other than a price authorized by the department [eommission] or a schedule adopted by the department [eommission].
- (e) The commission by rule may require a licensed authorized organization to notify the department [eommission] of the price for bingo cards the organization will use for one or more reporting periods.

SECTION 66. Section 2001.057, Occupations Code, is amended by amending Subsections (a), (d), (e), (f), and (g) and adding Subsection (h) to read as follows:

- (a) The commission shall [may] appoint a bingo advisory committee consisting of nine members. The commission shall appoint members representing a balance of interests including representatives of:
  - (1) the public;
  - (2) charities that operate bingo games; and
  - (3) commercial and charity lessors that participate in the bingo industry.
- (d) A committee member is not entitled to receive compensation or reimbursement for serving as a member. [A committee member is entitled to reimbursement for reasonable expenses incurred in performing duties as a member.
  - (e) The bingo advisory committee shall [may]:
- (1) advise the commission and department on the needs and problems of the state's bingo industry;
- (2) <u>provide input</u> [comment] on rules involving bingo during their development and before final adoption unless an emergency requires immediate action by the commission;
- (3) report regularly [annually] to the commission and department on the committee's activities; [and]
- (4) regularly brief the commission and department on advancements and challenges in this state's bingo industry; and
  - (5) perform other duties as determined by the commission or department.
- (f) The bingo advisory committee shall [may] meet quarterly or at the commission's or department's request.

  (g) The commission shall [may] adopt rules:

  (1) to govern the operations of the bingo advisory committee; and

  (2) to prohibit the committee's involvement in committee member selection.

  (h) The commission may not adopt a rule that prohibits or restricts the bingo advisory committee from discussing any bingo related toxic. This subsection restricts the bingo advisory committee from discussing any bingo related toxic. This subsection restricts the singer advisory committee from discussing any bingo related toxic. This subsection restricts the singer advisory committee from discussing any bingo related toxic. This subsection restricts the singer advisory committee from discussing any bingo related toxic.
- advisory committee from discussing any bingo-related topic. This subsection may not be construed to require action by the commission on each item submitted by the committee or otherwise alter the commission's decision-making authority.

SECTION 67. Section 2001.058, Occupations Code, is amended to read as follows:

Sec. 2001.058. PUBLIC INFORMATION. (a) The <u>department</u> [eommission] shall provide to any person on request a printed copy of this chapter and the rules applicable to the enforcement of this chapter.

(b) The <u>department</u> [eommission] may charge a reasonable amount for a copy provided under this section.

SECTION 68. Sections 2001.059(b) and (f), Occupations Code, are amended to read as follows:

- (b) The commission shall respond to a request under Subsection (a) not later than the later of the second commission meeting or the 60th day after the date a request is received, unless the commission determines that the request does not contain sufficient facts to provide an answer on which the requestor may rely. In that event, the commission shall request additional information from the requestor not later than the 10th day after the date the request is received. If the commission requests additional information, the commission shall respond to the request not later than the later of the second commission meeting or the 60th day after the date additional information is received pursuant to the request for additional information.
- (f) The commission may delegate all or part of the authority and procedures for issuing advisory opinions under this section to an employee of the <u>department</u> [emmission].

SECTION 69. Section 2001.152, Occupations Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

- (b) Notwithstanding Subsection (a) and subject to Subsection (c), a person who was a licensed commercial lessor on June 10, 1989, whose license has been in effect continuously since that date, and who is otherwise eligible for the license may renew the license.
- (c) The commission may place an administrative hold on the license of a licensed commercial lessor described by Subsection (b) for a period the commission determines not to exceed 10 years. If the administrative hold on the license remains on the last day of that period:
  - (1) the commission shall remove the administrative hold; and
- (2) the lessor is not eligible to renew the license as a continuous license holder under Subsection (b).

SECTION 70. Section 2001.557, Occupations Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

- (a) The <u>department</u> [<u>eommission</u>], its officers or agents, or a state, municipal, or county peace <u>officer</u> may enter and inspect the contents of premises where:
  - (1) bingo is being conducted or intended to be conducted; or
  - (2) equipment used or intended for use in bingo is found.
- (c) In developing and implementing a policy or procedure under Subsection (b), the commission shall consult with the bingo advisory committee established under Section 2001.057 to collaboratively define and implement specific fiscal accountability criteria for inspections of premises.

SECTION 71. Sections 2001.560(c), (c-1), (c-2), and (e), Occupations Code, are amended to read as follows:

- (c) The <u>department</u> [<u>eommission</u>] or a person authorized in writing by the <u>department</u> [<u>eommission</u>] may examine the books, papers, records, equipment, and <u>place of business</u> of a license holder and may investigate the character of the license holder's business to verify the accuracy of a return, statement, or report made, or, if no return is made by the license holder, to ascertain and determine the amount required to be paid.
- (c-1) The commission by rule shall develop a policy for auditing license holders. The <u>department</u> [bingo division] shall use audit risk analysis procedures established by the commission to:
- (1) annually identify the [which] license holders [are] most at risk of violating this chapter or rules adopted under this chapter, including consideration of license holder compliance history in the identification; and
  - (2) develop a plan for auditing the identified license holders that includes:
    - (A) a schedule for the audits of the identified license holders;
- (B) procedures to annually update the plan based on successive risk analyses; and
- (C) a completion date for each audit that is not later than the fifth anniversary of the date the license holder was identified as a candidate for audit.
- (c-2) The <u>department</u> [<u>bingo division</u>] shall provide to the commission a copy of the auditing plan developed under Subsection (c-1).
- (e) If the <u>department</u> [<u>eommission</u>] determines that a person is not complying with this chapter, the <u>department</u> [<u>eommission</u>] shall notify the attorney general and the governing body of the appropriate political subdivision.

SECTION 72. Section 47.09(a), Penal Code, is amended to read as follows:

- (a) It is a defense to prosecution under this chapter that the conduct:
  - (1) was authorized under:
    - (A) Chapter 2001, Occupations Code;
    - (B) Chapter 2002, Occupations Code;
    - (C) Chapter 2004, Occupations Code;
    - (D) Subtitle A-1, Title 13, Occupations Code (Texas Racing Act); or
    - (E) Chapter 280, Finance Code;
- (2) consisted entirely of participation in the state lottery authorized by Chapter 466, Government Code; or
- (3) was a necessary incident to the operation of the state lottery and was directly or indirectly authorized by:
  - (A) Chapter 466, Government Code;
  - (B) [the lottery division of the Texas Lottery Commission;
- [<del>(C)</del>] the Texas <u>Department of Licensing and Regulation</u> [<del>Lottery</del> Commission]; or
- $\underline{\text{(C)}}$  [ $\underline{\text{(D)}}$ ] the executive director of [the lottery division of] the Texas Department of Licensing and Regulation [Lottery Commission].
- SECTION 73. Section 721.003(a), Transportation Code, is amended to read as follows:
- (a) The governing bodies of the following state agencies or divisions by rule may exempt from the requirements of Section 721.002 a motor vehicle that is under the control and custody of the agency or division:

- (1) Texas Commission on Fire Protection;
- (2) Texas State Board of Pharmacy;
- (3) Department of State Health Services [and Department of Disability Services];
  - (4) Department of Public Safety of the State of Texas;
  - (5) Texas Department of Criminal Justice;
  - (6) Board of Pardons and Paroles:
  - (7) Parks and Wildlife Department;
  - (8) Railroad Commission of Texas;
  - (9) Texas Alcoholic Beverage Commission;
  - (10) Texas Department of Banking;
  - (11) Department of Savings and Mortgage Lending;
  - (12) Texas Juvenile Justice Department;
  - (13) Texas Commission on Environmental Quality;
  - (14) Texas Department of Licensing and Regulation [Lottery Commission];
  - (15) the office of the attorney general;
  - (16) Texas Department of Insurance;
  - (17) Texas Military Department; and
- (18) an agency that receives an appropriation under an article of the General Appropriations Act that appropriates money to the legislature.

SECTION 74. The following provisions are repealed:

- (1) Section 232.0021, Family Code;
- (2) Section 411.108, Government Code;
- (3) Section 466.012, Government Code;
- (4) Section 466.016, Government Code;
- (5) Section 466.020(b), Government Code;
- (6) Section 466.028, Government Code;
- (7) Sections 467.001(1) and (2), Government Code;
- (8) the heading to Section 467.001, Government Code;
- (9) Section 467.002, Government Code;
- (10) Section 467.021, Government Code;
- (11) Section 467.022, Government Code;
- (12) Section 467.023, Government Code;
- (13) Section 467.024, Government Code;
- (14) Section 467.0255, Government Code;
- (15) Section 467.026, Government Code;
- (16) Section 467.027, Government Code;
- (17) Section 467.028, Government Code;
- (18) Section 467.029, Government Code;
- (19) Section 467.030, Government Code;
- (20) Section 467.031, Government Code;
- (21) Section 467.032, Government Code;
- (22) Section 467.033, Government Code;
- (23) Section 467.034, Government Code;
- (24) Section 467.035, Government Code;
- (25) Section 467.037, Government Code;

- (26) Section 467.102, Government Code;
- (27) Section 467.103, Government Code;
- (28) Section 467.109, Government Code;
- (29) Section 467.110, Government Code;
- (30) Section 467.111, Government Code;
- (31) the headings to Subchapters A, B, and C, Chapter 467, Government Code;
  - (32) the heading to Chapter 467, Government Code;
  - (33) Section 2001.051, Occupations Code;
  - (34) Section 2001.052, Occupations Code;
  - (35) Section 2001.060, Occupations Code;
  - (36) Section 2001.061, Occupations Code;
  - (37) Section 2001.307, Occupations Code; and
  - (38) Section 721.003(e), Transportation Code.

SECTION 75. (a) On September 1, 2025:

- (1) all functions and activities performed by the Texas Lottery Commission relating to the state lottery under Chapter 466, Government Code, and the regulation of bingo operations under Chapter 2001, Occupations Code, immediately before that date are transferred to the Texas Commission of Licensing and Regulation or the Texas Department of Licensing and Regulation, as applicable;
- (2) a rule, policy, procedure, decision, or form adopted by the Texas Lottery Commission relating to Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, is a rule, policy, procedure, decision, or form of the Texas Commission of Licensing and Regulation or the Texas Department of Licensing and Regulation, as applicable, and remains in effect until amended or repealed by that commission or department unless the rule, policy, procedure, decision, or form conflicts with the changes in law made by this Act;
- (3) unless the context clearly indicates otherwise, a reference to the Texas Lottery Commission in a law or administrative rule that relates to Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, means the Texas Commission of Licensing and Regulation or the Texas Department of Licensing and Regulation, as applicable;
- (4) a complaint, investigation, or other proceeding before the Texas Lottery Commission that is related to Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, is transferred without change in status to the Texas Department of Licensing and Regulation, and the Texas Department of Licensing and Regulation assumes, as appropriate and without a change in status, the position of the Texas Lottery Commission in an action or proceeding to which the Texas Lottery Commission is a party;
- (5) a license, permit, certification, or registration in effect that was issued by the Texas Lottery Commission under Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, is continued in effect as a license, permit, certification, or registration of the Texas Department of Licensing and Regulation;

- (6) all money, contracts, leases, property, and obligations of the Texas Lottery Commission relating to Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, are transferred to the Texas Department of Licensing and Regulation; and
- (7) the unexpended and unobligated balance of any money appropriated by the legislature for the Texas Lottery Commission related to Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, is transferred to the Texas Department of Licensing and Regulation.
- (b) On the effective date of this Act, the Texas Lottery Commission shall grant the Texas Department of Licensing and Regulation inquiry-only security access to:
- (1) all licensing, enforcement, and examination software or computer systems used by the Texas Lottery Commission in administering or enforcing Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code; and
- (2) the uniform statewide accounting system, the state property accounting system, the uniform statewide payroll system, and the human resources information system for the Texas Lottery Commission.
- (c) On the effective date of this Act, the Texas Lottery Commission may agree with the Texas Department of Licensing and Regulation to transfer any property of the Texas Lottery Commission to the Texas Department of Licensing and Regulation to implement the transfers required by this Act.
- (d) The Texas Department of Licensing and Regulation and the Texas Lottery Commission shall coordinate implementation of this section. The Texas Lottery Commission shall cooperate with the Texas Department of Licensing and Regulation in transferring all data and records necessary to implement the transfers required by this Act.
- (e) Not later than December 1, 2025, the Texas Lottery Commission and the Texas Department of Licensing and Regulation shall develop and enter into a memorandum of understanding regarding the transfers required by this Act. The memorandum must include a transition plan with a timetable and specific steps and deadlines required to complete the transfer.
- (f) Not later than December 1, 2025, a manufacturer of bingo equipment or supplies that submitted to the Texas Lottery Commission a bond as required under Section 2001.204, Occupations Code, before September 1, 2025, that is in effect on the effective date of this Act must amend the bond to name the Texas Department of Licensing and Regulation as the payee for the bond.

SECTION 76. The changes in law made by this Act to Chapter 2001, Occupations Code, apply only to a tax or fee charged on or after September 1, 2025. A tax or fee charged before September 1, 2025, is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

SECTION 77. (a) 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.

(b) Section 2001.152, Occupations Code, as amended by this Act, applies to a license placed on an administrative hold on or after the effective date of this Act.

SECTION 78. As soon as practicable after the effective date of this Act, the Texas Commission of Licensing and Regulation shall adopt rules necessary to implement this Act.

SECTION 79. On September 1, 2025, all full-time equivalent employee positions at the Texas Lottery Commission become positions at the Texas Department of Licensing and Regulation.

SECTION 80. (a) Not later than December 1, 2025, the Texas Department of Licensing and Regulation shall initiate an independent review of each existing contract of the Texas Lottery Commission relating to Chapter 466 or 467, Government Code, or Chapter 2001, Occupations Code, to determine whether to renew, amend, or terminate the contract.

(b) Not later than September 1, 2026, the Texas Department of Licensing and Regulation shall amend the existing contract for lottery operations and services to extend the contract term for not more than two years beyond the expiration date of the contract.

SECTION 81. Not later than March 1, 2026, the Texas Commission of Licensing and Regulation shall:

- (1) appoint members to the lottery advisory committee and adopt rules to govern the operations of the committee as required by Section 51.217, Occupations Code, as added by this Act; and
- (2) appoint members to the bingo advisory committee and adopt rules to govern the operations of the committee as required by Section 2001.057, Occupations Code, as amended by this Act.

SECTION 82. Not later than December 1, 2026, the Texas Department of Licensing and Regulation shall submit to the Sunset Advisory Commission and each standing committee of the legislature with primary jurisdiction over the state lottery or regulation of charitable bingo any legislative recommendations necessary to improve the lottery or charitable bingo.

SECTION 83. Not later than January 1, 2027, the Texas Department of Licensing and Regulation shall submit the first annual report required by Section 51.218, Occupations Code, as added by this Act.

SECTION 84. Not later than August 31, 2028, the State Auditor's Office shall complete the first annual audit required by Section 466.0171, Government Code, as added by this Act.

SECTION 85. Unless otherwise provided by this Act, the changes in law made by this Act apply beginning September 1, 2025.

SECTION 86. 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 Geren to SB 3070 as follows:

- (1) On page 2, between lines 30 and 31, add the following appropriately numbered subdivision to proposed Section 466.005(b), Government Code, and renumber subsequent subdivisions and cross-references to those subdivisions accordingly:
- assessing whether the department has sufficient tools, programs, and procedures to ensure the integrity of the state lottery program;
- (2) On page 18, line 16, strike "the executive director or" and substitute "[the executive director or]".
- (3) On page 18, line 18, strike "an employee or" and substitute " $\underline{a}$  [an employee or]".
- (4) On page 18, strike lines 19 through 21, and substitute the following: department who the executive director determines:
- (A) has or will have access to sensitive or confidential data relating to this chapter or Chapter 2001, Occupations Code; or
- (B) has or will have as the employee's or prospective employee's primary role the administration of this chapter or Chapter 2001, Occupations Code [commission].
  - (5) On page 55, line 14, strike "inquiry-only security".
  - (6) On page 55, line 24, strike "may" and substitute "shall".
- (7) On page 56, line 30, immediately following the period, insert "A license placed on administrative hold before the effective date of this Act may continue on hold for a period not to exceed 10 years from the effective date of this Act as determined by the Texas Commission of Licensing and Regulation."
- (8) On page 57, line 16, strike "Not later than March 1, 2026" and substitute "As soon as practicable after the effective date of this Act".
- (9) On page 58, line 1, strike "January 1, 2027" and substitute "December 1, 2026".
- (10) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:
- SECTION \_\_\_\_\_. Section 2001.407, Occupations Code, is amended by amending Subsection (c) and adding Subsections (c-1), (c-2), (c-3), and (c-4) to read as follows:
- (c) Except as provided by Subsection (c-1), a [A] licensed distributor may not receive by purchase or otherwise bingo equipment or supplies from a person other than a licensed manufacturer or another licensed distributor.
- (c-1) A licensed distributor may receive bingo equipment or supplies from a licensed authorized organization if:
- (1) the distributor delivered the equipment or supplies to the organization; and
  - (2) the equipment or supplies were:
    - (A) defective;

ordered.

- (B) not ordered by the organization; or
- (C) delivered in a quantity that exceeds the quantity the organization
- (c-2) A licensed authorized organization that returns bingo equipment or supplies to the licensed distributor as provided by Subsection (c-1) shall:

- (1) maintain a record specifying for each returned equipment or supply:
- (c-1)(2); and (A) a reason for the return from the reasons listed in Subsection
  - (B) the quantity returned; and
  - (2) provide a copy of the record to the distributor.
- (c-3) A licensed distributor that receives returned equipment or supplies from a licensed authorized organization as provided by Subsection (c-1) shall:
- (1) maintain a record showing receipt of the returned equipment or supplies; and
  - (2) provide a copy of the record to the organization.
- (c-4) A licensed authorized organization may transfer a card-minding device from the premises of the organization to the premises of another licensed authorized organization if each licensed authorized organization agrees to the transfer.

SECTION \_\_\_\_\_. Sections 2001.451(h) and (j), Occupations Code, are amended to read as follows:

- (h) Except as provided by Subsection (j), a licensed authorized organization or a unit of licensed authorized organizations may retain operating capital in the organization's or unit's bingo account in an amount that:
- (1) is equal to the organization's or unit's actual average bingo expenses per quarter based on the preceding license period, excluding prizes paid; and
- (2) does not exceed a total of  $\frac{$100,000}{$50,000}$  [\$50,000] for a single organization or \$100,000 [\$50,000] for each member of a unit unless:
- (A) the commission by rule establishes a higher amount for all organizations or units or one or more classes of organizations or units; or
- (B) the bingo operations director, on request, raises the operating capital limit for one organization or unit as necessary to facilitate the operation of the organization or unit.
- (j) The commission shall adopt rules allowing a licensed authorized organization to retain a maximum amount of operating capital in the bingo account in excess of the amount provided by Subsection (h) if the organization:
  - (1) has conducted bingo for less than one year;
  - (2) has been closed for at least six months;
- (3) experiences circumstances beyond the control of the organization, including force majeure, that necessitate an increase in operating capital; or
- $\underline{(4)}$  [ $\underline{(3)}$ ] provides to the commission a credible business plan for the conduct of bingo or for the organization's existing or planned charitable purposes that an increase in operating capital will reasonably further.

The amendments were read.

Senator Hall moved to concur in the House amendments to SB 3070.

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

## SENATE BILL 7 WITH HOUSE AMENDMENTS

Senator Perry called **SB** 7 from the President's table for consideration of the House amendments to the bill.

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

### Amendment

Amend **SB** 7 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the oversight and financing of certain water infrastructure matters under the jurisdiction of the Texas Water Development Board.

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

ARTICLE 1. WATER INFRASTRUCTURE DEVELOPMENT

SECTION 1.01. Chapter 6, Water Code, is amended by adding Subchapter H to read as follows:

# SUBCHAPTER H. WATER SUPPLY CONVEYANCE COORDINATION

Sec. 6.301. DEFINITION. In this subchapter, "project" means a water supply development, treatment, or conveyance project eligible to receive financial assistance from the board.

Sec. 6.302. RESPONSIBILITIES OF BOARD. (a) Subject to legislative appropriation, the board shall:

- (1) for the development of infrastructure to transport water that is made available by a project, facilitate joint planning and coordination between project sponsors, governmental entities, utilities, common carriers, and other entities, as applicable, to reduce the necessity of exercising the power of eminent domain to obtain interests in real property by using existing transportation and utility easements;
- (2) facilitate the development of guidance and best practices for the standardization of the specifications, materials, and components used to design and construct infrastructure to transport water;
- (3) facilitate the development of standards and guidance to ensure potential interconnectivity and interoperability between different systems developed to transport water from different projects;
- (4) facilitate the development of mechanical and technical standards for the integration of water that is made available by a project into a water supply system or into infrastructure to transport water that is made available by a project, as applicable; and
- (5) take other action the board determines necessary to facilitate interconnectivity and interoperability between different infrastructure developed to transport water from different projects.
- (b) When developing guidance and best practices under Subsection (a)(2), the board shall, if practicable, recommend building excess capacity into infrastructure to transport water to facilitate the transportation of additional water supplies that are developed after the initial construction of the infrastructure.
- Sec. 6.303. USE OF PROFESSIONAL AND CONSULTING SERVICES AUTHORIZED. (a) The board may procure professional and consulting services to achieve a purpose described by Section 6.302.
- (b) Chapter 2254, Government Code, applies to the procurement of professional and consulting services by the board.
- Sec. 6.304. FORMATION OF AD HOC COMMITTEES AUTHORIZED. The board may convene one or more ad hoc committees composed of representatives of current or potential project sponsors, the Texas Department of Transportation, river

state;

authorities, retail public utilities, electric utilities, counties, municipalities, special purpose districts, common carriers, and other entities considered appropriate by the board to advise and assist the board in fulfilling any purpose described by Section 6.302, including in drafting any guidance or best practices described by that section.

SECTION 1.02. Section 11.036, Water Code, is amended by adding Subsection (e) to read as follows:

- (e) This section does not apply to a transfer of water or water rights originating from outside this state under Section 15.703(a)(6) to any person having the right to acquire use of the water.
- SECTION 1.03. Section 15.153, Water Code, is amended by amending Subsection (b) and adding Subsection (e) to read as follows:
  - (b) The fund may be used to:
- (1) provide financial assistance to political subdivisions to develop water supply projects that create new water sources for the state, including:
- (A) desalination projects, including marine and brackish water desalination;
- (B) produced water treatment projects, other than projects that are only for purposes of oil and gas exploration;
  - (C) aquifer storage and recovery projects; [and]
  - (D) water and wastewater reuse projects;
  - (E) acquisition of water or water rights originating from outside this
  - (F) reservoir projects for which:
    - (i) the required land has already been acquired;
- (ii) a permit for the discharge of dredged or fill material has been issued by the United States Secretary of the Army under Section 404, Federal Water Pollution Control Act (33 U.S.C. Section 1344); and
- (iii) a permit for the storage, taking, or diversion of state water has been issued by the commission under Section 11.121; and
- (G) the development of infrastructure to transport water or integrate water into a water supply system, other than groundwater produced from a well in this state [water] that is not part of [made available by] a project described by this subdivision;
  - (2) make transfers from the fund:
- (A) to the state water implementation fund for Texas established under Subchapter G or the Texas Water Development Fund II established under Subchapter L, Chapter 17; and
  - (B) for a purpose described by Subdivision (1); [and]
- (3) make transfers from the fund to the water bank account established under Section 15.707; and
  - (4) make transfers from the fund:
- (A) to the Texas Water Development Fund II state participation account established under Section 17.957; and
  - (B) for a purpose described by Subdivision (1).

(e) Money from the fund may be used to acquire another person's right acquired or authorized in accordance with state law to impound, divert, or use state water only by a water supply contract or a lease of that right from its owner.

SECTION 1.04. Sections 15.502(b) and (e), Water Code, are amended to read as follows:

- (b) The board may use the fund only to transfer money to:
  - (1) the water assistance fund established under Subchapter B;
  - (2) the new water supply for Texas fund established under Subchapter C-1;
- (3) the state water implementation fund for Texas established under Subchapter G;
- (4) the state water implementation revenue fund for Texas established under Subchapter H;
  - (4-a) the flood infrastructure fund established under Subchapter I;
  - (5) a revolving fund established under Subchapter J;
  - (6) the rural water assistance fund established under Subchapter R;
- (7) the statewide water public awareness account established under Section 16.027;
- (8) the Texas Water Development Fund II water financial assistance account established under Section 17.959; [and]
- (8-a) the Texas Water Development Fund II economically distressed areas program account established under Section 17.958;
- (9) the Texas Water Development Fund II state participation account established under Section 17.957; and
- (10) the agricultural water conservation fund established under Section 50-d, Article III, Texas Constitution.
  - (e) The fund consists of:
- (1) money transferred or deposited to the credit of the fund by law, including:
  - (A) money appropriated by the legislature directly to the fund; and
- (B) money from any source transferred or deposited to the credit of the fund as authorized by law;
- (2) any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;
  - (3) investment earnings and interest earned on amounts credited to the fund;
  - (4) money from gifts, grants, or donations to the fund; and
  - (5) money returned from any authorized transfer.

SECTION 1.05. Effective September 1, 2027, Section 15.502(e), Water Code, is amended to read as follows:

- (e) The fund consists of:
- (1) money transferred or deposited to the credit of the fund by law, including:
- (A) money transferred or deposited to the credit of the fund as provided by Section 7-e, Article VIII, Texas Constitution;
  - (B) money appropriated by the legislature directly to the fund; and
- (C) money from any source transferred or deposited to the credit of the fund as authorized by law;

- (2) any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;
  - (3) investment earnings and interest earned on amounts credited to the fund;
  - (4) money from gifts, grants, or donations to the fund; and
  - (5) money returned from any authorized transfer.

SECTION 1.06. Section 15.504, Water Code, is amended by amending Subsections (b), (c), and (f) and adding Subsection (f-1) to read as follows:

- (b) Except as provided by Subsection (f) and other than money transferred to the state water implementation fund for Texas established under Subchapter G, the [The] board may not transfer money to a fund or account described by Section 15.502(b) until the application for the project for which the money is to be used has been approved.
- (c) The board shall ensure that a portion of the money transferred from the fund is used for:
- (1) water <u>and wastewater</u> infrastructure projects, <u>including projects to</u> rehabilitate or replace deficient or deteriorating infrastructure, prioritized by risk or need for financial assistance, including grants, for:
  - (A) rural political subdivisions; and
  - (B) municipalities with a population of less than 150,000;
- (2) projects for which all required state or federal permitting has been substantially completed, as determined by the board;
- (3) the statewide water public awareness program established under Section 16.026;
  - (4) water conservation strategies; [and]
  - (5) water loss mitigation projects; and
- (6) technical assistance for applicants in obtaining and using financial assistance from funds and accounts administered by the board.
- (f) The board may transfer not more than two percent of the money deposited to the credit of the fund in each state fiscal year to the Texas water fund administrative fund established under Section 15.508 [use the fund] to pay or reimburse the board for the necessary and reasonable expenses of the board in administering the fund [not to exceed two percent].
- (f-1) The board may enter into an agreement with the commission to pay from the Texas water fund administrative fund established under Section 15.508 the necessary and reasonable staffing expenses, not to exceed \$2 million, incurred by the commission on or before August 31, 2027, for the review of permit applications for water supply projects receiving financial assistance from the fund. This subsection expires September 1, 2028.

SECTION 1.07. Subchapter H-1, Chapter 15, Water Code, is amended by adding Section 15.508 to read as follows:

Sec. 15.508. ADMINISTRATIVE FUND. (a) The Texas water fund administrative fund is a fund outside the general revenue fund administered by the board and established for the payment of or reimbursement of the board for the expenses incurred by the board in administering the Texas water fund.

(b) The Texas water fund administrative fund consists of:

- (1) money appropriated to the board for deposit to the credit of the administrative fund;
- (2) money transferred by the board to the administrative fund under Section 15.504(f) or other law; and
  - (3) depository interest allocable to the administrative fund.
  - SECTION 1.08. Section 15.703(a), Water Code, is amended to read as follows:
- (a) The board may take all actions necessary to operate the water bank and to facilitate the transfer of water rights from the water bank for future beneficial use, including but not limited to:
- (1) negotiating a sale price and terms acceptable to the depositor and purchaser;
- (2) maintaining a registry of water bank deposits and those water users in need of additional supplies;
- (3) informing water users in need of additional supply of water rights available in the bank;
- (4) encouraging water right holders to implement water conservation practices and deposit the right to use the conserved water into the bank;
- (5) establishing requirements for deposit of a water right into the water bank, including minimum terms for deposit;
- (6) purchasing, holding, and transferring water or water rights in its own name, including purchasing, holding, and transferring water or water rights originating from outside this state for the purpose of providing water for the use or benefit of this state;
  - (7) establishing regional water banks;
- (8) acting as a clearinghouse for water marketing information, including water availability, pricing of water transactions, environmental considerations, and potential buyers and sellers of water rights;
  - (9) preparing and publishing a manual on structuring water transactions;
- (10) accepting and holding donations of water rights to meet instream, water quality, fish and wildlife habitat, or bay and estuary inflow needs;
- (11) entering into contracts with persons to pay for feasibility studies or the preparation of plans and specifications relating to water conservation efforts or to estimate the amount of water that would be saved through conservation efforts; and
  - (12) other actions to facilitate water transactions.
  - SECTION 1.09. Section 16.131(a), Water Code, is amended to read as follows:
- (a) The board may use the state participation account of the development fund to encourage optimum regional and interregional development of projects, including the design, acquisition, lease, construction, reconstruction, development, or enlargement in whole or part of:
- (1) reservoirs and storm water retention basins for water supply, flood protection, and groundwater recharge;
  - (2) facilities for the transmission and treatment of water;
  - (3) treatment works as defined by Section 17.001; [and]
  - (4) interregional water supply projects selected under Section 16.145; and
  - (5) projects described by Section 15.153(b)(1).
  - SECTION 1.10. Section 17.0112(a), Water Code, is amended to read as follows:

- (a) The board may issue not more than \$100 \$ [\$25] million in bonds [\$dedicated under Section 17.0111 of this code and may issue not more than \$50 million in bonds] authorized under Article III, Texas Constitution, during a fiscal year to provide financial assistance for water supply and sewer services as provided under Subchapter K of this chapter.
  - SECTION 1.11. Section 17.933(c), Water Code, is amended to read as follows:
- (c) The total amount of financial assistance provided by the board to political subdivisions under this subchapter from state-issued bonds for which repayment is not required may not exceed at any time 90 [70] percent of the total principal amount of issued and unissued bonds authorized under Article III of the Texas Constitution, for purposes of this subchapter plus outstanding interest on those bonds.

SECTION 1.12. The following provisions of the Water Code are repealed:

- (1) Section 16.131(c); and
- (2) Section 16.146(h).

## ARTICLE 2. LEGISLATIVE OVERSIGHT

SECTION 2.01. Section 15.431(1), Water Code, is amended to read as follows:

(1) "Advisory committee" means the [State Water Implementation Fund for] Texas Water Fund Advisory Committee.

SECTION 2.02. Section 15.438, Water Code, is transferred to Subchapter A, Chapter 15, Water Code, redesignated as Section 15.009, Water Code, and amended to read as follows:

Sec. 15.009 [15.438]. TEXAS WATER FUND ADVISORY COMMITTEE. (a) The [State Water Implementation Fund for] Texas Water Fund Advisory Committee is composed of the following eight [seven] members:

- (1) the comptroller, or a person designated by the comptroller;
- (2) the director of the Texas Division of Emergency Management or the successor in function to that entity, or a person designated by that person;
- (3) the chair of the committee of the senate having primary jurisdiction over water resources;
- (4) the chair of the committee of the house of representatives having primary jurisdiction over water resources;
- (5) two [three] members of the senate appointed by the lieutenant governor, including at least one[÷
- $\overline{[(A) a]}$  member of the committee of the senate having primary jurisdiction over matters relating to finance; and
  - (6) two [and
- [(B) the chair of the committee of the senate having primary jurisdiction over water resources; and
- [(3) three] members of the house of representatives appointed by the speaker of the house of representatives, including at least one[÷
- [<del>(A) a</del>] member of the committee of the house of representatives having primary jurisdiction over appropriations[<del>; and</del>
- [(B) the chair of the committee of the house of representatives having primary jurisdiction over water resources].
- (b) The board [following persons] shall designate agency personnel to serve as staff support for the advisory committee[:

- [(1) the deputy executive administrator of the board who is responsible for water science and conservation or a person who holds an equivalent position at the agency, or a person designated by that person;
- [(2) the deputy executive administrator of the board who is responsible for water resources planning and information or a person who holds an equivalent position at the agency, or a person designated by that person; and
- [(3) the chief financial officer of the board, or a person who holds an equivalent position at the agency].
- (c) A [An appointed] member of the advisory committee designated under Subsection (a)(1) or (2) or appointed under Subsection (a)(5) or (6) serves at the will of the person who designated or appointed the member.
- (d) The members of the advisory committee described by Subsections (a)(3) and (4) serve as [lieutenant governor shall appoint a] co-presiding officers [officer] of the [advisory] committee [from among the members appointed by the lieutenant governor, and the speaker of the house of representatives shall appoint a co-presiding officer of the committee from among the members appointed by the speaker].
- (e) The advisory committee may hold public hearings, formal meetings, or work sessions. Either co-presiding officer of the advisory committee may call a public hearing, formal meeting, or work session of the advisory committee at any time. The advisory committee may not take formal action at a public hearing, formal meeting, or work session unless a quorum of the committee is present.
- (f) Except as otherwise provided by this subsection, a member of the advisory committee is not entitled to receive compensation for service on the committee or reimbursement for expenses incurred in the performance of official duties as a member of the committee. Service on the advisory committee by a member of the senate or house of representatives is considered legislative service for which the member is entitled to reimbursement and other benefits in the same manner and to the same extent as for other legislative service.
- (g) The advisory committee  $\underline{may}$  [shall] submit comments and recommendations to the board regarding the use of money in:
- (1) the state water implementation fund for Texas established under Subchapter G [fund] for use by the board in adopting rules under Section 15.439 and in adopting policies and procedures under Section 15.441;
- (2) the Texas water fund established under Subchapter H-1 for use by the board in adopting rules under Section 15.507;
- (3) the flood infrastructure fund established under Subchapter I for use by the board in adopting rules under Section 15.537; and
- (4) the Texas infrastructure resiliency fund established under Section 16.452 for use by the board in adopting rules under Section 16.460. [The submission must include:
- [(1) comments and recommendations on rulemaking related to the prioritization of projects in regional water plans and the state water plan in accordance with Section 15.437;
- [(2) comments and recommendations on rulemaking related to establishing standards for determining whether projects meet the criteria provided by Section 15.434(b);

- [(3) an evaluation of the available programs for providing financing for projects included in the state water plan and guidelines for implementing those programs, including guidelines for providing financing for projects included in the state water plan that are authorized under Subchapter Q or R of this chapter, Subchapter E or F, Chapter 16, or Subchapter J, Chapter 17;
- [(4) an evaluation of the lending practices of the board and guidelines for lending standards;
- [(5) an evaluation of the use of funds by the board to provide support for financial assistance for water projects, including support for the purposes described by Section 15.435(c):
- [(6) an evaluation of whether premium financing programs should be established within the funds described by Section 15.435 to serve the purposes of this subchapter, especially in connection with projects described by Section 15.434(b);
- [(7) an evaluation of methods for encouraging participation in the procurement process by companies domiciled in this state or that employ a significant number of residents of this state; and
- [(8) an evaluation of the overall operation, function, and structure of the fund.]
- (h) The advisory committee shall review the overall operation, function, and structure of each fund listed in Subsection (g) [the fund] at least semiannually [and may provide comments and recommendations to the board on any matter].
  - (i) The advisory committee may:
    - (1) provide comments and recommendations to the board on any matter;
- (2) review the overall operation, function, and structure of any fund established under this chapter or Chapter 16 that is not listed in Subsection (g); and
- (3) adopt rules, procedures, and policies as needed to administer this section and implement its responsibilities.
- (j) Chapter 2110, Government Code, does not apply to the size, composition, or duration of the advisory committee.
- (k) The advisory committee is <u>not</u> subject to Chapter 325, Government Code (Texas Sunset Act). [Unless continued in existence as provided by that chapter, the advisory committee is abolished and this section expires September 1, 2035.]
- (l) The advisory committee <u>may</u> [shall] make recommendations to the board regarding information to be posted on the board's Internet website <u>relating to the</u> funds listed in Subsection (g) [under Section 15.440(b)].
- (m) The advisory committee shall evaluate and may provide comments or recommendations on the feasibility of the state owning, constructing, and operating water supply projects, including reservoirs and major water supply conveyance infrastructure, through existing financial assistance programs under Subchapter E of this chapter, Subchapter E or F, Chapter 16, or other mechanisms.
- (n) The executive administrator shall provide an annual report to the advisory committee on:
- (1) the board's compliance with statewide annual goals relating to historically underutilized businesses; and

- (2) the participation level of historically underutilized businesses in projects that receive funding related to a bond enhancement agreement under <u>Subchapter G</u> [this subchapter].
- (o) If the aggregate level of participation by historically underutilized businesses in projects that receive funding related to a bond enhancement agreement under Subchapter G [this subchapter] does not meet statewide annual goals adopted under Chapter 2161, Government Code, the advisory committee shall make recommendations to the board to improve the participation level.
- (p) Notwithstanding Section 552.008, Government Code, the advisory committee may access all records that relate to the administration of the funds described in this section that are maintained by any entity under contract with the board.
- (q) The board, by providing information under this section that is confidential or otherwise excepted from required disclosure under law, does not waive or affect the confidentiality of the information for purposes of state or federal law or waive the right to assert exceptions to required disclosure of the information in the future. The board may require the requesting individual member of the advisory committee, the requesting advisory committee, or the members or employees of the advisory committee who will view, handle, or retain information that is received under this section and that is confidential under law to sign a confidentiality agreement that covers the information and requires that the information:
- (1) not be disclosed to anyone but other members of the advisory committee;
- (2) not be disclosed to another member of the advisory committee for purposes other than the purpose for which it was received;
  - (3) be labeled as confidential;
  - (4) be kept securely; and
- (5) be controlled, such that all copies of the information or notes taken from the information that implicate the confidential nature of the information that are not destroyed or returned to the board remain confidential and subject to the confidentiality agreement.

SECTION 2.03. The following provisions of the Water Code are repealed:

- (1) Section 15.506;
- (2) Section 15.540;
- (3) Section 16.451(1); and
- (4) Section 16.456.

ARTICLE 3. PERFORMANCE AND ACCOUNTABILITY

SECTION 3.01. Subchapter D, Chapter 6, Water Code, is amended by adding Section 6.116 to read as follows:

- Sec. 6.116. PUBLIC INFORMATION AND REPORTING. (a) The board shall develop and maintain on its Internet website a publicly available tool by which a person may obtain information regarding:
- (1) state progress toward meeting future water supply needs, including the extent to which water management strategies and projects implemented after the adoption of the preceding state water plan have affected that progress;

- (2) water supply projects included in the most recently approved state water plan that received commitments of financial assistance from the board in the preceding year;
- (3) the board's commitments of financial assistance for water supply projects, by program;
- (4) the net amount of water projected to be developed, conserved, or reclaimed through projects that receive financial assistance from the board;
- (5) the board's progress toward providing financial assistance to utilities that have water losses that meet or exceed the threshold established by rule under Section 16.0121;
- (6) the transfer of money from the Texas water fund to other eligible board-administered funds in the preceding year;
- (7) the total estimated statewide costs of water, wastewater, and flood infrastructure needs and the estimated amount of state financial assistance required to address those needs; and
- (8) the state's progress in closing the gap between total statewide water infrastructure needs and the state financial assistance required to meet those needs.
- (b) The board shall update the information required to be maintained under Subsection (a) as appropriate.

## ARTICLE 4. EFFECTIVE DATES

- SECTION 4.01. (a) Except as otherwise provided by this Act, this Act takes effect September 1, 2025.
- (b) Section 1.05 of this Act takes effect January 1, 2026, but only if the constitutional amendment proposed by H.J.R. 7, 89th Legislature, Regular Session, 2025, is approved by the voters. If that amendment is not approved by the voters, Section 1.05 of this Act has no effect.

### Floor Amendment No. 1

Amend CSSB 7 (house committee report) as follows:

- (1) On page 3 of the bill, between lines 6 and 7, insert the following:
- Sec. 6.305. PAYMENT OF EXPENSES FROM TEXAS WATER FUND ADMINISTRATIVE FUND. Pursuant to Section 15.504(f), the board shall pay from the Texas water fund administrative fund established under Section 15.508:
- (1) the necessary and reasonable administrative expenses, including staffing expenses, incurred in administering its responsibilities under this subchapter; and
- (2) the necessary and reasonable expenses for the procurement of professional and consulting services under Section 6.303.
  - (2) On page 5, line 16, strike "(4-a)" and substitute the following:
- (4-a) the Texas water fund administrative fund established under Section 15.508;

(4-b)

- (3) On page 8, strike lines 12 through 17 and substitute the following:
- (f) In each state fiscal year, the [The] board may transfer not more than two percent of the money deposited to the credit of the fund in that state fiscal year to the Texas water fund administrative fund established under Section 15.508 [use the fund]

to pay or reimburse the board for the necessary and reasonable expenses of the board in administering the fund as provided by Section 15.508(c) [not to exceed two percent].

- (4) On page 9, between lines 12 and 13, insert the following:
- (c) Pursuant to Section 15.504(f), the board may pay from the Texas water fund administrative fund necessary and reasonable expenses of the board in administering the Texas water fund, including:
- (1) staffing expenses incurred in administering its responsibilities for providing grants, loans, financial assistance, and technical assistance and procuring professional and consulting services through and for all funds eligible to receive transfers from the Texas water fund;
  - (2) carrying out responsibilities under Subchapter H, Chapter 6; and
- (3) any purposes for which money is appropriated by the legislature from the Texas water fund administrative fund related to the Texas water fund and all funds eligible to receive transfers from the Texas water fund.
- (5) In ARTICLE 1 of the bill, add the following appropriately numbered SECTIONS to the ARTICLE and renumber subsequent SECTIONS of the ARTICLE and cross-references to those SECTIONS accordingly:
- SECTION 1.\_\_\_. Effective September 1, 2027, Section 15.153, Water Code, is amended by adding Subsection (f) to read as follows:
- (f) For purposes of Section 7-e(c), Article VIII, Texas Constitution, groundwater is considered brackish if, at the time of production from a well, the groundwater had a total dissolved solids concentration of not less than 3,000 milligrams per liter.

SECTION 1. Section 15.505, Water Code, is amended to read as follows:

Sec. 15.505. TRANSFER OF MONEY. (a) Notwithstanding any other law:

(1) the board may[÷

or

- $\left[ \overline{(A)} \right]$  transfer money from the fund into any other fund or account described by Section 15.502(b); and
- [(B) restore to the fund money transferred from the fund and deposited to the credit of a fund or account described by Section 15.502(b); and]
- (2) a fund or account described by Section 15.502(b) may accept a transfer of money made under this subchapter.
- (b) The board may not restore to the fund money transferred from the fund and deposited to the credit of a fund or account described by Section 15.502(b).
- SECTION 1.\_\_\_\_. Effective September 1, 2027, Section 15.505, Water Code, is amended by adding Subsections (c) and (d) to read as follows:
- (c) Of the amount of money deposited to the credit of the Texas water fund under Section 7-e, Article VIII, Texas Constitution, before September 1, 2047, the administrator of the fund shall allocate not less than 50 percent to be used only for transfer to either or both of the following funds:
  - (1) the new water supply for Texas fund established under Subchapter C-1;
- (2) the state water implementation fund for Texas established under Subchapter G.
  - (d) This subsection and Subsection (c) expire August 31, 2047.

SECTION 1.\_\_\_\_. Subchapter B, Chapter 16, Water Code, is amended by adding Section 16.0123 to read as follows:

Sec. 16.0123. INTERIM STUDY OF INCORPORATION OF WASTEWATER PLANNING INTO STATE WATER PLANNING PROCESS. (a) Using existing resources, the executive administrator shall conduct a study to determine:

- (1) the feasibility and practicability of incorporating planning for the development of infrastructure to meet the state's current and future wastewater treatment needs into the process used to produce each state water plan under Section 16.051, beginning with the five-year state water planning period ending January 5, 2032; and
- (2) the statutory changes necessary to facilitate the incorporation of the wastewater treatment planning described by Subdivision (1) into the process used to produce each state water plan under Section 16.051, beginning with the five-year state water planning period ending January 5, 2032.
- (b) Not later than December 1, 2026, the executive administrator shall provide a report of the study's findings to:
  - (1) the governor;
  - (2) the lieutenant governor;
  - (3) the speaker of the house of representatives;
- (4) each member of the Texas Water Fund Advisory Committee established under Section 15.009; and
- (5) each member of the standing committees of the senate and the house of representatives having primary jurisdiction over water resources.
  - (c) This section expires May 31, 2027.
- (6) On page 20, line 15, strike "January 1, 2026" and substitute "September 1, 2027".
- (7) In SECTION 4.01 of the bill, immediately following Subsection (b) of the SECTION (page 20, immediately following line 19), add the following appropriately lettered subsection:
- (\_\_\_\_) The sections of this Act adding Sections 15.153(f) and 15.505(c) and (d), Water Code, take effect September 1, 2027, but only if the constitutional amendment proposed by HJR 7, 89th Legislature, Regular Session, 2025, is approved by the voters. If that amendment is not approved by the voters, those sections of this Act have no effect.

The amendments were read.

Senator Perry moved to concur in the House amendments to SB 7.

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

## SENATE BILL 66 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 66** 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.

## Amendment

Amend **SB** 66 by substituting in lieu thereof the following:

# A BILL TO BE ENTITLED AN ACT

relating to a study on authorizing a supporter under a supported decision-making agreement to assist an adult with a disability with legal proceedings.

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

SECTION 1. (a) In this section:

- (1) "Adult," "disability," "supported decision-making agreement," and "supporter" have the meanings assigned by Section 1357.002, Estates Code.
- (2) "Office" means the Office of Court Administration of the Texas Judicial System.
- (b) The office shall conduct a study on the legal and ethical implications of authorizing a supporter under a supported decision-making agreement to assist an adult with a disability with legal proceedings in which the adult is involved.
  - (c) The study must:
- (1) examine the effect of the supporter's involvement in civil or criminal legal proceedings on attorney-client privilege and confidentiality, including whether the presence of a supporter during legal consultations results in a waiver of privilege or other protection granted under law;
- (2) identify provisions of the Estates Code and other relevant laws that may require amendment to provide for the adult's effective legal support while preserving protected communications and ethical legal representation;
- (3) evaluate best practices from other jurisdictions that balance autonomy of adults with disabilities and access to justice with confidentiality safeguards; and
- (4) include recommendations for statutory changes that the office determines are appropriate based on the results of the study.
  - (d) In conducting the study, the office may consult with:
    - (1) Disability Rights Texas;
- (2) relevant sections of the State Bar of Texas, including sections specializing in probate, legal ethics, and disability law;
  - (3) legal aid organizations and public defenders;
  - (4) members of the judiciary; and
- (5) other stakeholders with experience in supported decision-making agreements, legal ethics, or disability rights.
- (e) Not later than December 1, 2026, the office shall submit a report on its findings and recommendations to the governor, the lieutenant governor, the speaker of the house of representatives, and the appropriate standing committees of the senate and house of representatives.

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

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to SB 66.

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

## SENATE BILL 974 WITH HOUSE AMENDMENT

Senator Eckhardt called **SB 974** 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.

### Amendment

Amend **SB 974** by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the eligibility of a person employed by a school district as a teacher to serve on the appraisal review board of an appraisal district; creating a criminal offense.

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

SECTION 1. Section 6.411, Tax Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) A member of the board of trustees of an independent school district or an employee of the district commits an offense if the member or employee communicates with a member of the appraisal review board who is employed by the school district as a teacher with the intent to influence a decision by the member in the member's capacity as a member of the appraisal review board.

SECTION 2. Section 6.412(c), Tax Code, is amended to read as follows:

(c) Except as otherwise provided by this subsection, a [A] person is ineligible to serve on the appraisal review board if the person is a member of the board of directors, [an] officer, or employee of the appraisal district, an employee of the comptroller, or a member of the governing body, officer, or employee of a taxing unit. A person employed by a school district as a teacher may serve on the appraisal review board.

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

The amendment was read.

Senator Eckhardt moved to concur in the House amendment to **SB 974**.

The motion prevailed by the following vote: Yeas 23, Nays 8.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Eckhardt, Flores, Gutierrez, Hagenbuch, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Miles, Nichols, Parker, Paxton, Perry, West, Zaffirini.

Nays: Creighton, Hall, Hancock, A. Hinojosa, Hughes, Middleton, Schwertner, Sparks.

### SENATE BILL 1300 WITH HOUSE AMENDMENT

Senator Flores called **SB 1300** 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 on Third Reading

Amend **SB 1300** (house committee report) as follows:

- (1) On page 6, line 14, immediately following the semicolon, insert "or".
- (2) Strike page 6, lines 17-23, and substitute the following:

[activity] is \$150,000 or more [but less than \$300,000; or

[(7) a felony of the first degree if the total value of the merchandise involved in the activity is \$300,000 or more].

The amendment was read.

Senator Flores moved to concur in the House amendment to SB 1300.

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 1580 WITH HOUSE AMENDMENT

Senator Blanco called **SB 1580** 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 on Third Reading

Amend **SB 1580** (house committee report) on third reading by striking SECTION 2 of the bill (page 1, lines 16 through 19) and substituting the following appropriately numbered SECTION:

SECTION \_\_\_\_\_. A local mental health authority that has a governing body must be in compliance with Section 533.0351(a), Health and Safety Code, as amended by this Act, not later than September 1, 2026.

The amendment was read.

Senator Blanco moved to concur in the House amendment to SB 1580.

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

### SENATE BILL 1567 WITH HOUSE AMENDMENTS

Senator Bettencourt called **SB 1567** from the President's table for consideration of the House amendments to the bill.

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

#### Floor Amendment No. 1

Amend **SB 1567** (house committee report) on page 3 by striking lines 6 through 14 and substituting the following:

Sec. 211.057. CIVIL ACTION. (a) A person who owns property in or a tenant who resides in a municipality who is adversely affected or aggrieved by the municipality's violation of this subchapter 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) The Fifteenth Court of Appeals has exclusive intermediate appellate jurisdiction over an appeal or original proceeding arising from an action brought under this section.

### Floor Amendment No. 2

Amend SB 1567 (house committee report) on page 1 as follows:

- (1) On lines 15 and 16, strike ""University" means an institution of higher education, as defined" and substitute ""Institution of higher education" has the meaning assigned".
- (2) On line 18, strike "a university campus" and substitute "the campus of an institution of higher education with a student enrollment of more than 5,500".

## Floor Amendment No. 3

Amend **SB 1567** (house committee printing) on page 1, line 18, by inserting "with a population of less than 250,000" between "municipality" and "in"

# Floor Amendment No. 1 on Third Reading

Amend **SB 1567** on third reading in SECTION 1 of the bill by striking added Section 211.052, Local Government Code, as amended on second reading by Amendment No. 2 by Schofield and Amendment No. 3 by Tepper, and substituting the following:

- Sec. 211.052. APPLICABILITY. This subchapter applies only to a home-rule municipality with a population of less than 250,000:
- (1) in which the campus of an institution of higher education with a student enrollment of more than 20,000 is located; or
- (2) that is adjacent to the campus of an institution of higher education described by Subdivision (1).

The amendments were read.

Senator Bettencourt moved to concur in the House amendments to SB 1567.

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

Nays: Schwertner.

### SENATE BILL 1946 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 1946** 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 on Third Reading

Amend **SB 1946** on third reading in SECTION 1 of the bill as follows:

- (1) In added Section 772.0065(d), Government Code (page 2, line 4), strike "appointed by the steering committee" and substitute "appointed by the governor".
  - (2) Strike added Section 772.0065(d)(2), Government Code (page 2, lines 9-10).
- (3) In added Section 772.0065(d)(12), Government Code (page 3, line 11), following the underlined semicolon, strike "and".
- (4) Strike added Section 772.0065(d)(13), Government Code (page 3, lines 13-14), substitute the following appropriately numbered subdivisions, and renumber the subdivisions of that subsection accordingly:
  - (\_\_\_\_\_) the governor or the governor's designee;
- organization or the chief executive officer of a statewide family violence advocacy
  - ( ) additional members as considered appropriate by the governor.
- (5) In added Section 772.0065(e), Government Code (page 3, line 16), strike "steering committee" and substitute "governor".
- (6) In added Section 772.0065(f), Government Code (page 3, lines 17-18), strike "shall designate one member of the task force to", and substitute "or the governor's designee shall".
- (7) In added Section 772.0065(j)(3), Government Code (page 4, line 7), between "information" and the underlined comma, insert "that is not privileged, confidential, or otherwise prohibited from disclosure by law".

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to SB 1946.

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

Nays: Sparks.

## SENATE BILL 2807 WITH HOUSE AMENDMENT

Senator Hagenbuch called **SB 2807** 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 on Third Reading

Amend SB 2807 on third reading as follows:

- (1) On page 2, strike line 8.
- (2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter J, Chapter 545, Transportation Code, is amended to read as follows:

SUBCHAPTER J. OPERATION OF AUTOMATED MOTOR VEHICLES Sec. 545.451. DEFINITIONS. In this subchapter:

- (1) "Automated driving system" means hardware and software that, when installed on a motor vehicle and engaged, are collectively capable of operating the vehicle with Level 3 automation, Level 4 automation, or Level 5 automation by performing[, without any intervention or supervision by a human operator:
- [(A) all aspects of] the entire dynamic driving task for the vehicle on a sustained basis, regardless of whether the system is limited to a specific operational design domain[; and]
- [(B) any fallback maneuvers necessary to respond to a failure of the system].
- (2) "Automated motor vehicle" means a motor vehicle on which an automated driving system is installed that is capable of being operated with Level 4 automation or Level 5 automation.
- (3) "Authorization holder" means a person granted authorization by the department under Section 545.456 to operate one or more automated motor vehicles.
  - (4) "Board" means the board of the Texas Department of Motor Vehicles.
- (5) "Department," notwithstanding Section 541.002, means the Texas Department of Motor Vehicles.
- (6) "Dynamic ["Entire dynamic] driving task" means the real-time operational and tactical functions required to operate [aspects of operating] a vehicle. The term:
  - (A) includes:
- (i) operational <u>functions</u> [aspects], including steering, braking, accelerating, and monitoring the vehicle and the roadway; and
- (ii) tactical  $\frac{\text{functions}}{\text{lanes}}$  [aspects], including responding to events, determining when to change  $\frac{\text{lanes}}{\text{lanes}}$ , turning,  $\frac{\text{and}}{\text{using signals}}$  using signals[, and other related actions]; and
- (B) does not include strategic aspects, including determining destinations or waypoints.
- (7) [(4)] "Human <u>driver</u> [operator]" means a natural person in an automated motor vehicle who controls all or part of the [entire] dynamic driving task.
- (8) "Level 3 automation" means a standard of automation meeting the criteria for Level 3 specified in the SAE International Standard J3016 (April 2021).
- (9) "Level 4 automation" means a standard of automation meeting the criteria for Level 4 specified in the SAE International Standard J3016 (April 2021).
- (10) "Level 5 automation" means a standard of automation meeting the criteria for Level 5 specified in the SAE International Standard J3016 (April 2021).
- which a person or an automated driving system may bring an automated motor vehicle to reduce the risk of a collision when a given trip cannot or should not be continued.
- (12) "Operational design domain" means operating conditions under which an automated driving system or feature of the system is specifically designed to function, including environmental, geographical, and time-of-day restrictions and the requisite presence or absence of certain traffic or roadway characteristics
  - [(5) "Owner" has the meaning assigned by Section 502.001].

- Sec. 545.452. PROHIBITIONS ON [EXCLUSIVE] REGULATION OF THE OPERATION OF AUTOMATED MOTOR VEHICLES OR [AND] AUTOMATED DRIVING SYSTEMS BY STATE AGENCY OR POLITICAL SUBDIVISION; EXEMPTION FROM CERTAIN TRAFFIC OR MOTOR VEHICLE LAWS. (a) A state agency may not impose a regulation that discriminates against [Unless otherwise provided by this subchapter, the operation of automated motor vehicles, including any commercial use, and automated driving systems are governed exclusively by]:
- (1) <u>a person operating an automated motor vehicle</u> [this subehapter]; <u>or</u> [and]
- (2) an automated motor vehicle relative to other types of motor vehicles or with respect to road usage [Section 547.618].
- (b) A political subdivision of this state [or a state agency] may not impose a franchise or other regulation related to the operation of an automated motor vehicle or automated driving system.
- (c) The Public Safety Commission by rule may exempt from the application of a specific traffic or motor vehicle law of this state automated motor vehicles if the commission determines that the exemption will not cause a risk to public safety.
- Sec. 545.453. RULES. The board may adopt rules necessary to administer this subchapter.
- Sec. 545.454. [OPERATOR OF AUTOMATED MOTOR] VEHICLE OPERATORS. (a) When an automated driving system installed on a motor vehicle is engaged, the automated driving system is the operator of the vehicle, including for purposes of assessing compliance with applicable traffic or motor vehicle laws.
- (b) When an automated driving system installed on an automated motor vehicle is engaged,[:
- [(1)] the owner of, or if the vehicle is operating under an authorization issued by the department under Section 545.456, the authorization holder for, the automated motor vehicle shall be issued any citation for a violation of traffic or motor vehicle laws related to the vehicle [driving system is considered the operator of the automated motor vehicle solely for the purpose of assessing compliance with applicable traffic or motor vehicle laws, regardless of whether the person is physically present in the vehicle while the vehicle is operating; and
- [(2) the automated driving system is considered to be licensed to operate the vehicle].
- (c) [(b)] Notwithstanding any other law, neither a licensed human driver nor a license issued under Chapter 521 or 522 [operator] is [not] required to operate an automated [a] motor vehicle if the [an] automated driving system installed on the vehicle is engaged.
- Sec. <u>545.455</u> [<u>545.454</u>]. AUTOMATED MOTOR VEHICLE OPERATION; OFFENSE. (a) Any motor vehicle equipped with an automated driving system may operate in this state. An automated motor vehicle may operate in this state with the automated driving system engaged, regardless of whether a human <u>driver</u> [operator] is physically present in the automated motor vehicle.
- (b) Subject to Subsection (c), an [An] automated motor vehicle may not operate on a highway or street in this state with the automated driving system engaged unless the vehicle is:

- (1) capable of operating in compliance with applicable traffic and motor vehicle laws of this state, subject to this subchapter;
- (2) equipped with a recording device, as defined by Section 547.615(a), installed by the manufacturer of the automated motor vehicle or automated driving system;
- (3) equipped with an automated driving system in compliance with applicable federal law, including [and] federal motor vehicle safety standards;
- (4) capable of achieving a minimal risk condition if a failure of the automated driving system occurs that renders the system unable to perform the dynamic driving task relevant to its intended operational design domain;
  - (5) registered and titled in accordance with the laws of this state; and
- $\overline{(6)}$  [ $\overline{(5)}$ ] covered by motor vehicle liability coverage or self-insurance in an amount equal to or greater than the amount of coverage that is required under the laws of this state or federal law, as applicable to the type and use of the vehicle.
- (c) In addition to satisfying the requirements of Subsection (b), a person may not operate an automated motor vehicle to transport property or passengers in furtherance of a commercial enterprise on a highway or street in this state without a human driver unless:
- (1) the person receives and maintains authorization to operate automated motor vehicles from the department under Section 545.456; and
- (2) the Department of Public Safety has been provided, in the form and manner prescribed by rule of the Public Safety Commission, a plan specifying how a person who provides firefighting, law enforcement, ambulance, medical, or other emergency services should interact with the automated motor vehicle during the provision of those services, including:
- (A) how to communicate with a fleet support specialist who is available during the period in which the vehicle is in operation;
- (B) how to safely remove the vehicle from the roadway and safely tow the vehicle;
- (C) how to recognize whether the vehicle is being operated with the automated driving system engaged; and
- (D) any additional information the person or the manufacturer of the vehicle or the automated driving system considers necessary regarding hazardous conditions or public safety risks associated with the operation of the vehicle.
- (d) A person commits an offense if the person operates an automated motor vehicle in violation of Subsection (c). An offense under this subsection is a Class B misdemeanor. If a corporation, an association, a limited liability company, or another business entity is convicted of an offense under this subsection, the entity shall be punished in accordance with Section 12.51, Penal Code.
- (e) For purposes of Subsection (d), each day the person operates an automated motor vehicle in violation of Subsection (c) constitutes a separate offense.
- Sec. 545.456. AUTHORIZATION TO OPERATE AUTOMATED MOTOR VEHICLE. (a) The board by rule shall prescribe the form and manner by which a person may apply to the department for authorization to operate automated motor vehicles to transport property or passengers in furtherance of a commercial enterprise on highways and streets in this state without a human driver.

- (b) The rules adopted under Subsection (a) must require a person to provide the following to the department:
  - (1) a written statement by the person that includes:
    - (A) the person's contact information; and
    - (B) vehicle descriptive information as prescribed by the department;
- (2) a written statement by the person or the manufacturer of the vehicle or the automated driving system acknowledging that each automated motor vehicle is:
- (A) capable of operating in compliance with applicable traffic and motor vehicle laws of this state, subject to this subchapter;
- (B) equipped with a recording device, as defined by Section 547.615(a), installed by the manufacturer of the automated motor vehicle or automated driving system;
- (C) equipped with an automated driving system in compliance with applicable federal law, including federal motor vehicle safety standards;
- (D) capable of achieving a minimal risk condition if a failure of the automated driving system occurs that renders the system unable to perform the dynamic driving task relevant to its intended operational design domain;
  - (E) registered and titled in accordance with the laws of this state; and
- (F) covered by motor vehicle liability coverage or self-insurance in an amount equal to or greater than the amount of coverage that is required under the laws of this state or federal law, as applicable to the type and use of the vehicle; and
- (3) a certification acknowledging that the Department of Public Safety has been provided the plan required by Section 545.455(c)(2).
- (c) On receipt of an application under this section and verifying that the application complies with the rules adopted under Subsection (a), including satisfying the requirements described by Subsection (b), the department shall approve the application and issue a unique operating number to the applicant authorizing the operation of automated motor vehicles on highways and streets in this state without a human driver.
- (d) An authorization issued by the department under this section does not expire and remains active unless suspended, revoked, or canceled by the department.
- (e) The person issued an authorization under this section shall provide to the department in the form and manner prescribed by the department an update to a document described by Subsection (b)(1), (2), or (3) not later than the 30th day after the date material information in the document changes.
- (f) The department may immediately suspend, revoke, or cancel the authorization issued under this section if the authorization holder fails to comply with:
  - (1) Subsection (e); or
- (2) department requests for an updated or current document described by Subsection (b)(1), (2), or (3).
- (g) The department shall promptly rescind a suspension, revocation, or cancellation imposed under Subsection (f) upon receiving the updated or current document as requested by the department.
- (h) A determination under Subsection (f) is not a contested case under Chapter 2001, Government Code.

Sec. <u>545.457</u> [<u>545.455</u>]. DUTIES FOLLOWING COLLISION INVOLVING AUTOMATED MOTOR VEHICLE. In the event of a collision involving an automated motor vehicle, the automated motor vehicle, a person on behalf of the automated motor vehicle, or any human driver [operator] of the automated motor vehicle shall comply with Chapter 550.

Sec. 545.458. APPLICABILITY OF COMMERCIAL MOTOR VEHICLE LAWS TO AUTOMATED MOTOR VEHICLE. (a) In this section, "commercial motor vehicle" has the meaning assigned by Section 644.001.

- (b) An automated motor vehicle that is a commercial motor vehicle shall operate in accordance with Subtitle F and any other applicable laws or regulations of this state or a political subdivision of this state governing the operation of a commercial motor vehicle, except that any provision of a commercial motor vehicle law that by its nature reasonably applies only to a human driver does not apply to an automated motor vehicle operating with the automated driving system engaged.
- Sec. 545.459. ENFORCEMENT. (a) If the department determines that an automated motor vehicle operating under an authorization issued by the department under Section 545.456 is not in safe operational condition and the operation of the vehicle on a highway or street in this state endangers the public, the department shall provide to the authorization holder for the vehicle a notice of intent to:
- (1) suspend, revoke, or cancel the authorization issued under this subchapter for the vehicle; or
  - (2) impose restrictions on the operation of the vehicle.
- (b) For purposes of Subsection (a), the operation of an automated motor vehicle endangers the public when the operation has resulted in or is likely to result in serious bodily injury as defined by Section 1.07, Penal Code.
  - (c) A notice of intent under Subsection (a) must:
- (1) include a summary of the department's determination and evidence supporting the determination;
  - (2) provide the authorization holder with a reasonable period to:
    - (A) correct the issues identified in the department's determination; and
    - (B) provide to the department the certification described by Subsection
- (d)(2); and
- (3) specify which enforcement actions described by Subsections (a)(1) and (2) the department will take if the authorization holder fails to complete the actions described by Subdivision (2) within the specified period.
- (d) Before the expiration of the period specified in a notice of intent provided under Subsection (a), the authorization holder shall:
- (1) ensure the issues identified by the department in the notice are corrected; and
- (2) provide to the department, in the form and manner prescribed by the department, a certification acknowledging that the issues identified by the department in the notice have been corrected.
- (e) The department may extend the period specified in a notice provided under Subsection (a) on a written request for an extension that the department determines is reasonable.

- (f) A certification provided under Subsection (d) must include an explanation of how the issues identified by the department in the notice of intent have been corrected, such as identifying specific adjustments made to the automated driving system or operational measures implemented.
- (g) If the authorization holder fails to comply with Subsection (d), the department shall:
  - (1) issue a decision, as specified in the notice of intent, that:
- (A) suspends, revokes, or cancels the authorization issued under this subchapter for the vehicle; or
  - (B) imposes restrictions on the operation of the vehicle; and
- (2) notify the authorization holder of the decision issued by the department under Subdivision (1).
- (h) An authorization holder notified of a decision issued under Subsection (g) may submit a written request to the department for review of the decision not later than the 10th day after the date the department issued the decision. Not later than the 10th day after the date the department receives a request under this subsection, the department shall review the decision and issue a final determination to the authorization holder either upholding or rescinding the decision. If the authorization holder does not submit a request for review of a decision issued under Subsection (g) during the period provided by this subsection, the decision becomes a final determination on the 11th day after the date the department issued the decision.
- (i) A suspension, revocation, cancellation, or restriction under this section takes effect on the date of the final determination of the decision under Subsection (h).
- (j) The department shall promptly rescind a suspension, revocation, or cancellation under this section or remove a restriction under this section at any time if the authorization holder subsequently takes the actions required by Subsections (d)(1) and (2).
- (k) An authorization holder aggrieved by an action of the department under Subsection (h) may submit a written request for a hearing not later than the 10th day after the date of the department's final determination under that subsection. The department shall file a request with the State Office of Administrative Hearings for an expedited hearing not later than the 10th day after the date the authorization holder requests the hearing. The State Office of Administrative Hearings shall hold a hearing requested under this subsection not later than the 60th day after the date of the department's final determination under Subsection (h). If a hearing is not held during the period required by this subsection, the authorization issued under this subchapter shall be automatically reinstated or the restriction imposed automatically removed, as applicable.
- (l) The contested case provisions of Chapter 2001, Government Code, including the right to judicial review, apply to a proceeding under Subsection (k).
- (m) Except as provided by Section 545.456, this section provides the exclusive means by which the department may:
- (1) suspend, revoke, or cancel an authorization issued under this subchapter for an automated motor vehicle; or
- (2) otherwise restrict the operation of an automated motor vehicle operating under an authorization issued by the department under Section 545.456.

[Sec. 545.456. VEHICLE CLASSIFICATION. An owner as defined by Section
502.001(31) may identify the vehicle to the department as an automated motor vehicle
or an automated driving system.]
SECTION Subchapter A, Chapter 1954, Insurance Code, is amended by
adding Section 1954.003 to read as follows:
Sec. 1954.003. APPLICABILITY TO AUTOMATED MOTOR VEHICLES.
An automated motor vehicle, as defined by Section 545.451, Transportation Code, is

An automated motor vehicle, as defined by Section 545.451, Transportation Code, is considered a transportation network company driver for purposes of Subchapter B, and the coverage requirements of that subchapter apply to the automated motor vehicle.

SECTION \_\_\_\_\_. Section 2402.001, Occupations Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

- (1) "Automated driving system" and "automated motor vehicle" have the meanings assigned by Section 545.451, Transportation Code.
- (1-a) "Department" means the Texas Department of Licensing and Regulation.
- SECTION \_\_\_\_\_. Subchapter A, Chapter 2402, Occupations Code, is amended by adding Section 2402.005 to read as follows:
- Sec. 2402.005. APPLICABILITY TO AUTOMATED MOTOR VEHICLES. (a) A corporation, partnership, sole proprietorship, or other entity that, for compensation, enables a passenger to prearrange a ride in an automated motor vehicle through the entity's digital network is a transportation network company and is subject to the requirements of this chapter, except as otherwise provided by this section.
- (b) A transportation network company holding a permit under this chapter may use automated motor vehicles owned by the company or operated under a contract with the company to provide digitally prearranged rides through the company's digital network.
- (c) A reference in this chapter or a rule adopted under this chapter to a "driver" includes an automated motor vehicle, except that a provision of this chapter or a rule adopted under this chapter that by its nature reasonably applies only to a human driver does not apply to an automated motor vehicle operating with the automated driving system engaged.

SECTION \_\_\_\_\_. Section 2402.111, Occupations Code, is amended by adding Subsection (d) to read as follows:

- (d) Notwithstanding Subsection (a)(2)(A), an automated motor vehicle that is used to provide digitally prearranged rides is not required to have four doors.
- SECTION \_\_\_\_\_. Section 2402.113, Occupations Code, is amended by adding Subsection (e) to read as follows:
- (e) This section does not apply to a transportation network company that uses automated motor vehicles to provide digitally prearranged rides through the company's digital network or the digital network of another entity.
- SECTION \_\_\_\_\_. Section 643.054(a-2), Transportation Code, is amended to read as follows:

- (a-2) The department may deny a registration if the applicant is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that the Department of Public Safety has determined has:
  - (1) an unsatisfactory safety rating under 49 C.F.R. Part 385; or
- (2) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C, other than Section 545.455(c).

SECTION \_\_\_\_\_. Section 643.058(e), Transportation Code, is amended to read as follows:

- (e) The department may deny a motor carrier's application to renew a registration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that:
  - (1) the Department of Public Safety has determined has:
    - (A) an unsatisfactory safety rating under 49 C.F.R. Part 385; or
- (B) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C, other than Section 545.455(c);
- (2) owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance; or
- (3) has unpaid administrative penalties assessed under this chapter or Subtitle E.

SECTION \_\_\_\_\_. Section 643.0585(c), Transportation Code, is amended to read as follows:

- (c) The department may deny a motor carrier's application for reregistration if the motor carrier is owned, operated, managed, or otherwise controlled by or affiliated with a person, including a family member, corporate officer, entity, or shareholder, that:
  - (1) the Department of Public Safety has determined has:
    - (A) an unsatisfactory safety rating under 49 C.F.R. Part 385; or
- (B) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C, other than Section 545.455(c);
- (2) owned, operated, managed, or otherwise controlled a motor carrier that the Federal Motor Carrier Safety Administration has placed out of service for unacceptable safety compliance; or
- (3) has unpaid administrative penalties assessed under this chapter or Subtitle E.

SECTION \_\_\_\_\_. Section 643.252(b), Transportation Code, is amended to read as follows:

- (b) The Department of Public Safety may request that the department suspend or revoke a registration issued under this chapter or place on probation a motor carrier whose registration is suspended if a motor carrier has:
  - (1) an unsatisfactory safety rating under 49 C.F.R. Part 385; or
- (2) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C, other than Section 545.455(c).

SECTION \_\_\_\_\_. (a) Not later than December 1, 2025:

- (1) the board of the Texas Department of Motor Vehicles shall adopt the rules required by Subchapter J, Chapter 545, Transportation Code, as amended by this Act; and
- (2) the Public Safety Commission shall adopt the rule required by Section 545.455(c)(2), Transportation Code, as added by this Act.
- (b) A person is not required to comply with Subchapter J, Chapter 545, Transportation Code, as amended by this Act, until the 90th day after the effective date of rules adopted by the Public Safety Commission and the board of the Texas Department of Motor Vehicles under Subsection (a) of this section.

SECTION \_\_\_\_\_. 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.

The amendment was read.

Senator Hagenbuch moved to concur in the House amendment to **SB 2807**.

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

Nays: Gutierrez.

## (Senator Birdwell in Chair)

## SENATE BILL 3039 WITH HOUSE AMENDMENTS

Senator West called **SB 3039** 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 3039** (house committee report) on page 3, line 9, by striking "September 1" and substituting "December 1".

## Floor Amendment No. 2

Amend **SB 3039** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.07771 to read as follows:

Sec. 61.07771. TRANSPARENCY IN CERTIFICATE AND DEGREE PROGRAM REQUIREMENTS. (a) The board, in consultation with institutions of higher education, shall adopt rules requiring institutions of higher education to provide transparency in certificate and degree program requirements for students enrolling at or transferring to the institution.

- (b) The rules must require each institution of higher education to:
- (1) ensure that the requirements for each certificate or degree program offered by the institution:
- (A) are current, accessible to students enrolled at the institution and members of the public through the following sources, as applicable, and uniform at each of the following sources:

- (i) the institution's internal Internet website for students;
- (ii) the institution's Internet website; and
- (iii) the Internet website of the department at the institution that offers the certificate or degree program; and
  - (B) state:
- (i) the prerequisites for each course required as part of the certificate or degree program; and
- (ii) any non-course requirements for the certificate or degree program and, if the institution offers different tracks for completing the program, those requirements for each track; and
- (2) post on the institution's Internet website the minimum requirements to be accepted as a transfer student at the institution.
- SECTION \_\_\_\_\_. (a) Not later than January 1, 2026, the Texas Higher Education Coordinating Board shall adopt the rules required by Section 61.07771, Education Code, as added by this Act.
- (b) A public institution of higher education shall comply with the rules adopted under Subsection (a) of this section beginning with the 2026-2027 academic year.

The amendments were read.

Senator West moved to concur in the House amendments to SB 3039.

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

## SENATE BILL 506 WITH HOUSE AMENDMENTS

Senator Bettencourt called **SB 506** 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** 506 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED

### AN ACT

relating to requirements for certain ballot propositions and to related procedures and provisions.

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

SECTION 1. Section 52.072, Election Code, is amended by adding Subsection (g) to read as follows:

(g) A proposition must substantially submit the question with such definiteness, certainty, and facial neutrality that the voters are not misled.

SECTION 2. Chapter 233, Election Code, is amended by adding Section 233.0115 to read as follows:

Sec. 233.0115. BALLOT LANGUAGE MANDAMUS ACTION. If a court orders a new election under Section 233.011, a person may seek from the court a writ of mandamus to compel the governing body of a city to comply with the requirement that a ballot proposition must substantially submit the question with such definiteness, certainty, and facial neutrality that the voters are not misled, as provided by Section 273.102.

SECTION 3. Chapter 273, Election Code, is amended by adding Subchapter F to read as follows:

# SUBCHAPTER F. BALLOT PROPOSITION LANGUAGE ENFORCEMENT PROVISIONS

- Sec. 273.101. REVIEW BY SECRETARY OF STATE. (a) Not later than the seventh day after the date on which a home-rule city publishes in the election order or by other means ballot proposition language proposing an amendment to the city charter or a voter-initiated initiative or referendum as requested by petition, a registered voter eligible to vote in the election may submit the proposition for review by the secretary of state.
- (b) The secretary of state shall review the proposition not later than the seventh day after the date the secretary receives the submission to determine whether the proposition is misleading, inaccurate, or prejudicial.
- (c) If the secretary of state determines that the proposition is misleading, inaccurate, or prejudicial, the city shall draft a proposition to cure the defects and give notice of the new proposition using the method of giving notice prescribed for notice of an election under Section 4.003.
- (d) A proposition drafted by a city under Subsection (c) to cure the defects may be submitted to the secretary of state under Subsection (a). If the secretary of state determines that the city has drafted a proposition under Subsection (c) that is misleading, inaccurate, or prejudicial, the secretary of state shall draft the ballot proposition.
- Sec. 273.102. MANDAMUS ACTIONS. (a) In an action in a court of competent jurisdiction seeking a writ of mandamus to compel the city's governing body to comply with the requirement that a ballot proposition must substantially submit the question with such definiteness, certainty, and facial neutrality that the voters are not misled, the court shall make its determination without delay and may order the city to use ballot proposition language drafted by the court.
- (b) The court may award a plaintiff or relator who substantially prevails in a mandamus action described by Subsection (a) the party's reasonable attorney's fees, expenses, and court costs.
- (c) Governmental immunity to suit is waived and abolished only to the extent of the liability created by Subsection (b).
- Sec. 273.103. MANDATORY SUBMISSION TO SECRETARY OF STATE. Following a final nonappealable judgment containing a finding by a court that a ballot proposition drafted by a city failed to substantially submit the question with such definiteness, certainty, and facial neutrality that the voters are not misled, the city shall submit to the secretary of state for approval any proposition to be voted on at an election held by the city before the fourth anniversary of the court's finding.
- Sec. 273.104. CITY REQUIRED TO PAY FOR LEGAL SERVICES. Notwithstanding a home-rule city charter provision to the contrary, a city may not accept legal services relating to a proceeding under this subchapter without paying fair market value for those services.
- SECTION 4. Chapter 277, Election Code, is amended by adding Section 277.005 to read as follows:

Sec. 277.005. OBSTRUCTION OF PETITION-INITIATED ELECTION PROHIBITED. (a) A political subdivision may not propose a measure, including a charter amendment, that will appear on the same ballot as a petition-initiated measure if:

- (1) the two measures generally address the same subject matter; or
- (2) a provision of a proposed measure would invalidate or conflict with any portion of a petition-initiated measure.
- (b) A measure proposed by a political subdivision in violation of this section is void if the measure is proposed not earlier than the 180th day before the date the political subdivision's secretary receives the petition under this chapter. A political subdivision may be enjoined from proposing the measure.

SECTION 5. The changes in law made by this Act apply only to a petition submitted on or after January 1, 2026.

SECTION 6. This Act takes effect September 1, 2025.

## Floor Amendment No. 1

Amend CSSB 506 (house committee report) as follows:

- (1) On page 1, line 24, strike "or by other means".
- (2) On page 2, line 10, between "prejudicial," and "the", insert "the secretary of state shall provide notice to the city of the secretary of state's determination. Not later than the third day after receiving notice from the secretary of state,".

## Floor Amendment No. 2

Amend CSSB 506 (house committee report) as follows:

- (1) On page 2, line 3, between "election" and "may", insert "or an authorized representative of a home-rule city".
  - (2) On page 3, strike line 1 and substitute:
- "(b) Except as provided by Subsection (d), the court may award a plaintiff or relator who".
  - (3) On page 3, between lines 6 and 7, insert:
- "(d) If, pursuant to Section 273.101, the secretary of state determines that a proposition is not misleading, inaccurate, or prejudicial, or drafts that ballot proposition language, a plaintiff or realtor who prevails in a mandamus action described by Subsection (a) may not be awarded the party's reasonable attorney's fees, expensed, or court costs."

The amendments were read.

Senator Bettencourt moved to concur in the House amendments to SB 506.

The motion prevailed by the following vote: Yeas 24, Nays 7.

Yeas: Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, King, Kolkhorst, Middleton, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Alvarado, Cook, Eckhardt, Gutierrez, Johnson, Menéndez, Miles.

## SENATE BILL 1964 WITH HOUSE AMENDMENTS

Senator Parker called **SB 1964** 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 1964 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED

## AN ACT

relating to the regulation and use of artificial intelligence systems and the management of data by governmental entities.

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

SECTION 1. Section 2054.003, Government Code, is amended by adding Subdivisions (1-a), (2-b), (2-c), (6-a), and (11) to read as follows:

- (1-a) "Artificial intelligence system" means a machine-based system that for explicit or implicit objectives infers from provided information a method to generate outputs, such as predictions, content, recommendations, or decisions, to influence a physical or virtual environment with varying levels of autonomy and adaptiveness after deployment.
- (2-b) "Consequential decision" means a decision that has a material, legal, or similarly significant effect on the provision, denial, or conditions of a person's access to a government service.
- (2-c) "Controlling factor" means a factor generated by an artificial intelligence system that is:
  - (A) the principal basis for making a consequential decision; or
  - (B) capable of altering the outcome of a consequential decision.
- (6-a) "Heightened scrutiny artificial intelligence system" means an artificial intelligence system specifically intended to autonomously make, or be a controlling factor in making, a consequential decision. The term does not include an artificial intelligence system intended to:
  - (A) perform a narrow procedural task;
  - (B) improve the result of a previously completed human activity;
- (C) perform a preparatory task to an assessment relevant to a consequential decision; or
- (D) detect decision-making patterns or deviations from previous decision-making patterns.
- (11) "Principal basis" means the use of an output produced by a heightened scrutiny artificial intelligence system to make a decision without:
  - (A) human review, oversight, involvement, or intervention; or
  - (B) meaningful consideration by a human.

SECTION 2. Section 2054.068(b), Government Code, is amended to read as follows:

(b) The department shall collect from each state agency information on the status and condition of the agency's information technology infrastructure, including information regarding:

- (1) the agency's information security program;
- (2) an inventory of the agency's servers, mainframes, cloud services, artificial intelligence systems, including heightened scrutiny artificial intelligence systems, and other information technology equipment;
- (3) identification of vendors that operate and manage the agency's information technology infrastructure; and
  - (4) any additional related information requested by the department.

SECTION 3. Section 2054.0965, Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

- (b) Except as otherwise modified by rules adopted by the department, the review must include:
- (1) an inventory of the agency's major information systems, as defined by Section 2054.008, and other operational or logistical components related to deployment of information resources as prescribed by the department;
  - (2) an inventory of the agency's major databases and applications;
- (3) a description of the agency's existing and planned telecommunications network configuration;
- (4) an analysis of how information systems, components, databases, applications, and other information resources have been deployed by the agency in support of:
- (A) applicable achievement goals established under Section 2056.006 and the state strategic plan adopted under Section 2056.009;
  - (B) the state strategic plan for information resources; and
  - (C) the agency's business objectives, mission, and goals;
- (5) agency information necessary to support the state goals for interoperability and reuse; [and]
- (6) an inventory and identification of the artificial intelligence systems and heightened scrutiny artificial intelligence systems deployed by the agency, including an evaluation of the purpose of and risk mitigation measures for each system and an analysis of each system's support of the agency's strategic plan under this subchapter; and
- (7) confirmation by the agency of compliance with state statutes, rules, and standards relating to information resources and artificial intelligence systems, including the artificial intelligence system code of ethics developed under Section 2054.702, and minimum standards developed under Section 2054.703.
- (c) Local governments shall complete a review of the deployment and use of heightened scrutiny artificial intelligence systems and, on request, provide the review to the department in the manner the department prescribes.

SECTION 4. Section 2054.137, Government Code, is amended by adding Subsection (a-1) and amending Subsection (c) to read as follows:

- (a-1) A state agency with 150 or fewer full-time employees may:
- (1) designate a full-time employee of the agency to serve as a data management officer; or
- (2) enter into an agreement with one or more state agencies to jointly employ a data management officer if approved by the department.

- (c) In accordance with department guidelines, the data management officer for a state agency shall annually post on the Texas Open Data Portal established by the department under Section 2054.070 at least three high-value data sets as defined by Section 2054.1265. The high-value data sets may not include information that is confidential or protected from disclosure under state or federal law.
- SECTION 5. Chapter 2054, Government Code, is amended by adding Subchapter S to read as follows:

## SUBCHAPTER S. ARTIFICIAL INTELLIGENCE

- Sec. 2054.701. DEFINITION. In this subchapter, "unlawful harm" means any condition in which the use of an artificial intelligence system results in a consequential decision that causes harm to an individual who is a member of a state or federally protected class in violation of law. The term does not include a developer's or deployer's offer, license, or use of a heightened scrutiny artificial intelligence system for the sole purpose of testing the system before deployment to identify, mitigate, or otherwise ensure compliance with state and federal law.
- Sec. 2054.702. ARTIFICIAL INTELLIGENCE SYSTEM CODE OF ETHICS. (a) The department by rule shall establish an artificial intelligence system code of ethics for use by state agencies and local governments that procure, develop, deploy, or use artificial intelligence systems.
- (b) At a minimum, the artificial intelligence system code of ethics must include guidance for the deployment and use of artificial intelligence systems and heightened scrutiny artificial intelligence systems that aligns with the Artificial Intelligence Risk Management Framework (AI RMF 1.0) published by the National Institute of Standards and Technology. The guidance must address:
  - (1) human oversight and control;

  - (2) fairness and accuracy; (3) transparency, including consumer disclosures;
  - (4) data privacy and security;

  - (5) public and internal redress, including accountability and liability; and
     (6) the frequency of evaluations and documentation of improvements.
- (c) State agencies and local governments shall adopt the code of ethics developed under this section.
- Sec. 2054.703. MINIMUM STANDARDS FOR HEIGHTENED SCRUTINY ARTIFICIAL INTELLIGENCE SYSTEMS. (a) The department by rule shall develop minimum risk management and governance standards for the development, procurement, deployment, and use of heightened scrutiny artificial intelligence systems by a state agency or local government.
- (b) The minimum standards must be consistent with the Artificial Intelligence Risk Management Framework (AI RMF 1.0) published by the National Institute of Standards and Technology and must:
- (1) establish accountability measures, such as required reports describing the use of, limitations of, and safeguards for the heightened scrutiny artificial intelligence system;
- (2) require the assessment and documentation of the heightened scrutiny artificial intelligence system's known security risks, performance metrics, and transparency measures:

- (A) before deploying the system; and
- (B) at the time any material change is made to:
  - (i) the system;
  - (ii) the state or local data used by the system; or
  - (iii) the intended use of the system;
- (3) provide to local governments resources that advise on managing, procuring, and deploying a heightened scrutiny artificial intelligence system, including data protection measures and employee training; and
  - (4) establish guidelines for:
- (A) risk management frameworks, acceptable use policies, and training employees; and
- (B) mitigating the risk of unlawful harm by contractually requiring vendors to implement risk management frameworks when deploying heightened scrutiny artificial intelligence systems on behalf of state agencies or local governments.
- (c) State agencies and local governments shall adopt the standards developed under Subsection (a).
- Sec. 2054.704. EDUCATIONAL OUTREACH PROGRAM. (a) The department shall develop educational materials on artificial intelligence systems to promote the responsible use of the systems and awareness of the risks and benefits of system use, explain consumer rights in relation to the systems, and describe risk mitigation techniques.
- (b) The department shall develop training materials for state and local government employees and the general public. The training materials must be made available on the department's public Internet website.
- (c) The department shall host statewide forums and training sessions on artificial intelligence systems best practices for state and local government employees.
  - (d) The department may:
- (1) use money appropriated to the department to produce materials required by this section; and
  - (2) contract with a vendor to produce those materials.
- Sec. 2054.705. PUBLIC SECTOR ARTIFICIAL INTELLIGENCE SYSTEMS ADVISORY BOARD. (a) A public sector artificial intelligence systems advisory board is established to assist state agencies in the development, deployment, and use of artificial intelligence systems.
  - (b) The advisory board shall:
- (1) obtain and disseminate information on artificial intelligence systems, including use cases, policies, and guidelines;
  - (2) facilitate shared resources between state agencies;
  - (3) consult with the department on artificial intelligence systems issues;
  - (4) identify opportunities:
- (A) for state agencies to implement artificial intelligence systems to reduce administrative burdens; and
- (B) to streamline the state procurement process for artificial intelligence systems; and

- (5) recommend elimination of rules that restrict the innovation of artificial intelligence systems.
  - (c) The department shall provide administrative support for the advisory board.
  - (d) The advisory board is composed of eight members as follows:
- (1) six members representing state agencies, including one member representing an agency with fewer than 150 employees, appointed by the governor or the governor's designee; and
- (2) two public members with expertise in technology, appointed by the governor or the governor's designee.
- (e) Advisory board members serve two-year terms. Advisory board members may be reappointed.
- (f) Advisory board members are not entitled to compensation or reimbursement of expenses for service on the advisory board.
- Sec. 2054.706. ARTIFICIAL INTELLIGENCE SYSTEM SANDBOX PROGRAM. (a) In this section:
  - (1) "Eligible entity" means an eligible customer under Section 2054.0525.
- (2) "Program" means the program established by this section that is designed to allow temporary testing of an artificial intelligence system in a controlled, limited manner without requiring full compliance with otherwise applicable regulations.
- (3) "Vendor" means a person registered with the department as a contractor to provide commodity items under Section 2157.068.
- (b) The department shall establish and administer a program to support eligible entities in contracting with vendors to engage in research, development, training, testing, and other pre-deployment activities related to artificial intelligence systems to effectively, efficiently, and securely assist the entity in accomplishing its public purposes.
- (c) The department shall create an application process for vendors to apply to participate in the program. The application process must include:
- (1) a detailed description of the artificial intelligence system proposed for participation in the program and the system's intended use;
- (2) a risk assessment of the system that addresses potential impacts on the public; and
- (3) a plan for mitigating any adverse consequences discovered during the system's testing phase.
- (d) A vendor participating in the program shall, with oversight by the department, provide eligible entities with secure access to an artificial intelligence system used in the program.
- (e) The department shall provide to vendors and eligible entities participating in the program detailed guidelines regarding the exemption from compliance with otherwise applicable regulations provided by the program.
- (f) The eligible entities and vendors shall submit quarterly reports to the department that include:
  - (1) performance measures for the artificial intelligence system;
  - (2) risk mitigation strategies implemented during system testing;
  - (3) feedback on program effectiveness and efficiency; and

- (4) any additional information the department requests.
- (g) Not later than November 30 of each even-numbered year, the department shall produce an annual report and submit the report to the legislature summarizing:
- (1) the number of eligible entities and vendors participating in the program and the program outcomes; and
  - (2) recommendations for legislative or other action.
- (h) Notwithstanding Section 2054.383, the department may operate the program as a statewide technology center under Subchapter L.
- (i) The department shall share information and resources for the program with any other department program established to allow a person, without holding a license or certificate of registration under the laws of this state, to test an artificial intelligence system for a limited time and on a limited basis.
- Sec. 2054.707. DISCLOSURE REQUIREMENTS. A state agency that procures, develops, deploys, or uses a public-facing artificial intelligence system shall provide clear disclosure of interaction with the system to the public as provided by the artificial intelligence system code of ethics established under Section 2054.702. The disclosure is not required if a reasonable person would know the person is interacting with an artificial intelligence system.
- Sec. 2054.708. IMPACT ASSESSMENTS. (a) A state agency that deploys or uses a heightened scrutiny artificial intelligence system or a vendor that contracts with a state agency for the deployment or use of a heightened scrutiny artificial intelligence system shall conduct a system assessment that outlines:
  - (1) risks of unlawful harm;
  - (2) system limitations; and
  - (3) information governance practices.
- (b) The state agency or vendor shall make a copy of the assessment available to the department on request.
- (c) An impact assessment conducted under this section is confidential and not subject to disclosure under Chapter 552. The state agency or department may redact or withhold information as confidential under Chapter 552 without requesting a decision from the attorney general under Subchapter G, Chapter 552.
- (d) The department shall take actions necessary to ensure the confidentiality of information submitted under this section, including restricting access to submitted information to only authorized personnel and implementing physical, electronic, and procedural protections.
- Sec. 2054.709. ENFORCEMENT. (a) If a state agency or vendor becomes aware of a violation of this subchapter, the agency or vendor shall report the violation to the department, if applicable, and the attorney general.
  - (b) The attorney general shall:
- (1) review a report submitted under this section or a complaint reported through the web page established under Section 2054.710; and
- (2) determine whether to bring an action to enjoin a violation of this subchapter.
- (c) If the attorney general, in consultation with the department, determines that a vendor violated this subchapter, the attorney general shall provide the vendor with a written notice of the violation.

- (d) If a vendor fails to respond or cure the violation before the 31st day after the date the vendor receives the written notice under Subsection (c), the state agency shall provide the vendor with a notice of intent to void the contract. The vendor may respond and seek to cure the violation before the 31st day after the date the vendor receives the notice of intent.
- (e) If the vendor fails to cure the violation before the 31st day after the date the vendor receives the notice of intent to void the contract under Subsection (d), the state agency may void the contract without further obligation to the vendor.
- (f) If the department determines that a vendor has had more than one contract voided under Subsection (e), the department shall refer the matter to the comptroller. Using procedures prescribed by Section 2155.077, the comptroller may bar the vendor from participating in a state agency contract.
- Sec. 2054.710. ARTIFICIAL INTELLIGENCE SYSTEM COMPLAINT WEB PAGE. (a) The attorney general shall, in collaboration with the department, establish a web page on the attorney general's Internet website that allows a person to report a complaint relating to artificial intelligence systems, including:
- (1) instances of an artificial intelligence system allegedly unlawfully infringing on the person's constitutional rights or financial livelihood; or
- (2) the use of an artificial intelligence system that allegedly results in unlawful harm.
- (b) A complaint submitted on the web page created under Subsection (a) must be distributed to the department.
- (c) A person who submits a complaint on the web page created under Subsection (a) may request an explanation from the department.
- (d) The attorney general shall post on the attorney general's Internet website information that:
- (1) educates persons regarding the risks and benefits of artificial intelligence systems; and
- (2) explains a person's rights in relation to artificial intelligence systems.

  (e) If the attorney general, in consultation with the department, determines that the complaint is substantiated and a violation of this subchapter occurred, the attorney general may seek enforcement under Section 2054.709.
- (f) Not later than November 30 of each even-numbered year, the attorney general shall submit to the legislature a report summarizing the complaints received under this section, the resolutions of the complaints, and any enforcement actions taken.
- Sec. 2054.711. STANDARDIZED NOTICE. (a) Each state agency and local government deploying or using an artificial intelligence system that is public-facing or that is a controlling factor in a consequential decision shall include a standardized notice on all related applications, Internet websites, and public computer systems.
- (b) The department shall develop a form that agencies must use for the notice required under Subsection (a). The form must include:
  - (1) general information about the system;
  - (2) information about the data sources the system uses; and
- (3) measures taken to maintain compliance with information privacy laws and ethics standards.

Sec. 2054.712. EFFICIENT USE OF RESOURCES. The department shall coordinate the activities under this subchapter and any other law relating to artificial intelligence systems to ensure efficient system implementation and to streamline the use of department resources, including information sharing and personnel.

Sec. 2054.713. RULES. The department shall adopt rules to implement this subchapter.

SECTION 6. (a) As soon as practicable after the effective date of this Act, the Department of Information Resources shall:

- (1) adopt rules necessary to implement Subchapter S, Chapter 2054, Government Code, as added by this Act; and
- (2) develop the outreach program and form required by Sections 2054.704 and 2054.711, Government Code, as added by this Act.
- (b) As soon as practicable after the effective date of this Act, the office of the attorney general shall establish the web page as required by Section 2054.710, Government Code, as added by this Act.

SECTION 7. This Act takes effect September 1, 2025.

## Floor Amendment No. 1

Amend CSSB 1964 (house committee report) as follows:

- (1) On page 1, line 15, strike "material, legal," and substitute "material legal".
- (2) On page 1, lines 18 and 19, strike "generated by an artificial intelligence system".
  - (3) On page 15, strike lines 14 through 18 and substitute the following:
- (1) general information about the system and data sources the system uses; and
- (2) measures taken to maintain compliance with information privacy laws and ethics standards.

## Floor Amendment No. 2

Amend **CSSB 1964** (house committee report) on page 15, between lines 18 and 19, by inserting the following:

(c) Notwithstanding Subsection (a), a public hospital, including a teaching hospital, owned and operated by this state or a political subdivision or municipal corporation of this state or a hospital district or authority created under the authority of Sections 4 through 11, Article IX, Texas Constitution, or Title 4, Health and Safety Code, deploying or using an artificial intelligence system in the course of providing health care services or treatment shall provide the notice required by this section by including in each patient consent form a standardized disclosure statement that an artificial intelligence system may be used in the patient's treatment.

# Floor Amendment No. 1 on Third Reading

Amend SB 1964 on third reading:

In Section 5 of the bill, strike Sec. 2054.711(c) and substitute the following:

(c) For the purposes of this section, any health care service by an academic medical center, state owned hospital, public hospital or hospital district organized under Article IX of the Texas Constitution or under Texas Health and Safety Code may satisfy their disclosure requirements by including a generalized statement in the patient consent forms that AI may be used in the course of their treatment.

The amendments were read.

Senator Parker moved to concur in the House amendments to SB 1964.

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

Nays: Middleton.

## SENATE BILL 2221 WITH HOUSE AMENDMENT

Senator Parker called **SB 2221** 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 2221** (house committee report) on page 3, line 12, by striking "financing statement" and substituting "termination statement".

The amendment was read.

Senator Parker moved to concur in the House amendment to SB 2221.

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

### SENATE BILL 3047 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 3047** 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 3047 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the creation of the Pura Vida 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.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 4013 to read as follows:

# CHAPTER 4013. PURA VIDA MUNICIPAL MANAGEMENT DISTRICT NO. 1 SUBCHAPTER A. GENERAL PROVISIONS

# Sec. 4013.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Mustang Ridge.
- (3) "Director" means a board member.
- (4) "District" means the Pura Vida Municipal Management District No. 1.

Sec. 4013.0102. NATURE OF DISTRICT. The Pura Vida Municipal Management District No. 1 is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 4013.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

- (b) By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.
- (c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.
- (d) This chapter and the creation of the district may not be interpreted to relieve the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city services provided in the district.
- Sec. 4013.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.
  - (b) The district is created to serve a public use and benefit.
- (c) The creation of the district is in the public interest and is essential to further the public purposes of:
  - (1) developing and diversifying the economy of the state;
  - (2) eliminating unemployment and underemployment; and
  - (3) developing or expanding transportation and commerce.
  - (d) The district will:
- (1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;
- (2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;
- (3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and
- (4) provide for water, wastewater, drainage, road, and recreational facilities for the district.
- (e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

or

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 4013.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

- (b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:
  - (1) organization, existence, or validity;
- (2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
  - (3) right to impose or collect an assessment or tax; or
  - (4) legality or operation.

Sec. 4013.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.

Sec. 4013.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 4013.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 4013.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors who serve staggered terms of four years.

(b) Directors are elected in the manner provided by Subchapter D, Chapter 49, Water Code.

Sec. 4013.0202. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.

- (b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.
- (c) Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 4013.0203. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified county tax appraisal roll may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

- (b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 4013.0201.
  - (c) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Subsection (b); or
- (2) the fourth anniversary of the effective date of the Act enacting this chapter.
- (d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (e) to serve terms that expire on the earlier of:
  - (1) the date permanent directors are elected under Subsection (b); or
  - (2) the fourth anniversary of the date of the appointment or reappointment.
- (e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified county tax appraisal roll may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

# SUBCHAPTER C. POWERS AND DUTIES

Sec. 4013.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

- Sec. 4013.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.
- (b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).
- (c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.
- Sec. 4013.0303. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.
  - (b) The nonprofit corporation:
- (1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and
- (2) may implement any project and provide any service authorized by this chapter.
- (c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 4013.0304. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the city, to provide additional law enforcement services in the district for a fee.

Sec. 4013.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 4013.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

- (b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:
  - make loans and grants of public money; and
     provide district personnel and services.
- (c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:
  (1) Chapter 380, Local Government Code; and

  - (2) Subchapter A, Chapter 1509, Government Code.

Sec. 4013.0307. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 4013.0308. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 4013.0309. ADDING OR EXCLUDING LAND. Except as provided by Section 4013.0310, the district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. 4013.0310. DIVISION OF DISTRICT. (a) The district may be divided

into two or more new districts only if the district:

- (1) has no outstanding bonded debt; and
- (2) is not imposing ad valorem taxes.
- (b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.
- (c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.
- (d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.
  - (e) An order dividing the district must:

- (1) name each new district;
- (2) include the metes and bounds description of the territory of each new district;
  - (3) appoint initial directors for each new district; and
- (4) provide for the division of assets and liabilities between or among the new districts.
- (f) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.
- (g) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.
- (h) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 4013.0506 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

Sec. 4013.0311. EMINENT DOMAIN. The district may exercise the power of eminent domain in the manner provided by Section 49.222, Water Code.

# SUBCHAPTER D. ASSESSMENTS

- Sec. 4013.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.
- (b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified county tax appraisal roll.
- Sec. 4013.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.
- (b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:
  - (1) are a first and prior lien against the property assessed;
- (2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and
- (3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.
- (c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.
- (d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

## SUBCHAPTER E. TAXES AND BONDS

Sec. 4013.0501. TAX ELECTION REQUIRED. (a) The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

(b) Section 375.243, Local Government Code, does not apply to the district.

Sec. 4013.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 4013.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.
- (b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

Sec. 4013.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

- (b) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.
- (c) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.
- (d) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter A, Chapter 372, Local Government Code, if the improvement financed by the obligation issued under this section will be conveyed to or operated and maintained by a municipality or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation.

Sec. 4013.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue other than ad valorem taxes, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. 4013.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 4013.0501, the district may issue bonds payable from ad valorem taxes.

(b) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

(c) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 4013.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district as required by applicable law.

(b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

# SUBCHAPTER F. SALES AND USE TAX

Sec. 4013.0601. MEANINGS OF WORDS AND PHRASES. A word or phrase used in this subchapter that is defined by Chapter 151 or 321, Tax Code, has the meaning assigned by Chapter 151 or 321, Tax Code.

Sec. 4013.0602. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS.

- (a) The provisions of Subchapters C, D, E, and F, Chapter 323, Tax Code, relating to county sales and use taxes apply to the application, collection, and administration of a sales and use tax imposed under this subchapter to the extent consistent with this chapter, as if references in Chapter 323, Tax Code, to a county referred to the district and references to a commissioners court referred to the board.
- (b) Sections 323.401-323.404 and 323.505, Tax Code, do not apply to a tax imposed under this subchapter.
- Sec. 4013.0603. AUTHORIZATION; ELECTION. (a) The district shall adopt, reduce, or repeal the sales and use tax authorized by this subchapter at an election in which a majority of the voters of the district voting in the election approve the adoption, reduction, or repeal of the tax, as applicable.
- (b) The board by order shall call an election to adopt, reduce, or repeal a sales and use tax. The election shall be held on the first authorized uniform election date that occurs after the time required by Section 3.005, Election Code.
- (c) The district shall provide notice of the election and shall hold the election in the manner prescribed by Chapter 54, Water Code, for bond elections for municipal utility districts.
- (d) The ballots shall be printed to provide for voting for or against the following appropriate proposition:
  - (1) "Adoption of a \_\_\_\_ percent district sales and use tax in the district";
- (2) "Reduction of the district sales and use tax in the district from percent to \_\_\_\_\_percent"; or
  - (3) "Repeal of the district sales and use tax in the district."

Sec. 4013.0604. EFFECTIVE DATE OF TAX. A tax imposed under this subchapter or the repeal or reduction of a tax under this subchapter takes effect on the first day of the first calendar quarter that occurs after the date the comptroller receives the copy of the resolution as required by Section 323.405(b), Tax Code.

Sec. 4013.0605. SALES AND USE TAX RATE. (a) On adoption of the tax authorized by this subchapter, there is imposed a tax of two percent, or the maximum rate at which the combined tax rate of all local sales and use taxes in any location in the district does not exceed two percent, on the receipts from the sale at retail of

taxable items in the district, and an excise tax on the use, storage, or other consumption in the district of taxable items purchased, leased, or rented from a retailer in the district during the period that the tax is in effect.

(b) The rate of the excise tax is the same as the rate of the sales tax portion of the tax and is applied to the sales price of the taxable item.

Sec. 4013.0606. EXAMINATION AND RECEIPT OF INFORMATION. The district may examine and receive information related to the imposition of a sales and use tax to the same extent as if the district were a municipality.

Sec. 4013.0607. ALTERNATIVE METHOD OF IMPOSITION. Notwithstanding any other provision of this subchapter, the district may impose the sales and use tax as provided by Subchapter F, Chapter 383, Local Government Code, instead of as provided by the other provisions of this subchapter.

# SUBCHAPTER G. HOTEL OCCUPANCY TAX

Sec. 4013.0701. DEFINITION. In this subchapter, "hotel" has the meaning assigned by Section 156.001, Tax Code.

Sec. 4013.0702. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS.

(a) In this subchapter:

- (1) a reference in Chapter 352, Tax Code, to a county is a reference to the district; and
- (2) a reference in Chapter 352, Tax Code, to the commissioners court is a reference to the board.
- (b) Except as inconsistent with this subchapter, Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized by this subchapter, including the collection of the tax, subject to the limitations prescribed by Sections 352.002(b) and (c), Tax Code.

Sec. 4013.0703. TAX AUTHORIZED; TAX RATE. (a) The district may impose a hotel occupancy tax for the purposes described by Section 4013.0705.

(b) The amount of the tax may not exceed seven percent of the price paid for a room in a hotel.

Sec. 4013.0704. INFORMATION. The district may examine and receive information related to the imposition of hotel occupancy taxes to the same extent as if the district were a municipality.

Sec. 4013.0705. USE OF HOTEL OCCUPANCY TAX. (a) The district may use the proceeds from a hotel occupancy tax imposed under this subchapter for the purposes described by Section 352.1015, Tax Code.

- (b) During each interval of three calendar years following the date on which a hotel occupancy tax imposed under this subchapter is initially collected, the board may not apply an annual average of more than 10 percent of the amount of tax collected under that section, excluding any interest earnings or investment profits and after a deduction for the costs of imposing and collecting the taxes, for the administrative expenses of the district or a district purpose other than:
  - (1) the costs of advertising and promoting tourism; or
- (2) the costs of business development and commerce, including the costs of planning, designing, constructing, acquiring, leasing, financing, owning, operating, maintaining, managing, improving, repairing, rehabilitating, or reconstructing improvement projects for:

- (A) conferences, conventions, meeting space, and exhibitions;
- (B) manufacturer, consumer, or trade shows;
- (C) hotels, lodging, and hospitality;
- (D) arts and entertainment;
- (E) parks and recreation;
- (F) economic development; and
- (G) civic, community, or institutional events.

### SUBCHAPTER H. HOTEL AND CONVENTION CENTER PROJECTS

Sec. 4013.0801. DEFINITIONS. (a) In this subchapter, "qualified convention center facility," "qualified hotel," and "qualified project" have the meanings assigned by Section 351.151, Tax Code.

- (b) Notwithstanding Section 351.157(a), Tax Code, for purposes of a qualified project of the district, "qualified establishment" means an establishment:
  - (1) that is:
    - (A) a restaurant, bar, or retail establishment;
    - (B) located on land owned by the district; and
- (C) constructed on or after the date the district commences a qualified project under this subchapter; and
- (2) the nearest exterior wall of which is located not more than 1,000 feet from the nearest exterior wall of a qualified convention center facility or qualified hotel.

Sec. 4013.0802. HOTEL AND CONVENTION CENTER PROJECTS. (a) The board by order may authorize proceeds from the hotel occupancy tax imposed under Subchapter G of this chapter to be used for a qualified project under Subchapter C, Chapter 351, Tax Code. The use authorized by this subsection is in addition to any other use authorized by law.

- (b) If the board adopts an order described by Subsection (a):
- (1) a reference in Subchapter C, Chapter 351, Tax Code, to a municipality is a reference to the district; and
- (2) the district is considered to be a municipality for purposes of Subchapter C, Chapter 351, Tax Code, with the same rights, privileges, and responsibilities as a municipality under that subchapter, including the ability to pledge or commit revenue under Section 351.155, Tax Code, for bonds or other obligations issued for a qualified project or contractual obligations for a qualified project and to receive certain tax revenue under Sections 351.156 and 351.157, Tax Code.
- (c) In the event of a conflict between this section and another provision of this chapter, this section controls.
- (d) The comptroller may adopt rules necessary to implement and administer this section.

### SUBCHAPTER I. DISSOLUTION

- Sec. 4013.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:
- (1) at least two-thirds of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

- (2) at least two-thirds of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.
  - (b) The board by majority vote may dissolve the district at any time.
- (c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:
- (1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;
- (2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or
- (3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.
- (d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

SECTION 2. The Pura Vida Municipal Management District No. 1 initially includes all territory contained in the following area:

211.348 ACRES LAND OUT THE WILLIAM LEWIS, SR. SURVEY, ABSTRACT NO. 479 AND THE AUGUSTAS KINCHELOE SURVEY NUMBER 2, ABSTRACT NO. 457, TRAVIS COUNTY, TEXAS, BEING ALL OR A PORTION OF THE FOLLOWING EIGHT (8) TRACTS:

TRACT 1: A 70.887 ACRE PORTION OF THAT CERTAIN 141.321 ACRE TRACT CALLED FIRST TRACT CONVEYED TO MUSTANG RIDGE, LLC BY DEED RECORDED IN DOCUMENT NUMBER 2019142513, OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS:

TRACT 2: ALL OF THAT CERTAIN 23.625 ACRE TRACT DECRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2020003359, OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 3: ALL OF THAT CERTAIN 0.892 ACRE TRACT CALLED SECOND TRACT DESCRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2019142513, OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS;

TRACT 4: ALL OF THAT CERTAIN 19.283 ACRE TRACT DECRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2023073358, OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 5: ALL OF THAT CERTAIN 2.986 ACRE TRACT DECRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2022052056, OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 6: ALL OF THAT CERTAIN 16.383 ACRE TRACT DECRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2021040262, OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 7: ALL OF THAT CERTAIN 74.555 ACRE TRACT, CALLED 74.557 ACRES, DESCRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2022039968 OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 8: ALL OF THAT CERTAIN 2.737 ACRE TRACT DECRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2020099394, OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

THE SAID 211.348 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP MARKED LENZ & ASSOC ON THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 183 AT THE NORTHERLY MOST CORNER OF THE SAID TRACT 3:

THENCE, S 04°08'59" E, A DISTANCE OF 1924.31 FEET ALONG THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 183, THE SAME BEING THE EAST LINE OF THE SAID TRACT 3, TRACT 2 AND TRACT 6, TO A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP MARKED LENZ & ASSOC AT THE SOUTHEAST CORNER OF THE SAID TRACT 6:

THENCE, S 85°47'49" W, A DISTANCE OF 825.12 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP MARKED HINKLE AT THE SOUTHWEST CORNER OF THE SAID TRACT 6, THE SAME BEING THE SOUTHEAST CORNER OF THE SAID TRACT 5;

THENCE S 71°51'32" W, A DISTANCE OF 668.21 FEET TO A COMPUTED POINT AT THE SOUTHWEST CORNER OF THE SAID TRACT 5 ON THE NORTHEAST LINE OF THE SAID TRACT 7;

THENCE, S 47°08'40" E, A DISTANCE OF 630.54 FEET TO A1/2 INCH DIAMETER STEEL IN FOUND ON THE NORTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY 1327 AT THE SOUTHEAST CORNER OF THE SAID TRACT 7;

THENCE, S  $73^{\circ}47'17''$  W, A DISTANCE OF 1483.54 FEET ALONG THE NORTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY 1327 TO A COMPUTED POINT AT AN EXTERIOR CORNER OF THE SAID TRACT 7;

THENCE, N  $47^{\circ}25'48"$  W, A DISTANCE OF 478.19 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT AN INTERIOR CORNER OF THE SAID TRACT 7;

THENCE, S 42°24'52" W, A DISTANCE OF 313.00 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT AN EXTERIOR CORNER OF THE SAID TRACT 7;

THENCE, N 62°17'17" W, A DISTANCE OF 1295.87 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT THE MOST WESTERLY OR SOUTHWEST CORNER OF THE SAID TRACT 7;

THENCE, N 28°02'48" E, A DISTANCE OF 1393.50 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP MARKED LENZ & ASSOC AT THE NORTHWEST CORNER OF THE SAID TRACT 7, THE SAME BEING THE SOUTHWEST CORNER OF THE SAID TRACT 8;

THENCE, N 27°41'52" E A DISTANCE OF 1635.14 FEET ALONG THE WEST LINE OF THE SAID TRACT 8 AND TRACT 1, CROSSING THE SAID 141.321 ACRE MUSTANG RIDGE, LLC TRACT, TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT THE SOUTHWEST CORNER OF THE SAID TRACT 4;

THENCE, N  $27^{\circ}30'40''$  E, A DISTANCE OF 378.90 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP MARKED CHAPARRAL AT THE NORTHWEST CORNER OF THE SAID TRACT 4;

THENCE, S 61°49'55" E, A DISTANCE OF 2300.72 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT THE NORTHEAST CORNER OF THE SAID TRACT 4 ON WEST LINE OF THE SAID TRACT 3;

THENCE, N 42°24'59" E, A DISTANCE OF 552.95 FEET TO THE PLACE OF BEGINNING, CONTAINING 211.348 ACRES OF LAND, MORE OR LESS.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

- (b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.
- (c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.
- (d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. (a) Section 4013.0311, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 4013, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 4013.0311 to read as follows:

Sec. 4013.0311. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SECTION 5. 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 3047 (house committee report) as follows:

- (1) On page 10, line 25, strike "The" and substitute "Subject to the limitations provided by Section 54.209, Water Code, the".
  - (2) Strike page 13, lines 13 through 20.
  - (3) Strike page 17, line 3, through page 20, line 7.

### Floor Amendment No. 2

Amend **CSSB 3047** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 4022 to read as follows:

## CHAPTER 4022. RIVERS MARKET PLACE MUNICIPAL MANAGEMENT DISTRICT

### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 4022.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Elgin.
- (3) "Director" means a board member.
- (4) "District" means the Rivers Market Place Municipal Management District.

Sec. 4022.0102. NATURE OF DISTRICT. The Rivers Market Place Municipal Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 4022.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) This chapter and the creation of the district may not be interpreted to relieve the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city services provided in the district.

Sec. 4022.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

- (b) The district is created to serve a public use and benefit.
- (c) The creation of the district is in the public interest and is essential to further the public purposes of:
  - (1) developing and diversifying the economy of the state;
  - (2) eliminating unemployment and underemployment; and
  - (3) developing or expanding transportation and commerce.
  - (d) The district will:

- (1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;
- (2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;
- (3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and
- (4) provide for water, wastewater, drainage, road, and recreational facilities for the district.
- (e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.
- (f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 4022.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section \_\_\_\_(b) of the Act enacting this chapter.

- (b) The boundaries and field notes contained in Section \_\_\_\_(b) of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:
  - (1) organization, existence, or validity;
- (2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
  - (3) right to impose or collect an assessment or tax; or
  - (4) legality or operation.

Sec. 4022.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

- (1) a tax increment reinvestment zone created under Chapter 311, Tax Code;
- <u>(2) a tax abatement reinvestment zone created under Chapter 312, Tax</u> Code.

Sec. 4022.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 4022.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 4022.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors who serve staggered terms of four years.

(b) Directors are elected in the manner provided by Subchapter D, Chapter 49, Water Code.

- Sec. 4022.0202. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.
- (b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.
- (c) Sections 375.069 and 375.070, Local Government Code, do not apply to the board.
- Sec. 4022.0203. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act creating this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.
- (b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 4022.0201.
  - (c) Temporary directors serve until the earlier of:
    - (1) the date permanent directors are elected under Subsection (b); or
- (2) the fourth anniversary of the effective date of the Act creating this chapter.
- (d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (e) to serve terms that expire on the earlier of:
  - (1) the date permanent directors are elected under Subsection (b); or
  - (2) the fourth anniversary of the date of the appointment or reappointment.
- (e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

  SUBCHAPTER C. POWERS AND DUTIES

Sec. 4022.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is

- Sec. 4022.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.
- (b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).
- (c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 4022.0303. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

- (1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and
- (2) may implement any project and provide any service authorized by this chapter.
- (c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 4022.0304. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 4022.0305. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

- (b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:
  - (1) make loans and grants of public money; and
  - (2) provide district personnel and services.
- (c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:
  - (1) Chapter 380, Local Government Code; and
  - (2) Subchapter A, Chapter 1509, Government Code.

Sec. 4022.0306. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

- (b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.
- (c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.
- (d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 4022.0307. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 4022.0308. ADDING OR EXCLUDING LAND. Except as provided by Section 4022.0309, the district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. 4022.0309. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has no outstanding bonded debt; and
- (2) is not imposing ad valorem taxes.
- (b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.
- (c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section (b) of the Act enacting this chapter.
- (d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.
  - (e) An order dividing the district must:
    - (1) name each new district;
- (2) include the metes and bounds description of the territory of each new district;
  - (3) appoint initial directors for each new district; and
- (4) provide for the division of assets and liabilities between or among the new districts.
- (f) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.
- (g) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.
- (h) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 4022.0506 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

Sec. 4022.0310. EMINENT DOMAIN. Subject to the limitations provided by Section 54.209, Water Code, the district may exercise the power of eminent domain in the manner provided by Section 49.222, Water Code.

### SUBCHAPTER D. ASSESSMENTS

- Sec. 4022.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.
- (b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.
- Sec. 4022.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

- (b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:
  - (1) are a first and prior lien against the property assessed;
- (2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and
- (3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.
- (c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.
- (d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

### SUBCHAPTER E. TAXES AND BONDS

Sec. 4022.0501. TAX ELECTION REQUIRED. (a) The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

(b) Section 375.243, Local Government Code, does not apply to the district.

Sec. 4022.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 4022.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or (3) provide a service.
- (b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

Sec. 4022.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

- (b) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.
- (c) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter A, Chapter 372, Local Government Code, if the improvements financed by an obligation issued under this section will be conveyed to or operated and maintained by a municipality or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation.
- (d) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.

# Sec. 4022.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue other than ad valorem taxes, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.
- Sec. 4022.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 4022.0501, the district may issue bonds payable from ad valorem taxes.
- (b) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.
- (c) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.
- Sec. 4022.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district as required by applicable law.
- (b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

### SUBCHAPTER I. DISSOLUTION

Sec. 4022.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

- (1) at least two-thirds of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or
- (2) at least two-thirds of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.
  - (b) The board by majority vote may dissolve the district at any time.
- (c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:
- (1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;
- (2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or
- (3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.
- (d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

(b) The Rivers Market Place Municipal Management District initially includes all territory contained in the following area:

Tract 1:

FIELD NOTES FOR A 45.555 ACRE TRACT OF LAND OUT OF THE ELIZABETH STANDIFER SURVEY, ABSTRACT NO. 59, AND THE JONATHAN BURLESON SURVEY, ABSTRACT NO. 18, BOTH OF BASTROP COUNTY, TEXAS; BEING A PORTION OF A CALLED 60.00 ACRE TRACT OF LAND AS CONVEYED TO SHERRI MARSHALL RIVERS BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 201509108 OF THE OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS; SAID 45.555 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod found on the south right-of-way line of U.S. Highway 290 (240 feet wide) as shown on the State of Texas State Department of Highways and Public Transportation map Control No. 114-4-37, at the northeast corner of the above described Rivers 60.00 acre tract and at the northwest corner of Lot 2, Block A of Elgin Business Park II, a subdivision as recorded in Cabinet 6, Page 116A of the Plat Records of Bastrop County, Texas, for the northeast corner and POINT OF BEGINNING of the herein described tract;

THENCE, with the east line of said Rivers 60.00 acre tract and the west line of said Elgin Business Park II, S 24°45'58" W, pass a 1/2-inch iron rod with cap stamped "Sherwood Survey" found at the north corner of the westerly terminus of Lee Dildy Boulevard (80 feet wide) as dedicated by said plat of Elgin Business Park II, and at the southeast corner of said Lot 2, Block A at a distance of 805.54 feet, pass a 1/2-inch iron rod with cap stamped "Sherwood Survey" found at the south corner of the westerly terminus of said Lee Dildy Boulevard and at the northwest corner of Lot 3, Block B of said Elgin Business Park II at a distance of 885.64, and continuing on for a total distance of 1,320.02 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for the most easterly southeast corner of the herein described tract, from which a 1/2-inch iron rod found at the southwest corner of said Lot 3, Block B and at the northwest corner of Lot 4, Block B of said Elgin Business Park II, bears S 24°45'58" W a distance of 327.48 feet;

THENCE, over and across said Rivers 60.00 acre tract, N 64°28'08" W a distance of 538.84 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for an interior corner of the herein described tract;

THENCE, continuing over and across said Rivers 60.00 acre tract, along a curve to the right, an arc distance of 139.62 feet, having a radius of 850.00 feet, a central angle of 09°24'41" and a chord which bears S 48°57'12" W a distance of 139.46 feet to a 1/2-inch iron rod with cap stamped BGE INC" set for corner;

THENCE, continuing over and across said Rivers 60.00 acre tract, S 53°39'32" W a distance of 406.56 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for a point of curvature of a curve to the left;

THENCE, continuing over and across said Rivers 60.00 acre tract, along said curve to the left, an arc distance of 346.94 feet, having a radius of 750.00 feet, a central angle of 26°30'15" and a chord which bears S 40°24'24" W a distance of 343.85 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for corner;

THENCE, continuing over and across said Rivers 60.00 acre tract, S 27°09'16" W a distance of 14.82 feet to a calculated point on the south line of said Rivers 60.00 acre tract and the north line of Elgin Business Park III Phase II, a subdivision as recorded in Cabinet 7, Page 150A of the Plat Records of Bastrop County, Texas, for the most southerly corner of the herein described tract, from which a 1/2-inch iron rod with cap stamped "Sherwood Survey" found, bears S 25°58'12" W a distance of 0.47 feet:

THENCE, with the south line of said Rivers 60.00 acre tract and partially with the north line of said Elgin Business Park III Phase III, N 62°52'11" W, pass a 5/8-inch iron rod found at a distance of 298.03 feet, pass a 1/2-inch iron rod found at the northwest corner of said Elgin Business Park III Phase III and at the northeast corner of a called 206.8 acre tract of land as conveyed to PRN Properties, LP by General Warranty Deed recorded in Document Number 2012016371 of the Official Public Records of Travis County, Texas, at a distance of 468.24 feet and continuing on with the north line of said PRN 206.8 acre tract for a total distance of 603.62 feet to a punch mark in concrete found on the north line of said PRN 206.8 acre tract, at the southwest corner of said Rivers 60.00 acre tract and at the southeast corner of a called 109.36 acre tract of land as conveyed to Elsie E. Neidig Family Partnership by Warranty Deed recorded in Volume 530, Page 558 of the Official Records of Bastrop County, Texas, for the southwest corner of the herein described tract;

THENCE, with the west line of said Rivers 60.00 acre tract and the east line of said Neidig 109.36 acre tract, N 27°31'55" E a distance of 1,431.71 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set on the south right-of-way line of said U.S. Highway 290, at the northwest corner of said Rivers 60.00 acre tract and at the northeast corner of said Neidig 109.36 acre tract, for the northwest corner of the herein described tract, from which a TXD0T Type I concrete right-of-way monument found bears S 88°56'39" W a distance of 1,120.37 feet, also from which a 1/2-inch iron rod found bears N 55°22'15" E a distance of 2.72 feet;

THENCE, with the south right-of-way line of said U.S. Highway 290 and the north line of said Rivers 60.00 acre tract, N 88°56'39" E, pass a TXDOT Type I concrete right-of-way monument found at a distance of 1,378.47 feet, and continuing on for a total distance of 1,577.19 feet to the POINT OF BEGINNING and containing 45.555 acres of land, more or less.

### Tract 2:

FIELD NOTES FOR A 14.432 ACRE TRACT OF LAND OUT OF THE ELIZABETH STANDIFER SURVEY, ABSTRACT NO. 59, BASTROP COUNTY, TEXAS; BEING A PORTION OF A CALLED 60.00 ACRE TRACT OF LAND AS CONVEYED TO SHERRI MARSHALL RIVERS BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 201509108 OF THE OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS; SAID 14.432 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod found on the north line of Lot 1, Block A of Elgin Business Park III, a subdivision as recorded in Cabinet 6, Page 116B of the Plat Records of Bastrop County, Texas, at the southeast corner of the above described Rivers 60.00 acre tract and at the southwest corner of Lot 4, Block B of Elgin

Business Park, a subdivision as recorded in Cabinet 6, Page 116A of the Plat Records of Bastrop County, Texas, for the southeast corner and POINT OF BEGINNING of the herein described tract;

THENCE, with the south line of said Rivers 60.00 acre tract and partially with the north line of said Lot 1, Block A of Elgin Business Park III and partially with the north line of Elgin Business Park III Phase III, a subdivision as recorded in Cabinet 7, Page 150A of the Plat Records of Bastrop County, Texas, N 62°52'11" W a distance of 886.44 feet to a calculated paint for the southwest corner of the herein described tract, from which a punch mark found in concrete at the southwest corner of said Rivers 60-00 acre tract, bears N 62°52'11" W a distance of 603.62 feet and also from which a 1/2-inch iron rod with cap stamped "Sherwood Survey" found bears S 25°58'12" W a distance of 0.47 feet;

THENCE, over and across said Rivers 60.00 acre tract, N 27°09'16" E a distance of 14.82 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for a point of curvature of a curve to the right;

THENCE, continuing over and across said Rivers 60.00 acre tract, along said curve to the right, an arc. distance of 346.94 feet, having a radius of 750.00 feet, a central angle of 26°30'15" and a chord which bears N 40°24'24" E a distance of 343.85 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for corner;

THENCE, continuing over and across said Rivers 60.00 acre tract, N 53°39'32" E a distance of 406.56 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for a point of curvature of a curve to the right;

THENCE, continuing over and across said Rivers 60.00 acre tract, along said curve to the left, an arc distance of 139.62 feet, having a radius of 850.00 feet, a Central angle of 09°24'41" and a chord which bears N 48°57'12" E a distance of 139.46 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set for the northwest corner of the herein described tract:

THENCE, continuing over and across said Rivers 60.00 acre tract, S 54°26'03" E a distance of 538.64 feet to a 1/2-inch iron rod with cap stamped "BGE INC" set on the east line of said Rivers 60.00 acre tract and the west line of Lot 3, Block B of said Elgin Business Park II for the northeast corner of the herein described tract, from which a 1/2-inch iron rod with cap stamped "Sherwood Survey" found at the south corner of the westerly terminus of Lee Dildy Boulevard (60 feet wide) as dedicated by said plat of Elgin Business Park II and at the northwest corner of Lot 3, Block B of said Elgin Business Park II, bears N 24°45'53" E a distance of 434.38 feet;

THENCE, with the east line of said Rivers 60.00 acre tract and the west line of said Elgin Business Park II, S 24°45'58" W, pass a 1/2-inch iron rod found at the southwest corner of said Lot 3, Block B and northwest corner of said Lot 4, Block B, both of said Elgin Business Park at a distance of 327.46 feet, and continuing on for a total distance of 858.47 feet to the POINT OF BEGINNING and containing 14.432 acres of lord, more or less.

(c) Section 4022.0310, Special District Local Laws Code, as added by Section \_\_\_\_ (a) of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(d) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 4022, Special District Local Laws Code, as added by Section \_\_\_\_\_ (a) of this Act, is amended by adding Section 4022.0310 to read as follows:

Sec. 4022.0310. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

### Floor Amendment No. 3

Amend **CSSB 3047** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 4015 to read as follows:

### CHAPTER 4015. WOLF CREEK MUNICIPAL MANAGEMENT DISTRICT NO. 1

## SUBCHAPTER A. GENERAL PROVISIONS

Sec. 4015.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Greenville.
- (3) "County" means Hunt County.
- (4) "Director" means a board member.
- (5) "District" means the Wolf Creek Municipal Management District No. 1.

Sec. 4015.0102. NATURE OF DISTRICT. The Wolf Creek Municipal Management District No. 1 is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 4015.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

- (b) By creating the district and in authorizing the county, the city, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.
- (c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.
- (d) This chapter and the creation of the district may not be interpreted to relieve the county or the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant county or city services provided in the district.

Sec. 4015.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

- (c) The creation of the district is in the public interest and is essential to further the public purposes of:
  - (1) developing and diversifying the economy of the state;
  - (2) eliminating unemployment and underemployment; and
  - (3) developing or expanding transportation and commerce.
  - (d) The district will:
- (1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;
- (2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;
- (3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and
- (4) provide for water, wastewater, drainage, road, and recreational facilities for the district.
- (e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.
- (f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.
- Sec. 4015.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section \_\_(b) of the Act enacting this chapter.
- (b) The boundaries and field notes contained in Section (b) of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:
  - (1) organization, existence, or validity;
- (2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
  - (3) right to impose or collect an assessment or tax; or
  - (4) legality or operation.

or

- Sec. 4015.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:
  - (1) a tax increment reinvestment zone created under Chapter 311, Tax Code;
- (2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.
- Sec. 4015.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.
- Sec. 4015.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 4015.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors who serve staggered terms of four years.

- (b) Directors are elected in the manner provided by Subchapter D, Chapter 49, Water Code.
- Sec. 4015.0202. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.
- (b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.
- (c) Sections 375.069 and 375.070, Local Government Code, do not apply to the board.
- Sec. 4015.0203. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act creating this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.
- (b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 4015.0201.
  - (c) Temporary directors serve until the earlier of:
    - (1) the date permanent directors are elected under Subsection (b); or
- (2) the fourth anniversary of the effective date of the Act creating this chapter.
- (d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (e) to serve terms that expire on the earlier of:
  - (1) the date permanent directors are elected under Subsection (b); or
  - (2) the fourth anniversary of the date of the appointment or reappointment.
- (e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

### SUBCHAPTER C. POWERS AND DUTIES

Sec. 4015.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

- Sec. 4015.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.
- (b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).
- (c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

  Sec. 4015.0303. NONPROFIT CORPORATION. (a) The board by resolution

Sec. 4015.0303. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

- (b) The nonprofit corporation:
- (1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and
- (2) may implement any project and provide any service authorized by this chapter.
- (c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 4015.0304. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county or the city, to provide law enforcement services in the district for a fee.

Sec. 4015.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 4015.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

- (b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:
  - (1) make loans and grants of public money; and
  - (2) provide district personnel and services.
- (c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:
  - (1) Chapter 380, Local Government Code; and
  - (2) Subchapter A, Chapter 1509, Government Code.
- Sec. 4015.0307. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

- (b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.
- (c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.
- (d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 4015.0308. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 4015.0309. ADDING OR EXCLUDING LAND. Except as provided by Section 4015.0310, the district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. 4015.0310. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has no outstanding bonded debt; and
- (2) is not imposing ad valorem taxes.
- (b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.
- (c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section (b) of the Act enacting this chapter.
- (d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.
  - (e) An order dividing the district must:
    - (1) name each new district;
- (2) include the metes and bounds description of the territory of each new district;
  - (3) appoint initial directors for each new district; and
- (4) provide for the division of assets and liabilities between or among the new districts.
- (f) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.

Sec. 4015.0311. EMINENT DOMAIN. Subject to the limitations provided by Section 54.209, Water Code, the district may exercise the power of eminent domain in the manner provided by Section 49.222, Water Code.

### SUBCHAPTER D. ASSESSMENTS

Sec. 4015.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

- (b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.
- Sec. 4015.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.
- (b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:
  - (1) are a first and prior lien against the property assessed;
- (2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and
- (3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.
- (c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.
- (d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

### SUBCHAPTER E. TAXES AND BONDS

Sec. 4015.0501. TAX ELECTION REQUIRED. (a) The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

(b) Section 375.243, Local Government Code, does not apply to the district.

Sec. 4015.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 4015.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.
- (b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.
- Sec. 4015.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.
- (b) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

- (c) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter A, Chapter 372, Local Government Code, if the improvement financed by the obligation issued under this section will be conveyed to or operated and maintained by a municipality, county, or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation.
- Sec. 4015.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:
  - (1) revenue other than ad valorem taxes, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.
- Sec. 4015.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 4015.0501, the district may issue bonds payable from ad valorem taxes.
- (b) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.
- (c) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

### SUBCHAPTER I. DISSOLUTION

- Sec. 4015.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:
- (1) at least two-thirds of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or
- (2) at least two-thirds of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.
  - (b) The board by majority vote may dissolve the district at any time.
- (c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:
- (1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;
- (2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or
- (3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.
- (d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

(b) The Wolf Creek Municipal Management District No. 1 initially includes all territory contained in the following area:

LEGAL DESCRIPTION - TRACT 1

760.994 ACRE TRACT

LEGAL DESCRIPTION: Being 760.994 acres of land out of the E. Tedwell Survey, Abstract No. 1035, the J. C. Bates Survey, Abstract No. 35, I. White Survey, Abstract No. 144, J. Grilski Survey, Abstract No. 387, the W. Rogers Survey, Abstract No. 1885, the A. J. Hefner Survey, Abstract No. 473 and the Wm. H. Sowell Survey, Abstract No. 996 in Hunt County, Texas and also being all of that certain 760.70 acre tract described in Doc. #2023-10812 of the Official Public Records of said Hunt County, Texas; Said 760.70 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a calculated point in the east line of State Highway No. 34 for the northwest corner of that certain 93.00 acre tract described in Volume 1493, Page 676 of the Official Public Records and the southwest corner hereof;

THENCE along the east line of said Highway, the following 3 courses:

- 1. North  $00^{\circ}22'32"$  West a distance of 752.68 feet to a concrete monument found;
- 2. Along a curve turning to the left with an arc length of 1345.62 feet, with a radius of 2914.79 feet, with a chord bearing of North 13°30'37" West, a distance of 1333.70 feet to a 1/2" iron rod with cap found;
- 3. North  $26^{\circ}40'59''$  West a distance of 1444.79 feet to a 1/2'' iron rod with cap found for the southeast corner of that certain 28.000 acre tract described in Volume 530, Page 896 of the Official Public Records and a corner hereof;

THENCE along the south and east lines of said 28.000 acre tract, the following 2 courses:

- 1. North 89°25'39" East a distance of 2361.72 feet to a 3/8" iron rod found;
- 2. North  $00^{\circ}50'48"$  West a distance of 738.78 feet to a 3/8" iron rod found for the northeast corner of said 28.000 acre tract and the southeast corner of that certain 20.000 acre tract described in Volume 1426, Page 349 of the Official Public Records; THENCE along the east lines of said 20.000 acre tract and another 20.000 acre tract described in said Volume 1426, Page 349, the following 2 courses:
  - 1. North 00°56'12" West a distance of 316.90 feet to a 3/8" iron rod found;
- 2. North 00°11'39" West a distance of 312.42 feet to a 3/8" iron rod found for the northeast corner of said 20.000 acre tract and the southeast corner of that certain 35.00 acre tract described in Doc #2017-17935 of the Official Public Records;

THENCE North 00°30'43" West a distance of 1117.52 feet along the east lines of said 35.00 acre tract and that certain 30.932 acre tract described in Volume 151, Page 816 of the Official Public Records to a 1/2" iron rod found for the northeast corner of said 30.932 acre tract and the southeast corner of that certain 26.350 acre tract described in Doc. #2017-10496 of the Official Public Records;

THENCE along the east line of said 26.350 acre tract, the following 3 courses:

- 1. North  $00^{\circ}43'09"$  West a distance of 291.80 feet to a 6" fence corner post found;
  - 2. North 89°59'29" West a distance of 820.45 feet to a 1/2" iron rod found;

3. North  $00^{\circ}18'57"$  West a distance of 321.55 feet to a 1/2" iron rod found for the northeast corner of said 26.350 acre tract and the southeast corner of the KRS Acres Subdivision recorded in Cabinet I, Slide 118 of the Plat Records of said Hunt County, Texas;

THENCE along the east line of said KRS Acres Subdivision, the following courses:

- 1. North  $00^{\circ}07'49''$  East a distance of 486.54 feet to a 1/2" iron rod found;
- 2. South  $89^{\circ}57'14"$  West a distance of 823.22 feet to a 10" fence corner post found;
- 3. North  $01^{\circ}27'39"$  West a distance of 148.71 feet to a 1/2" iron rod with cap found;
- 4. North  $01^{\circ}06'12"$  West a distance of 275.06 feet to a 1/2" iron rod with cap found:
  - 5. North 00°58'47" West a distance of 363.10 feet to a calculated point;
- 6. South 89°09'30" West a distance of 571.70 feet to a 3/8" iron rod found for a corner of said Subdivision and the southeast corner of that certain 2.48 acre tract described in Volume 1246, Page 614 of the Official Public Records;

THENCE North  $00^{\circ}59'32"$  East a distance of 190.75 feet along the east line of said 2.48 acre tract to a 3/8" iron rod found for the northeast corner of said 2.48 acre tract and the southeast corner of the Fox Ranch Subdivision recorded in Cabinet I, Slide 190 of said Plat Records;

THENCE along the east and north lines of said Subdivision, the following 3 courses:

- 1. North 00°16'43" East a distance of 791.33 feet to a 3/8" iron rod found;
- 2. North 89°34'03" West a distance of 330.97 feet to a 1/2" iron rod found;
- 3. North 89°48'03" West a distance of 218.58 feet to a 1/2" iron rod with cap found in the east line of said Highway for the northwest corner of said Subdivision and a corner hereof;

THENCE North 00°39'23" West a distance of 1320.29 feet along the east line of said Highway to a 1/2" iron rod with cap found for the southwest corner of that certain 1.94 acre tract described in Doc #2022-26595 of the Official Public Records and a corner hereof:

THENCE along the south and east lines of said 1.94 acre tract, the following 2 courses:

- 1. North  $87^{\circ}17'01''$  East a distance of 425.37 feet to a 8'' fence corner post found:
- 2. North 02°19'21" East a distance of 184.09 feet to a 1/2" iron rod with cap found in the south line of that certain 4.466 acre tract described in Doc #2021-15766 of the Official Public Records for the northeast corner of said 1.94 acre tract and a corner hereof;

THENCE along the south and east lines of said 4.466 acre tract and the east line of that certain 2.181 acre tract described in Doc #2022-27712 of the Official Public Records, the following 2 courses:

1. North  $89^{\circ}41'23"$  East a distance of 322.86 feet to a 1/2" iron rod with cap found:

2. North  $00^{\circ}30'12"$  West, at a distance of 1216.14 feet pass a 1/2" iron rod with cap found in the south line of County Road 4300, in all a total distance of 1238.71 feet to a calculated point in the centerline of said County Road 4300 for the northeast corner of said 2.181 acre tract and the northwest corner hereof;

THENCE along the centerline of said County Road 4300, the following 8 courses:

- 1. North 86°07'51" East a distance of 262.27 feet to a point;
- 2. North 86°43'14" East a distance of 80.79 feet to a point;
- 3. North 89°47'16" East a distance of 86.35 feet to a point;
- 4. South 88°04'38" East a distance of 123.14 feet to a point;
- 5. South 86°21'55" East a distance of 146.45 feet to a point;
- 6. South 69°38'53" East a distance of 128.91 feet to a point;
- 7. South 27°52'20" East a distance of 95.06 feet to a point;
- 8. South 44°16'56" East a distance of 8.18 feet to a point for the northwest corner of that certain 34.44 acre tract described in Doc #2023-9748 of the Official Public Records and the northeast corner hereof;

THENCE along the west and south lines of said 34.44 acre tract, the following 2 courses:

- 1. South  $00^{\circ}23'08''$  East, at a distance of 90.45 feet pass a 1/2" iron rod with cap found, in all a total distance of 1118.08 feet to a 1/2" iron rod found;
- 2. North 89°18'21" East a distance of 1321.38 feet to a calculated point for the southeast corner of said 34.44 acre tract, the southwest corner of that certain 18.943 acre tract described in Doc #2017-370 of the Official Public Records, the northwest corner of that certain 25.825 acre tract described in Doc #2009-15211 of the Official Public Records and a corner hereof and from which a 1" sq. rod found bears North 87°50'13" West a distance of 42.02 feet;

THENCE South 00°09'42" East, at distance of 893.3 feet pass a 1/2" iron rod with cap found, in all a total distance of 938.30 feet along the west line of said 25.825 acre tract and that certain tract described in Volume 483, Page 283 to a point in the record centerline of a Creek;

THENCE along the record centerline of said Creek and the west line of said 483, Page 283, the following courses:

- 1. South 72°08'04" East a distance of 45.78 feet to a point;
- 2. South 33°20'42" East a distance of 27.02 feet to a point;
- 3. South 10°58'08" East a distance of 29.00 feet to a point;
- 4. North 89°28'00" East a distance of 105.66 feet to a point;
- 5. South 25°24'59" East a distance of 74.13 feet to a point;
  6. South 49°16'58" East a distance of 58.57 feet to a point;
- 7. South 03°24'42" West a distance of 44.07 feet to a point;
- 8. South 40°09'20" East a distance of 139.97 feet to a point;
- 9. South 13°31'51" East a distance of 183.34 feet to a point;
- 10. South 05°58'44" West a distance of 53.06 feet to a point;
- 11. South 46°20'36" East a distance of 37.87 feet to a point;
- 12. South 81°03'48" East a distance of 89.18 feet to a point;
- 13. South 40°46'19" East a distance of 94.55 feet to a point;

14. South 22°13'47" East a distance of 2851.43 feet to a 1/2" iron rod with cap found for a corner of said tract described in Volume 483, Page 283 and a corner hereof:

THENCE North 89°49'48" East, at a distance of 559.87 feet pass a 1/2" iron rod with cap found, in all a total distance of 609.92 feet along the south line of said tract described in Volume 483, Page 2583 to a point in the centerline of a Creek for the northwest corner of that certain 89.08 acre tract described in Doc #2022-17135 of the Official Public Records and a corner hereof;

THENCE along the record centerline of said Creek, the following 30 courses:

- 1. South 04°35'43" West a distance of 25.00 feet to a point;
- 2. South 33°29'24" West a distance of 70.77 feet to a point;
- 3. South 00°49'53" East a distance of 166.09 feet to a point;
- 4. South 35°55'14" West a distance of 61.54 feet to a point;
- 5. South 67°26'06" West a distance of 36.23 feet to a point;
- 6. North 52°02'58" West a distance of 19.73 feet to a point;
- 7. South 69°33'07" West a distance of 42.88 feet to a point;
- 8. South 32°30'15" West a distance of 39.90 feet to a point;
- 9. South 03°09'50" East a distance of 49.91 feet to a point;
- 10. South 21°23'35" East a distance of 65.09 feet to a point;
- 11. South 01°42'59" West a distance of 136.42 feet to a point;
- 12. South 08°19'20" East a distance of 77.22 feet to a point;
- 13. South 08°28'17" West a distance of 158.52 feet to a point;
- 14. South 75°48'53" West a distance of 67.64 feet to a point;
- 15. South 28°26'38" West a distance of 33.40 feet to a point;
- 16. South 43°08'40" East a distance of 29.07 feet to a point;
- 17. South 78°40'43" East a distance of 42.05 feet to a point;
- 18. South 30°03'18" East a distance of 90.52 feet to a point;
- 19. South 13°53'28" East a distance of 109.94 feet to a point;
- 20. South 12°20'16" West a distance of 36.54 feet to a point;
- 21. South 46°21'58" West a distance of 23.87 feet to a point;
- 22. South 69°56'27" West a distance of 71.22 feet to a point;
- 23. South 46°37'01" West a distance of 25.98 feet to a point;
- 24. South 04°06'30" East a distance of 20.05 feet to a point;
- 25. South 44°50'29" East a distance of 162.99 feet to a point;
- 26. South 25°51'29" East a distance of 26.40 feet to a point;
- 27. South 04°38'56" West a distance of 83.37 feet to a point;
- 28. South 23°22'06" East a distance of 107.32 feet to a point;
- 29. South 04°04'14" East a distance of 140.82 feet to a point;
- 30. South 14°36'18" East a distance of 51.47 feet to a point in the north line of that certain tract described in Volume 777, Page 461 of said Official Public Records and a corner hereof and from which a 8" pipe fence corner post found bears South 59°40'31" East a distance of 25.10 feet;

THENCE along the west line of said tract described in Volume 777, Page 461, the following 3 courses:

- 1. South 89°43'51" West a distance of 83.23 feet to a calculated point and from which a bent axle at a fence corner post found bears South 70°46'58" West a distance of 22.99 feet:
  - 2. South 01°35'00" East a distance of 1488.00 feet to a 1/2" iron rod found;
- 3. South 86°11'03" East a distance of 646.88 feet to a 1/2" iron rod found in the east line of that certain 62.400 acre tract described in Doc #2015-4073 of the Official Public Records for a corner of said tract described in Volume 777, Page 461 and a corner hereof:

THENCE South  $00^{\circ}56'41"$  East a distance of 1384.62 feet along the west line of said 62.400 acre tract to a 1 1/2" iron rod found in the north line of that certain 95.59 acre tract described in Doc #2016-32 of the Official Public Records for a corner of said 62.400 acre tract and a corner hereof;

THENCE along the north and west lines of said 95.59 acre tract, the following 23 courses:

- 1. South 89°09'49" West, at a distance of 845.47 feet pass a 10" fence corner post found, in all a total distance of 874.34 feet to a point in the record centerline of a Creek;
- 2. Continue along the record centerline of said Creek, South  $00^{\circ}24'14''$  West a distance of 250.46 feet to a point;
  - 3. South 35°13'54" East a distance of 55.71 feet to a point;
  - 4. South 19°10'32" East a distance of 74.84 feet to a point;
  - 5. South 40°21'36" East a distance of 54.71 feet to a point;
  - 6. South 07°41'54" East a distance of 46.68 feet to a point;
  - 7. South 09°28'03" West a distance of 62.39 feet to a point;
  - 8. South 21°39'28" East a distance of 21.73 feet to a point;
  - 9. South 46°03'09" East a distance of 82.83 feet to a point;
  - 10. South 02°15'15" East a distance of 44.46 feet to a point;
  - 11. South 14°28'10" West a distance of 46.62 feet to a point;
  - 12. South 32°18'24" West a distance of 89.85 feet to a point;
  - 13. South 11°49'48" West a distance of 39.97 feet to a point;
  - 14. South 23°03'12" East a distance of 31.07 feet to a point;
  - 15. South 40°07'39" East a distance of 145.23 feet to a point;
  - 16. South 03°17'29" East a distance of 63.16 feet to a point;
  - 17. South 43°44'01" West a distance of 78.37 feet to a point;
  - 18. South 04°20'02" West a distance of 27.84 feet to a point;
  - 19. South 17°04'50" East a distance of 73.72 feet to a point;
  - 20. South 45°05'59" East a distance of 103.01 feet to a point;
  - 21. South 00°05'44" East a distance of 45.17 feet to a point;
  - 22. South 31°59'19" West a distance of 74.10 feet to a point;
- 23. South 13°04'12" West a distance of 15.89 feet to a point for a corner of said 95.59 acre tract, the northeast corner of that certain 140 acre tract described in Doc #2019-07238 of the Official Public Records and the southeast corner hereof and from which a 1/2" iron rod on west bank of creek bears South 89°46'46" West a distance of 15.33 feet:

THENCE South 89°46'46" West a distance of 3654.99 feet along the north line of said 140 acre tract, the north line of that certain 54.76 acre tract described in Doc #2024-10813 of the Official Public Records and the north line of said 93.00 acre tract to the POINT OF BEGINNING containing 760.70 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

LEGAL DESCRIPTION - TRACT 2

243.025 ACRE TRACT

LEGAL DESCRIPTION: Being 243.025 acres of land out of the J. Glass Survey, Abstract No. 348 in Hunt County, Texas and also being all of that certain 243.114 acre tract described in Doc. #2023-14230 of the Official Public Records of said Hunt County, Texas; Said 243.025 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a calculated point in the east line of that certain 4.7726 acre tract described in Doc. #2024-7702 of said Official Public Records for the northwest corner of that certain 88.79 acre tract described in Doc. #2021-10156 of said Official Public Records and the southwest corner hereof and from which a 24" oak tree fence corner found bears North 69°26'17" East a distance of 12.80 feet;

THENCE the following 5 courses:

- 1. North  $01^{\circ}06'32"$  West along the east line of said 4.7726 acre tract, at a distance of 173.07 feet pass a 5/8" iron rod found for the northeast corner of said 4.7726 acre tract and a corner of that certain 19.081 acre tract described in Doc. #2024-7702 of said Official Public Records, continue along the east line of said 19.081 acre tract, a total distance of 670.12 feet to a 1/2" iron rod found;
  - 2. South 89°55'03" East a distance of 790.46 feet to a 3/8" iron rod found;
  - 3. North 14°11'34" West a distance of 618.30 feet to a 3/8" iron rod found;
- 4. North  $89^{\circ}50'15"$  West a distance of 658.22 feet to a 4" fence corner post found;
- 5. North 01°03'32" West a distance of 89.51 feet to a 3/8" iron rod found for a corner of said 19.081 acre tract and the southeast corner of that Legacy Farms Subdivision recorded in Cabinet H, Slide 373-374 of the Plat Records of said Hunt County, Texas;

THENCE along the east line of said Legacy Farms Subdivision, the following 2 courses:

- 1. North 01°27'55" West a distance of 536.62 feet to a 1/2" iron rod with cap found;
- 2. North 01°24'26" West a distance of 1099.63 feet to a calculated point in the centerline of County Road 4303 for the northeast corner of said Subdivision and the northwest corner hereof and from which a 1/2" iron rod with cap found bears North 80°12'05" East a distance of 194.33 feet;

THENCE along the centerline of said County Road 4303, the following 8 courses:

- 1. North 89°38'33" East a distance of 2576.07 feet to a point;
- 2. North 75°41'21" East a distance of 160.98 feet to a point;

- 3. North 00°12'13" West a distance of 20.62 feet to a 1/2" iron rod found;
- 4. South 89°05'13" East a distance of 723.30 feet to a 1/2" iron rod found;
- 5. South 89°08'42" East a distance of 118.08 feet to a 3/8" iron rod found;
- 6. South  $00^{\circ}26'54"$  West a distance of 2398.12 feet to a 1/2" iron rod with cap found:
  - 7. South 89°49'50" East a distance of 671.05 feet to a 1/2" iron rod found;
- 8. South 87°01'38" East a distance of 369.98 feet to an angle iron found in the west line of State Highway No. 118 for a corner hereof;

THENCE South 32°31'20" West a distance of 468.45 feet along the west line of said Highway to a 5/8" iron rod found for the northeast corner of that certain 1.0 acre tract described in Doc. #2018-95 of said Official Public Records and the southeast corner hereof:

THENCE South 89°32'11" West a distance of 784.64 feet along the north line of said 1.0 acre tract and that certain 2.86 acre tract described in Doc. #2019-5451 of said Official Public Records to a 5/8" iron rod found for the northwest corner of said 2.86 acre tract and a corner hereof;

THENCE South 00°25'44" East a distance of 237.77 feet along the west line of said 2.86 acre tract to a 5/8" iron rod found in the north line of the Rolling Acres Phase One Subdivision recorded in Doc. #2023-23698 of said Plat Records for the southwest corner of said 2.86 acre tract and a corner hereof;

THENCE North 89°59'35" West a distance of 1954.99 feet along the north line of said Phase One to a 1/2" iron rod found for the northwest corner of said Phase One and a corner of said 88.79 acre tract;

THENCE South 89°58'52" West a distance of 1530.58 feet along the north line of said 88.79 acre tract to the POINT OF BEGINNING containing 243.025 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

LEGAL DESCRIPTION - TRACT 3

30.677 ACRE TRACT

LEGAL DESCRIPTION: Being 30.677 acres of land out of the D. Slack Survey, Abstract No. 948 in Hunt County, Texas and also being all of that certain 30.600 acre tract described in Volume 1334, Page 427 of the Official Public Records of said Hunt County, Texas; Said 30.677 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a 1/2" iron rod found in the east line of State Highway No. 118 for the southwest corner of that certain 30.000 acre tract described in Doc. #2008-15366 of said Official Public Records and the northwest corner hereof;

THENCE North 89°35'08" East a distance of 1726.90 feet along the south line of said 30.000 acre tract to a 1/2" iron rod found in the west line of that certain 190.7175 acre tract described in Doc. #2024-5341 of said Official Public Records for the southeast corner of said 30.000 acre tract and the northeast corner hereof;

THENCE along the west line of said 190.7175 acre tract, the following 3 courses:

1. South 18°41'51" East a distance of 117.55 feet to a 3/8" iron rod found;

- 2. South 08°54'45" East a distance of 521.05 feet to a 3/8" iron rod found;
- 3. South 03°53'59" East a distance of 334.52 feet to a 1/2" iron rod with cap found in the north line of that certain 240.951 acre tract described in Volume 1695, Page 597 of said Official Public Records for the southwest corner of said 190.7175 acre tract and the southeast corner hereof;

THENCE South 89°32'41" West a distance of 471.82 feet along the north line of said 240.951 acre tract to a 10" pine fence corner post found in the east line of that certain 17.964 acre tract described in Doc. #2014-4695 of said Official Public Records for the northwest corner of said 240.951 acre tract and the southwest corner hereof;

THENCE North 01°59'22" West a distance of 36.15 feet along the east line of said 17.964 acre tract to a 5/8" iron rod found for the northeast corner of said 17.964 acre tract and the southeast corner of that certain 15.493 acre tract described in Doc. #2018-8241 of said Official Public Records;

THENCE along east and north lines of said 15.493 acre tract, the following 2 courses:

- 1. North  $00^{\circ}43'46"$  West a distance of 327.50 feet to a 1/2" iron rod found;
- 2. North 89°46'58" West a distance of 1762.03 feet to a 3/8" iron rod found in the east line of said Highway for the northwest corner of said 15.493 acre tract and the southwest corner hereof;

THENCE North 32°35'06" East a distance of 689.32 feet along the east line of said Highway to the POINT OF BEGINNING containing 30.677 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

**LEGAL DESCRIPTION - TRACT 4** 

190.815 ACRE TRACT

LEGAL DESCRIPTION: Being 190.815 acres of land out of the D. Slack Survey, Abstract No. 948 in Hunt County, Texas and also being all of that certain 190.7175 acre tract described in Doc. #2024-5341 of the Official Public Records of said Hunt County, Texas; Said 190.815 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a 1/2" iron rod found in the bed of County Road 4305 and the common line of the D. Slack Survey, Abstract No. 948 and said Sweeney Survey and the north line of that certain 240.951 acre tract described in Volume 1695, Page 597 of said Official Public Records for the southeast corner hereof;

THENCE along the north line of said 240.951 acre tract and the north line, the following 2 courses:

- 1. South 54°47'13" West a distance of 156.88 feet to a 1/2" iron rod with cap found;
- 2. South 89°45'54" West a distance of 2735.96 feet to a 1/2" iron rod with cap found for the southeast corner of that certain 30.600 acre tract described in Volume 1334, Page 427 of said Official Public Records and the southwest corner hereof;

THENCE along the east line of said 30.600 acre tract, the following 3 courses:

- 1. North 03°53'59" West a distance of 334.52 feet to a 3/8" iron rod found;
- 2. North 08°54'45" West a distance of 521.05 feet to a 3/8" iron rod found;

- 3. North 18°41'51" West a distance of 117.55 feet to a 1/2" iron rod found for the northeast corner of said 30.600 acre tract and the southeast corner of that certain 30.000 acre tract described in Doc. #2008-15366 of said Official Public Records; THENCE the following 3 courses:
- 1. North 11°13'02" West along the east line of said 30.000 acre tract, at a distance of 1031.37 feet pass a 3/8" iron rod found for the northeast corner of said 30.000 acre tract and the southeast corner of that certain 2.2 acre tract described in Doc. #2014-2780 of said Official Public Records, in all a total distance of 1135.69 feet along the east line of said 2.2 acre tract to a calculated point;
- 2. North  $00^{\circ}04'08''$  East a distance of 615.43 feet along the east line of said 2.2 acre tract to a 1/2'' iron rod found;
- 3. North 89°12'29" East a distance of 3227.73 feet along the south line of that certain tract described in Volume 1460, Page 372 to a calculated point in the centerline of County Road 4305 for the common line of said Sweeney Survey and said Slack Survey for the southeast corner of said Volume 1460, Page 372 and the northeast corner hereof and from which 4" pine fence corner post found bears South 89°12'29" West a distance of 18.41 feet;

THENCE along the centerline of County Road 4305 for the common line of said Sweeney Survey and said Slack Survey, the following 2 courses:

- 1. South 00°08'05" East a distance of 1173.72 feet to a point;
- 2. South 00°11'08" West a distance of 1458.51 feet to the POINT OF BEGINNING containing 190.815 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

LEGAL DESCRIPTION - TRACT 5

102.514 ACRE TRACT

LEGAL DESCRIPTION: Being 102.514 acres of land out of the T. P. Sweeney Survey, Abstract No. 960 in Hunt County, Texas and also being all of that certain 102.552 acre tract described in Doc. #2024-5341 of the Official Public Records of said Hunt County, Texas; Said 102.514 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a calculated point in the centerline of County Road 4307 for the common line of the R. McGahee Survey, Abstract No. 662 and said Sweeney Survey for the northeast corner of that certain 17.322 acre tract described in Doc. #2013-4011 of said Official Public Records and the southeast corner hereof and from which a 3/4" iron rod found bears North 89°19'35" West a distance of 21.71 feet;

THENCE along the north line of said 17.322 acre tract and the north line of that certain 132.198 acre tract described in Volume 1695, Page 597 of said Official Public Records, the following 2 courses:

- 1. North 89°19'35" West a distance of 819.24 feet to a 1/2" iron rod found;
- 2. North 89°20'17" West a distance of 1553.74 feet to a 1/2" iron rod found for the northwest corner of said 132.198 acre tract and the northeast corner of that certain 240.951 acre tract described in said Volume 1695, Page 597;

THENCE North 89°19'05" West a distance of 1123.55 feet along the north line of said 240.951 acre tract to a 1/2" iron rod found in the bed of County Road 4305 and the common line of the D. Slack Survey, Abstract No. 948 and said Sweeney Survey for the northwest corner of said 240.951 acre tract and the southwest corner hereof;

THENCE North 00°11'08" East a distance of 1458.51 feet along the centerline of said County Road 4305 and said common line to a calculated point for the southwest corner of that certain 10.010 acre tract described in Doc. #2024-04636 of said Official Public Records and the northwest corner hereof and from which a 1/2" iron rod found bears South 89°45'22" East a distance of 17.98 feet;

THENCE South 89°45'22" East a distance of 2284.86 feet along the south line of said 10.010 acre tract and the south line of that certain 26.058 acre tract described in Doc. #2013-5747 of said Official Public Records to a 1/2" iron rod found for the southeast corner of said 26.058 acre tract and the southwest corner of that certain 10.082 acre tract described in Doc. #2021-10300 of said Official Public Records;

THENCE South 89°48'34" East a distance of 381.30 feet along the south line of said 10.082 acre tract to a 1/2" iron rod with cap found for the northwest corner of that certain 14.4658 acre tract described in Doc. #2024-05070 of said Official Public Records and the northeast corner hereof;

THENCE along the west and south lines of said 14.4658 acre tract, the following 2 courses:

- 1. South  $00^{\circ}16'22"$  East a distance of 786.45 feet to a 1/2" iron rod with cap found;
- 2. South 86°22'24" East a distance of 795.46 feet to a calculated point in the centerline of said County Road 4307 for said common line of said McGahee Survey and said Sweeney Survey for the southeast corner of said 14.4658 acre tract and a corner hereof and from which a 1/2" iron rod with cap found bears North 86°22'24" West a distance of 22.55 feet;

THENCE South 02°26'39" East a distance of 652.30 feet along the centerline of said County Road 4307 for said common line of said McGahee Survey and said Sweeney Survey to the POINT OF BEGINNING containing 102.514 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

LEGAL DESCRIPTION - TRACT 6

114.976 ACRE TRACT

LEGAL DESCRIPTION: Being 114.976 acres of land out of the T. P. Sweeney Survey, Abstract No. 960 in Hunt County, Texas and also being a portion of that certain 132.198 acre tract described in Volume 1695, Page 597 of the Official Public Records of said Hunt County, Texas; Said 114.976 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a 1/2" iron rod with cap found in centerline intersection of County Road 4310/4307 and the common line of the J. F. Gilbert Survey, Abstract No. 390 and said Sweeney Survey, the for the southeast corner of said 132.198 acre tract and the southeast corner hereof;

THENCE North 89°45'17" West a distance of 2508.86 feet along the centerline of County Road 4310, the south line of said 132.198 acre tract and the common line of said Gilbert Survey and said Sweeney Survey to a calculated point for the southeast corner of that certain 240.951 acre tract described in said Volume 1695, Page 597, the southwest corner of said 132.198 acre tract and the southwest corner hereof and from which a 1/2" iron rod with cap found bears North 00°23'28" East a distance of 20.05 feet:

THENCE North 00°23'28" East a distance of 2368.82 feet along the common line of said 240.951 acre tract and said 132.198 acre tract to a 1/2" iron rod with cap found in the south line of that certain 102.552 acre tract described in Doc. #2024-5341 of said Official Public Records for the northeast corner of said 240.951 acre tract, the northwest corner of said 132.198 acre tract and the northwest corner hereof;

THENCE South 89°20'17" East a distance of 1460.96 feet along the common line of said 102.552 acre tract and said 132.198 acre tract to a calculated point for the northwest corner of that certain 17.322 acre tract described in Doc. #2013-4011 of said Official Public Records and the northeast corner hereof and from which a 1/2" iron rod with cap found bears South 89°20'17" East a distance of 92.77 feet;

THENCE along the west and south lines of said 17.322 acre tract and crossing said 132.198 acre tract, the following courses:

- 1. South 00°05'21" East a distance of 121.94 feet to a calculated point;
- 2. South 05°41'02" East a distance of 89.01 feet to a calculated point;
- 3. South 03°27'48" East a distance of 110.51 feet to a calculated point;
- 4. South 00°57'43" East a distance of 159.65 feet to a calculated point;
- 5. South 00°38'15" East a distance of 165.15 feet to a calculated point;
- 6. South 06°49'22" East a distance of 140.83 feet to a calculated point;
- 7. South 06°57'07" East a distance of 47.87 feet to a t-post;
- 8. North 89°26'29" East a distance of 913.79 feet to a calculated point in the centerline of said County Road 4307 for the common line of the R. McGahee Survey, Abstract No. 662 and said Sweeney Survey and the east line of said 132.198 acre tract for the southeast corner of said 17.322 acre tract and a corner hereof and from which a 1/2" iron rod with cap found bears South 89°26'29" West a distance of 32.39 feet;

THENCE South 02°48'09" East a distance of 1540.45 feet along the centerline of said County Road 4307 for the common line of said McGahee Survey and said Sweeney Survey and the east line of said 132.198 acre tract to the POINT OF BEGINNING containing 114.976 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

LEGAL DESCRIPTION - TRACT 7

89.570 ACRE TRACT

LEGAL DESCRIPTION: Being 89.570 acres of land out of the J. F. Gilbert Survey, Abstract No. 390 in Hunt County, Texas and also being all of that certain 89.42 acre tract described in Doc. #2023-21984 of the Official Public Records of said Hunt County, Texas; Said 89.570 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a calculated point in the south line of County Road 4310 for the northeast corner of that certain 162.036 acre tract described in Volume 302, Page 497 of said Official Public Records and the northwest corner hereof and from which a car axle found bears North 00°11'39" West a distance of 1.38 feet;

THENCE North 89°46'57" East along the south line of said County Road 4310 and the south line of that certain 19.55 acre tract described in Doc. #2010-366 of said Official Public Records, at a distance of 2186.29 feet pass a 3/8" iron rod found for the southeast corner of said 19.55 acre tract and the southwest corner of that certain 19.950 acre tract described in Doc. #2024-9188 of said Official Public Records, in all a total distance of 2211.51 feet to a calculated point for the northwest corner of that certain 22.13 acre tract described in Doc. #2022-8417 of said Official Public Records and the northeast corner hereof and from which 6" cedar fence corner post found bears South 74°15'47" West a distance of 5.32 feet;

THENCE South 00°04'48" West along the west line of said 22.13 acre tract, at a distance of 1475.02 feet pass a 6" pine fence corner post found for the southwest corner of said 22.13 acre tract and the northwest corner of that certain 28.01 acre tract described in Doc. #2020-19273 of said Official Public Records, in all a total distance of 1698.05 feet to a calculated point for the northeast corner of that certain 35.65 acre tract described in Doc. #2023-4933 of said Official Public Records and the southeast corner and from which a 6" pine fence corner post found bears North 88°22'08" West a distance of 5.47 feet;

THENCE North 88°22'08" West a distance of 855.51 feet along the north line of said 35.65 acre tract to a I-beam fence corner post found for the northwest corner of said 35.65 acre tract and the northeast corner of that certain 297.870 acre tract described in Doc. #2023-15828 of said Official Public Records;

THENCE North 89°19'33" West a distance of 2051.13 feet along the north line of said 297.93 acre tract to a 6" pine fence corner post found for a corner of said 162.036 acre tract and the southwest corner hereof;

THENCE along the east line of said 162.036 acre tract, the following 3 courses:

- 1. North 00°25'35" East a distance of 304.50 feet to a railroad tie fence corner post found;
- 2. North 89°57'24" East a distance of 699.30 feet to a 6" pine fence corner post found;
- 3. North 00°11'39" West a distance of 1336.17 feet to the POINT OF BEGINNING containing 89.570 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

LEGAL DESCRIPTION - TRACT 8

297.870 ACRE TRACT

LEGAL DESCRIPTION: Being 297.870 acres of land out of the T. Toby Survey, Abstract No. 1065, the A. Skaats Survey, Abstract No. 1016 and the B. Barr Survey, Abstract No. 46 in Hunt County, Texas and also being all of that certain 297.93 acre tract described in Doc. #2023-15828 of the Official Public Records of said Hunt

County, Texas; Said 297.870 acre tract being more particularly described as follows and as surveyed under the supervision of Cross Texas Land Services, Inc in October, 2024:

BEGINNING at a concrete highway monument found in the northwest line of State Highway No. 224 for the southwest corner of that certain 31.915 acre tract described in Doc. #2021-6498 of said Official Public Records and the southeast corner hereof and from which an angle iron at a fence corner post found bears North 61°53'25" East a distance of 2.89 feet;

THENCE along the north line of said Highway, the following 4 courses:

- 1. Along a curve turning to the right with an arc length of 2208.08 feet, with a radius of 3734.72 feet, with a chord bearing of South 73°32'25" West, a distance of 2176.06 feet to a concrete highway monument found;
- 2. North 89°35'44" West a distance of 368.06 feet to a concrete highway monument found:
- 3. North 00°11'50" East a distance of 20.35 feet to a concrete highway monument found;
- 4. North 89°36'21" West a distance of 864.82 feet to a 1/2" iron rod with cap found for the southeast corner of that certain 15.00 acre tract described in Doc. #2023-16273 of said Official Public Records and the southwest corner hereof;

THENCE along the east and north lines of said 15.00 acre tract and the north line of that certain 15.72 acre tract described in Doc. #2023-16277 of said Official Public Records, the following 2 courses:

- 1. North  $00^{\circ}24'03"$  East a distance of 907.10 feet to a 1/2" iron rod with cap found;
- 2. North  $89^{\circ}37'05"$  West a distance of 787.61 feet to a 1/2" iron rod cap found for the southeast corner of that certain 11.000 acre tract described in Doc. #2023-12304 of said Official Public Records and a corner hereof;

THENCE along the east and north lines of said 11.000 acre tract, the following 2 courses:

- 1. North  $00^{\circ}23'24"$  East a distance of 469.77 feet to a 1/2" iron rod with cap found;
- 2. South 89°56'37" West, at a distance of 1000.44 feet pass a 1/2" iron rod with cap found, in all a total distance of 1030.47 feet to a calculated point near the centerline of County Road 4200 for the northwest corner of said 11.000 acre tract and a corner hereof;

THENCE North 00°03'45" West a distance of 589.60 feet along the centerline of said County Road 4200 to a calculated point for the southwest corner of that certain 7.43 acre tract described in Doc. #2013-7 of said Official Public Records and a corner hereof;

THENCE along the south and east lines of said 7.43 acre tract, the following 2 courses:

1. North 89°57'18" East, at a distance of 24.35 feet pass a 1/2" iron rod with cap found, in all a total distance of 705.40 feet to a cut oof 5" pine fence corner post found;

2. North 00°03'26" West a distance of 617.01 feet to a 1/2" iron rod with cap found in the south line of said County Road 4200 and the common line of the J. Stevens Survey, Abstract No. 995 and said Toby Survey for the northeast corner of said 7.43 acre tract and a corner hereof;

THENCE North 89°58'28" East a distance of 141.73 feet along the common line of said Stevens Survey and said Toby Survey to a 8" cedar fence corner post found for the southeast corner of said Stevens Survey, a corner of said Barr Survey, the southwest corner of that certain 162.036 acre tract described in Volume 302, Page 497 of said Official Public Records and a corner hereof;

THENCE along the southeast line of said 162.036 acre tract, the following 3 courses:

- 1. North 89°56'13" East a distance of 2053.09 feet along the common line of said Barr Survey and said Toby Survey to a 8" cedar fence corner post found;
- 2. North 04°42'24" East a distance of 1205.99 feet to a 8" pine fence corner post found for a corner of the J. Glass Survey, Abstract No. 349 and the northwest corner of said Barr Survey;
- 3. North 89°29'43" East a distance of 78.57 feet along the common line of said Glass Survey and said Barr Survey to a 6" pine fence corner post found for a corner of said 162.036 acre tract and a corner of that certain 89.42 acre tract described in Doc. #2023-21984 of said Official Public Records;

THENCE South 89°19'33" East a distance of 2051.13 feet along the south line of said 89.42 acre tract to a 4" I-beam fence corner post found for the northwest corner of that certain 35.65 acre tract described in Doc. #2023-4933 of said Official Public Records and the northeast corner hereof;

THENCE South 00°04'11" East a distance of 1097.80 feet along the west line of said 35.65 acre tract to a 3/8" iron rod found for the southwest corner of said 35.65 acre tract and the northwest corner of said 31.915 acre tract;

THENCE South 00°01'03" West a distance of 2083.58 feet along the west line of said 31.915 acre tract to the POINT OF BEGINNING containing 297.870 acres more or less, and as shown hereon.

Note: Bearings, distances and acreage shown hereon are NAD 83, Texas North Zone and are derived from GPS techniques. Iron Rod set are 1/2 inch rod with plastic caps marked "CTLS".

- (c) Section 4015.0311, Special District Local Laws Code, as added by Section \_\_(a) of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.
- (d) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 4015, Special District Local Laws Code, as added by Section \_\_(a) of this Act, is amended by adding Section 4015.0311 to read as follows:

Sec. 4015.0311. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

### Floor Amendment No. 1 on Third Reading

Amend SB 3047 on third reading as follows:

(1) Strike added Section 4022.0303, Special District Local Laws Code, and renumber subsequent sections of that chapter and cross references to those sections accordingly.

(2) Strike added Section 4022.0503(c), Special District Local Laws Code, and renumber subsequent subsections of that section accordingly.

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to SB 3047.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hagenbuch, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Miles, Nichols, Parker, Paxton, Perry, Schwertner, West, Zaffirini.

Nays: Hall, Hughes, Middleton, Sparks.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 2601 ADOPTED

Senator Blanco called from the President's table the Conference Committee Report on **SB 2601**. The Conference Committee Report was filed with the Senate on Thursday, May 29, 2025.

On motion of Senator Blanco, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

## CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2011 ADOPTED

Senator Paxton called from the President's table the Conference Committee Report on **HB 2011**. The Conference Committee Report was filed with the Senate on Thursday, May 29, 2025.

On motion of Senator Paxton, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

### SENATE BILL 437 WITH HOUSE AMENDMENT

Senator J. Hinojosa called SB 437 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 437** by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

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.

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

SECTION 1. Section 161.133, Health and Safety Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The training required under Subsection (a) may be provided:

- (1) in person; or
- (2) through a live, interactive, instructor-led, and electronic method that uses synchronous audiovisual interaction between the instructor and employees.

SECTION 2. Section 464.017(a), Health and Safety Code, is amended to read as follows:

- (a) A person or facility is subject to a civil penalty of not more than \$25,000 for each day of violation and for each act of violation of this subchapter or a rule adopted under this subchapter. In determining the amount of the civil penalty, the court shall consider:
  - (1) the person's or facility's previous violations;
- (2) the seriousness of the violation, including the nature, circumstances, extent, and gravity of the violation;
- (3) whether the health and safety of the public was threatened by the violation;
  - (4) the demonstrated good faith of the person or facility; [and]
  - (5) the amount necessary to deter future violations;
  - (6) the person's or facility's ability to pay the penalty; and
- (7) if the person's or facility's license is not revoked under Section 464.014 because of the violation, the ability of the person or facility to continue providing services under this chapter after paying the penalty.

SECTION 3. Sections 464.019(c) and (s), Health and Safety Code, are amended to read as follows:

- (c) The amount of the penalty shall be based on:
- (1) the seriousness of the violation, including the nature, circumstances, extent, and gravity of any prohibited acts, and the hazard or potential hazard created to the health, safety, or economic welfare of the public;
  - (2) enforcement costs relating to the violation;
  - (3) the history of previous violations;
  - (4) the amount necessary to deter future violations;
  - (5) efforts to correct the violation; [and]
  - (6) the person's ability to pay the penalty;
- (7) if the person's license is not revoked under Section 464.014 because of the violation, the person's ability to continue providing services under this chapter after paying the penalty;
  - (8) the degree of the person's culpability in causing the violation; and
  - (9) any other matter that justice may require.
- (s) The commission shall post on the commission's Internet website current administrative penalty schedules applicable to a person licensed or regulated under this chapter. The commission shall ensure that the administrative penalties listed in the posted schedules are accurate. The administrative penalty schedules must consider the economic impact of an assessed penalty on a person licensed or regulated under this chapter and the factors described by Subsection (c).

SECTION 4. The changes in law made by this Act to Chapter 464, Health and Safety Code, apply only to a violation that occurs on or after the effective date of this Act. A violation that occurred before the effective date of this Act is governed by the law in effect when the violation occurred, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2025.

The amendment was read.

Senator J. Hinojosa moved to concur in the House amendment to SB 437.

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

Nays: Middleton.

#### SENATE BILL 710 WITH HOUSE AMENDMENT

Senator Eckhardt called **SB 710** 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** 710 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the establishment and use of a written electronic communications system accessible to the public by certain municipal entities.

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

SECTION 1. Section 551.006(b), Government Code, is amended to read as follows:

(b) Except as provided by Section 551.0061, a [A] governmental body may have no more than one online message board or similar Internet application to be used for the purposes described in Subsection (a). The online message board or similar Internet application must be owned or controlled by the governmental body, prominently displayed on the governmental body's primary Internet web page, and no more than one click away from the governmental body's primary Internet web page.

SECTION 2. Subchapter A, Chapter 551, Government Code, is amended by adding Section 551.0061 to read as follows:

- Sec. 551.0061. WRITTEN ELECTRONIC COMMUNICATIONS ACCESSIBLE TO PUBLIC FOR CERTAIN MUNICIPAL ENTITIES. (a) The governing body of a municipality by ordinance or resolution may authorize each board, commission, or similar entity of the municipality to establish and use an online message board or similar Internet application for the purposes described in Section 551.006(a).
- (b) A governing body adopting an ordinance or resolution under this section may authorize use of the online message board or similar Internet application for a period of not longer than two years, and may reauthorize use of the message board or application in the same manner and for the same period as many times as the governing body determines is appropriate. The governing body may rescind an ordinance or resolution adopted under this section at any time.

- (c) An online message board or similar Internet application authorized by this section is separate from and in addition to a municipal online message board or similar Internet application authorized by Section 551.006.
- (d) The use and administration of an online message board or similar Internet application authorized by this section must comply with the requirements of Section 551.006.
- (e) A municipal governing body that authorizes use of an online message board or similar Internet application under this section shall require a municipal employee to monitor the message board or application for compliance with this section and Section 551.006.

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

The amendment was read.

Senator Eckhardt moved to concur in the House amendment to SB 710.

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

### SENATE BILL 904 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 904** 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 904** (house committee report) on page 3, line 16, immediately following the period, by adding the following:

Whenever practicable, the medical evaluation should be performed by a licensed physician who specializes in diseases of the ear.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to SB 904.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Hagenbuch, Hughes, Middleton.

## SENATE BILL 905 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 905** 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 905 (house committee report) on page 5 as follows:

- (1) On line 10, between "MINORS." and "A", insert "(a)".
- (2) Between lines 20 and 21, insert the following:

# (b) Whenever practicable, the medical evaluation described by Subsection (a)(1) should be performed by a licensed physician who specializes in diseases of the ear.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to SB 905.

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

#### SENATE BILL 1504 WITH HOUSE AMENDMENT

Senator Middleton called **SB 1504** 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 1504** by substituting in lieu thereof the following:

#### A BILL TO BE ENTITLED

#### AN ACT

relating to meetings of the board of directors of the Gulf Coast Authority.

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

SECTION 1. Section 2.07, Chapter 409, Acts of the 61st Legislature, Regular Session, 1969, is amended by amending Subsection (a) and adding Subsections (d), (e), (f), and (g) to read as follows:

- (a) The board shall meet <u>regularly</u> as necessary [at least once each month, and may meet at any other time provided in its bylaws].
- (d) Notwithstanding Chapter 551, Government Code, Chapter 49, Water Code, or any other law, the directors of the board may hold an open or closed meeting by telephone conference call, videoconference, or other similar telecommunication method as provided by this section. The board may use a telephone conference call, videoconference, or other similar telecommunication method for purposes of establishing a quorum, for voting, or for any other meeting purpose.
- (e) A meeting of the directors may be held by telephone conference call, videoconference, or other similar telecommunication method only if:
- (1) the director presiding over the meeting is physically present at the location of the meeting that is open to the public specified in the notice of the meeting during the open portions of the meeting; and
- (2) a video and audio feed of the directors participating in the portions of the meeting required to be open must be visible and audible to the public at the meeting location.
- (f) A director who participates in a meeting by telephone conference call, videoconference, or other similar telecommunication method shall be considered absent from any portion of the meeting during which audio or video communication with the director is lost or disconnected.
- (g) A meeting held by telephone conference call, videoconference, or other similar telecommunication method is subject to the notice requirements applicable to other board meetings.

SECTION 2. 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.

The amendment was read.

Senator Middleton moved to concur in the House amendment to **SB 1504**.

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, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Hughes, Kolkhorst.

## (President in Chair)

## CONFERENCE COMMITTEE REPORT ON HOUSE BILL 300 ADOPTED

Senator Hancock called from the President's table the Conference Committee Report on **HB 300**. The Conference Committee Report was filed with the Senate on Wednesday, May 28, 2025.

On motion of Senator Hancock, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

#### SENATE BILL 293 WITH HOUSE AMENDMENTS

Senator Huffman called **SB 293** from the President's table for consideration of the House amendments to the bill.

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

#### Amendment

Amend SB 293 by substituting in lieu thereof the following:

## A BILL TO BE ENTITLED AN ACT

relating to the discipline of judges by the State Commission on Judicial Conduct, notice of certain reprimands, judicial compensation and related retirement benefits, and the reporting of certain judicial transparency information; authorizing an administrative penalty.

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

SECTION 1. Section 22.302(a), Government Code, is amended to read as follows:

(a) At the discretion of its chief justice or presiding judge, the supreme court, the court of criminal appeals, or a court of appeals may order that oral argument be presented through the use of teleconferencing technology. The [court and the] parties or their attorneys may participate in oral argument from any location through the use

of teleconferencing technology. <u>Unless exigent circumstances require otherwise</u>, the court shall participate in oral argument presented through teleconferencing technology from a courtroom or other facility provided to the court by this state.

SECTION 2. Subchapter D, Chapter 23, Government Code, is amended by adding Section 23.303 to read as follows:

- Sec. 23.303. PROCEDURES RELATED TO MOTIONS FOR SUMMARY JUDGMENT; ANNUAL REPORT. (a) The business court, a district court, or a statutory county court shall, with respect to a motion for summary judgment:
- (1) hear oral argument on the motion or consider the motion without oral argument not later than the 45th day after the date the response to the motion was filed; and
- (2) file with the clerk of the court and provide to the parties a written ruling on the motion not later than the 90th day after the date the motion was argued or considered.
- (b) If a motion for summary judgment is considered by a court described by Subsection (a) without oral argument, the court shall record in the docket the date the motion was considered without argument.
- (c) A clerk of a court described by Subsection (a) shall report the court's compliance with the times prescribed by this section to the Office of Court Administration of the Texas Judicial System not less than once per quarter using the procedure the office prescribes for the submission of reports under this subsection.
- (d) The Office of Court Administration of the Texas Judicial System shall prepare an annual report regarding compliance of courts and clerks with the requirements of this section during the preceding state fiscal year. Not later than December 31 of each year, the office shall submit the report prepared under this section to the governor, lieutenant governor, and speaker of the house of representatives and make the report publicly available.
- (e) Notwithstanding Section 22.004, Subsection (a) or (b) may not be modified or repealed by supreme court rule.
- SECTION 3. Section 33.001(a), Government Code, is amended by amending Subdivision (8) and adding Subdivision (8-a) to read as follows:
- (8) "Judge" means a justice, judge, master, magistrate, justice of the peace, or retired or former judge as described by Section 1-a, Article V, Texas Constitution, or other person who performs the functions of the justice, judge, master, magistrate, justice of the peace, or retired or former judge.
- (8-a) "Official misconduct" has the meaning assigned by Article 3.04, Code of Criminal Procedure.

SECTION 4. Effective January 1, 2026, Section 33.001(a)(10), Government Code, is amended to read as follows:

(10) "Sanction" means an order issued by the commission under Section 1-a(8), Article V, Texas Constitution, providing for a [private or] public admonition, warning, or reprimand or requiring that a person obtain additional training or education.

SECTION 5. Section 33.001(b), Government Code, is amended to read as follows:

- (b) For purposes of Section 1-a, Article V, Texas Constitution, "wilful or persistent conduct that is clearly inconsistent with the proper performance of a judge's duties" includes:
- (1) wilful, persistent, and unjustifiable failure to timely execute the business of the court, considering the quantity and complexity of the business, including failure to meet deadlines, performance measures or standards, or clearance rate requirements set by statute, administrative rule, or binding court order;
- (2) wilful violation of a provision of the Texas penal statutes or the Code of Judicial Conduct;
- (3) persistent or wilful violation of the rules promulgated by the supreme court;
  - (4) incompetence in the performance of the duties of the office;
  - (5) failure to cooperate with the commission; [er]
- (6) violation of any provision of a voluntary agreement to resign from judicial office in lieu of disciplinary action by the commission;
- (7) persistent or wilful violation of Article 17.15, Code of Criminal Procedure; or
  - (8) persistent or wilful violation of Section 22.302(a).
- SECTION 6. Section 33.0211, Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:
- (a) The commission shall maintain a file on each written complaint filed with the commission. The file must include:
  - (1) the name of the person who filed the complaint;
  - (2) the date the complaint is received by the commission;
  - (3) the subject matter of the complaint;
- (4) <u>additional documentation supporting the complaint submitted under</u> Subsection (a-1);
  - (5) the name of each person contacted in relation to the complaint;
- $\overline{(6)}$  [(5)] a summary of the results of the review or investigation of the complaint; and
- (7) [(6)] an explanation of the reason the file was closed, if the commission closed the file without taking action other than to investigate the complaint.
- (a-1) Not later than the 45th day after the date a person files a complaint with the commission, the person may submit to the commission additional documentation to support the complaint.
- SECTION 7. Subchapter B, Chapter 33, Government Code, is amended by adding Sections 33.02111 and 33.02115 to read as follows:
- Sec. 33.02111. STATUTE OF LIMITATIONS. (a) Except as provided by Subsection (b), the commission may not investigate and shall dismiss a complaint filed on or after the seventh anniversary of the date:
  - (1) the alleged misconduct occurred; or
- (2) the complainant knew, or with the exercise of reasonable diligence should have known, of the alleged misconduct.
- (b) The commission may investigate and not dismiss a complaint described by Subsection (a) if the commission determines good cause exists for investigating the complaint.

- Sec. 33.02115. FALSE COMPLAINT; ADMINISTRATIVE PENALTY. (a) The commission may impose administrative sanctions, including an administrative penalty under Subsection (b), against a person who knowingly files a false complaint with the commission under this subchapter.
- (b) The commission may impose on a person described by Subsection (a) an administrative penalty in the amount of:

  (1) not more than \$500 for the first false complaint;

  - (2) not more than \$2,500 for the second false complaint; and
- (3) not less than \$5,000 but not more than \$10,000 for each false complaint filed subsequent to the second.
- (c) An order imposing an administrative penalty or other sanction under this section is a public record. The commission shall publish notice of the penalty or other sanction on the commission's Internet website.

  SECTION 8. Section 33.0212, Government Code, is amended to read as

follows:

- Sec. 33.0212. REPORT AND RECOMMENDATIONS ON FILED COMPLAINTS. (a) As soon as practicable after a complaint is filed with the commission, commission staff shall conduct a preliminary investigation of the filed complaint and draft recommendations for commission action.
- (a-1) If, after completing a preliminary investigation under Subsection (a), commission staff determines that given the content of a complaint a full investigation is necessary before the next commission meeting, commission staff may commence the investigation. Not less than seven business days after the date commission staff commences a full investigation under this subsection, the staff shall provide written notice of the full investigation to the judge who is the subject of the complaint. Notice provided under this subsection shall comply with the requirements of Section 33.022(c)(1)(B).
- (a-2) Not later than the 10th day before a scheduled commission meeting [120th day after the date a complaint is filed with the commission], commission staff shall prepare and file with each member of the commission a report detailing:
- (1) each complaint for which a preliminary investigation has been conducted under Subsection (a) but for which the investigation report has not been finalized under Subsection (b);
- (2) the results of the preliminary investigation of the complaint, including whether commission staff commenced a full investigation under Subsection (a-1); and

  (3) the commission staff's recommendations for commission action
- regarding the complaint, including any recommendation for further investigation or termination of the investigation and dismissal of the complaint.
- (b) Not later than the 120th [90th] day following the date of the first commission meeting at which a complaint is included in the report filed with the commission under Subsection (a-2) [staff files with the commission the report required by Subsection (a)], the commission shall finalize the investigation report and determine any action to be taken regarding the complaint, including:
  - (1) a public sanction;
  - (2) a private sanction;
  - (3) a suspension;

- (4) an order of education;
- (5) an acceptance of resignation in lieu of discipline;
- (6) a dismissal; or
- (7) an initiation of formal proceedings.
- (b-1) After the commission meeting at which an investigation report is finalized and an action is determined under Subsection (b), the commission shall provide to the judge who is the subject of a complaint:
- (1) written notice of the action to be taken regarding the complaint not more than:
- (A) five business days after the commission meeting if the commission determines no further action will be taken on the complaint; or
- (B) seven business days after the commission meeting if the commission determines to take any further action on the complaint, including by pursuing further investigation; and
- (2) as the commission determines appropriate, published notice of the action to be taken by posting the notice on the commission's Internet website not less than five business days after notice is provided under Subdivision (1).
- (c) If, because of extenuating circumstances, the commission [staff] is unable to finalize an investigation report and determine the action to be taken regarding a complaint under Subsection (b) [provide an investigation report and recommendation to the commission] before the 120th day following the date of the first [the complaint was filed with the] commission meeting at which a complaint is included in the report filed with the commission under Subsection (a-2), the commission may order an extension [the staff shall notify the commission and propose the number of days required for the commission and commission staff to complete the investigation report and recommendations and finalize the complaint. The staff may request an extension] of not more than 240 [270] days from the date of the first [the complaint was filed with the commission under Subsection (a-2). [The commission shall finalize the complaint not later than the 270th day following the date the complaint was filed with the commission.]
- (c-1) If a complaint against a judge alleges multiple instances of misconduct or the commission determines multiple complaints have been submitted against the judge, the commission may order an additional extension of not more than 90 days after the date the extension under Subsection (c) expires.
- (c-2) Each member of the commission shall certify an investigation report finalized in accordance with this section by signing the report. The signature required under this subsection may be electronic.
- (d) [The executive director may request that the chairperson grant an additional 120 days to the time provided under Subsection (e) for the commission and commission staff to complete the investigation report and recommendations and finalize the complaint.
- [(e)] If the commission orders an extension of time under Subsection (c) or (c-1) [ehairperson grants additional time under Subsection (d)], the commission must timely inform the following [legislature] of the extension:
  - (1) the governor;

- (2) the lieutenant governor;
- (3) the speaker of the house of representatives;
- (4) the presiding officer of each legislative standing committee with primary jurisdiction over the judiciary;
  - (5) the chief justice of the supreme court;
  - (6) the Office of Court Administration of the Texas Judicial System; and
- (7) the presiding judge of the administrative judicial region in which is located the court the judge who is the subject of the complaint serves.
- (e) The commission may not disclose to a person informed under Subsection (d) [the legislature] any confidential information regarding the complaint.

SECTION 9. Effective January 1, 2026, Section 33.0212(b), Government Code, is amended to read as follows:

- (b) Not later than the 120th [90th] day following the date of the first commission meeting at which a complaint is included in the report filed with the commission under Subsection (a-2) [staff files with the commission the report required by Subsection (a)], the commission shall finalize the investigation report and determine any action to be taken regarding the complaint, including:
  - (1) a public sanction;
  - (2) [a private sanction;
  - $[\frac{3}{3}]$  a suspension;
  - (3) [(4)] an order of education;
  - (4) (5) an acceptance of resignation in lieu of discipline;
  - $\overline{(5)}$  [(6)] a dismissal; or
  - $\overline{(6)}$  [ $\overline{(7)}$ ] an initiation of formal proceedings.

SECTION 10. Section 33.0213, Government Code, is amended to read as follows:

- Sec. 33.0213. NOTIFICATION OF LAW ENFORCEMENT AGENCY INVESTIGATION. On notice by any law enforcement agency investigating an action for which a complaint has been filed with the commission, the commission:
- (1) may place the commission's complaint file on hold and decline any further investigation that would jeopardize the law enforcement agency's investigation; or
- (2) shall[. The commission may] continue an investigation that would not jeopardize a law enforcement investigation regarding the conduct subject to the complaint and may issue a censure or sanction based on the complaint.

SECTION 11. Section 33.022, Government Code, is amended by amending Subsections (b) and (c) and adding Subsections (b-1) and (b-2) to read as follows:

- (b) If, after conducting a preliminary investigation under this section, [the] commission staff determine [determines] that an allegation or appearance of misconduct or disability is unfounded or frivolous, [the] commission staff shall recommend the commission [shall] terminate the investigation and dismiss the complaint.
- (b-1) If, after conducting a preliminary investigation under this section, commission staff determine administrative deficiencies in the complaint preclude further investigation, commission staff may terminate the investigation and dismiss the complaint without action by the commission.

- (b-2) If a complaint is dismissed under Subsection (b) or (b-1), the commission shall notify the judge in writing of the dismissal not more than five business days after the dismissal date.
- (c) If, after conducting a preliminary investigation under this section, the commission does not determine that an allegation or appearance of misconduct or disability is unfounded or frivolous, the commission:
  - (1) shall:
- (A) conduct a full investigation of the circumstances surrounding the allegation or appearance of misconduct or disability; and
- (B) not more than seven business days after the commission staff commences a full investigation under this subsection, notify the judge in writing of:
  - (i) the commencement of the investigation; [and]
- (ii) the nature of the allegation or appearance of misconduct or disability being investigated; and
- (iii) the judge's right to attend each commission meeting at which the complaint is included in the report filed with commission members under Section 33.0212(a-2); and
  - (2) may:

days;

- (A) order the judge to:
- (i) submit a written response to the allegation or appearance of misconduct or disability; or
  - (ii) appear informally before the commission;
  - (B) order the deposition of any person; or
- (C) request the complainant to appear informally before the commission.

SECTION 12. Section 33.023, Government Code, is amended to read as follows:

- Sec. 33.023. SUBSTANCE ABUSE; PHYSICAL OR MENTAL INCAPACITY OF JUDGE; SUSPENSION. (a) For each filed complaint alleging substance abuse by, or the physical or mental incapacity of, a judge and questioning the judge's ability to perform the judge's official duties, the commission shall conduct a preliminary investigation of the complaint and present the results of the preliminary investigation to each member of the commission not later than the 30th day after the date the complaint is filed.
- (b) If, after reviewing the results of the preliminary investigation, the commission determines the judge's alleged substance abuse or physical or mental incapacity brings into question the judge's ability to perform the judge's official duties, the commission shall provide the judge written notice of the complaint and subpoena the judge to appear before the commission at the commission's next regularly scheduled meeting.
- (c) If, following the judge's appearance before the commission at the next regularly scheduled meeting, the commission decides to require the judge to submit to a physical or mental examination, the commission shall:
  - (1) suspend the judge from office with pay for a period not to exceed 90
    - (2) provide the judge written notice of the suspension;

- (3) [In any investigation or proceeding that involves the physical or mental incapacity of a judge, the commission may] order the judge to submit to a physical or mental examination by one or more qualified physicians or a mental examination by one or more qualified psychologists selected and paid for by the commission; and
  - (4) provide[.
- [(b) The commission shall give] the judge written notice of the examination not later than 10 days before the date of the examination.
- (d) The notice provided under Subsection (c)(4) must include the physician's name and the date, time, and place of the examination.
- (e) [(e)] Each examining physician shall file a written report of the examination with the commission and the report shall be received as evidence without further formality. On request of the judge or the judge's attorney, the commission shall give the judge a copy of the report. The physician's oral or deposition testimony concerning the report may be required by the commission or by written demand of the judge.
- (f) If, after receiving the written report of an examining physician or the physician's deposition testimony concerning the report, the commission determines the judge is unable to perform the judge's official duties because of substance abuse or physical or mental incapacity, the commission shall:
  - (1) recommend to the supreme court suspension of the judge from office; or
- (2) enter into an indefinite voluntary agreement with the judge for suspension of the judge with pay until the commission determines the judge is physically and mentally competent to resume the judge's official duties.
- (g) [(d)] If a judge refuses to submit to a physical or mental examination ordered by the commission under this section, the commission may petition a district court for an order compelling the judge to submit to the physical or mental examination and recommend to the supreme court suspension of the judge from office.

SECTION 13. Effective January 1, 2026, Section 33.032(d), Government Code, is amended to read as follows:

(d) The disciplinary record of a judge[, including any private sanctions,] is admissible in a subsequent proceeding before the commission, a special master, a special court of review, or a review tribunal.

SECTION 14. Effective January 1, 2026, Section 33.033(b), Government Code, is amended to read as follows:

- (b) The communication shall inform the complainant that:
  - (1) the case has been dismissed;
- (2) <u>an</u> [a private sanction or] order of additional education has been issued by the commission;
  - (3) a public sanction has been issued by the commission;
  - (4) formal proceedings have been instituted; or
- (5) a judge has resigned from judicial office in lieu of disciplinary action by the commission.

SECTION 15. Section 33.034, Government Code, is amended by amending Subsection (a) and adding Subsection (j) to read as follows:

- (a) A judge who receives from the commission a sanction or censure issued by the commission under Section 1-a(8), Article V, Texas Constitution, may request [example of sanction is entitled to] a review of the commission's decision as provided by this section. This section does not apply to a decision by the commission to institute formal proceedings.
- (j) If the commission issues a public reprimand of a judge based on the judge's persistent or wilful violation of Article 17.15, Code of Criminal Procedure, the commission shall send notice of the reprimand to:
  - (1) the governor;
  - (2) the lieutenant governor;
  - (3) the speaker of the house of representatives;
- (4) the presiding officer of each legislative standing committee with primary jurisdiction over the judiciary;
  - (5) the chief justice of the supreme court;
  - (6) the Office of Court Administration of the Texas Judicial System;
- (7) the presiding judge of the administrative judicial region in which is located the court the reprimanded judge serves; and
- (8) each judge of a constitutional county court in the geographic region in which the reprimanded judge serves.

SECTION 16. Section 33.037, Government Code, is amended to read as follows:

- Sec. 33.037. SUSPENSION FROM OFFICE [PENDING APPEAL]. (a) If a judge who is convicted of a felony or a misdemeanor involving official misconduct appeals the conviction, the commission shall suspend the judge from office without pay pending final disposition of the appeal.
- (b) Not later than the 21st day after the date the commission initiates formal proceedings against a judge based on the judge's persistent or wilful violation of Article 17.15, Code of Criminal Procedure, the commission shall recommend to the supreme court that the judge be suspended from office pursuant to Section 1-a, Article V, Texas Constitution.

SECTION 17. Subchapter B, Chapter 33, Government Code, is amended by adding Section 33.041 to read as follows:

- Sec. 33.041. JUDICIAL DIRECTORY; NOTICE. (a) The Office of Court Administration of the Texas Judicial System shall:
- (1) establish a judicial directory that contains the contact information, including the e-mail address, for each judge in this state; and
- (2) provide the commission with access to the directory for the purpose of providing to a judge written notice required by this subchapter.
- (b) Written notice required by this subchapter may be provided to a judge by e-mail.
- SECTION 18. Subchapter C, Chapter 72, Government Code, is amended by adding Section 72.0396 to read as follows:

- Sec. 72.0396. JUDICIAL TRANSPARENCY INFORMATION. (a) Each district court judge required to submit information under rules adopted under Subsection (e) shall submit to the presiding judge of the administrative judicial region in which the judge's court sits not later than the 20th day of each calendar quarter information for the preceding quarter in which the judge attests to:
- (1) the number of hours the judge presided over the judge's court at the courthouse or another court facility; and
- (2) the number of hours the judge performed judicial duties other than those described by Subdivision (1), including the number of hours the judge:
  - (A) performed case-related duties;
  - (B) performed administrative tasks; and
  - (C) completed continuing education.
- (b) The presiding judge of each administrative judicial region shall submit the information submitted under Subsection (a) to the office in the manner prescribed by the supreme court.
- (c) The office shall provide administrative support for the submission and collection of information under Subsection (a), including providing a system for electronic submission of the information.
- (d) Not later than December 1 of each year, the office shall prepare and submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each presiding officer of a legislative standing committee with primary jurisdiction over the judiciary a written report compiling the information submitted under Subsection (b).
- (e) The supreme court shall adopt rules to implement the reporting of information under Subsection (a), including rules:
- (1) establishing eligibility criteria for a judge required to submit information based on performance measures reported under Section 72.083 and other measures the court considers appropriate;
- (2) establishing a penalty for the failure to submit required information and the submission of false information; and
  - (3) providing guidance on the form and manner of reporting.
- SECTION 19. Section 73.003(e), Government Code, is amended to read as follows:
- (e) At the discretion of its chief justice, a court to which a case is transferred may hear oral argument through the use of teleconferencing technology as provided by Section 22.302. [The court and the parties or their attorneys may participate in oral argument from any location through the use of teleconferencing technology.] The actual and necessary expenses of the court in hearing an oral argument through the use of teleconferencing technology shall be paid by the state from funds appropriated for the transfer of case, as specified in Subsection (d).

SECTION 20. Section 74.055(c), Government Code, is amended to read as follows:

- (c) To be eligible to be named on the list, a retired or former judge must:
- (1) have served as an active judge for at least 96 months in a district, statutory probate, statutory county, or appellate court;
  - (2) have developed substantial experience in the judge's area of specialty;

- (3) not have been removed from office;
- (4) certify under oath to the presiding judge, on a form prescribed by the state board of regional judges, that:
- (A) the judge has never been publicly reprimanded or censured by the State Commission on Judicial Conduct, excluding any reprimand or censure reviewed and rescinded by a special court of review under Section 33.034;
- (B) the judge has not received more than one of any other type of public sanction, excluding any sanction reviewed and rescinded by a special court of review under Section 33.034; and

## (C) [<del>(B)</del>] the judge:

- (i) did not resign or retire from office after the State Commission on Judicial Conduct notified the judge of the commencement of a full investigation into an allegation or appearance of misconduct or disability of the judge as provided in Section 33.022 and before the final disposition of that investigation; or
- (ii) if the judge did resign from office under circumstances described by Subparagraph (i), was not publicly reprimanded or censured as a result of the investigation;
- (5) annually demonstrate that the judge has completed in the past state fiscal year the educational requirements for active district, statutory probate, and statutory county court judges; and
- (6) certify to the presiding judge a willingness not to appear and plead as an attorney in any court in this state for a period of two years.
- SECTION 21. Section 659.012, Government Code, is amended by amending Subsections (a) and (d) and adding Subsections (b-2) and (d-1) to read as follows:
  - (a) Notwithstanding Section 659.011 and subject to Subsections (b) and (b-1):
- (1) a judge of a district court or a division of the business court is entitled to an annual base salary from the state as set by the General Appropriations Act in an amount equal to at least \$182,000 [\$140,000], except that the combined base salary of a district judge or judge of a division of the business court from all state and county sources, including compensation for any extrajudicial services performed on behalf of the county, may not exceed the amount that is \$5,000 less than the maximum combined base salary from all state and county sources for a justice of a court of appeals other than a chief justice as determined under this subsection;
- (2) except as provided by Subdivision (3), a justice of a court of appeals [other than the chief justice] is entitled to an annual base salary from the state in the amount equal to 110 percent of the state base salary of a district judge as set by the General Appropriations Act, except that the combined base salary of a justice of the court of appeals [other than the chief justice] from all state and county sources, including compensation for any extrajudicial services performed on behalf of the county, may not exceed the amount that is \$5,000 less than the base salary for a justice of the supreme court as determined under this subsection;
- (3) a justice of the Court of Appeals for the Fifteenth Court of Appeals District [other than the chief justice] is entitled to an annual base salary from the state in the amount equal to \$5,000 less than 120 percent of the state base salary of a district judge as set by the General Appropriations Act;

- (4) a justice of the supreme court [other than the chief justice] or a judge of the court of criminal appeals [other than the presiding judge] is entitled to an annual base salary from the state in the amount equal to 120 percent of the state base salary of a district judge as set by the General Appropriations Act; and
- (5) the chief justice or presiding judge of an appellate court is entitled to additional compensation [an annual base salary] from the state in the amount equal to seven percent of [\$2,500 more than] the state base salary provided for the other justices or judges of the court[, except that the combined base salary of the chief justice of a court of appeals from all state and county sources may not exceed the amount equal to \$2,500 less than the base salary for a justice of the supreme court as determined under this subsection].
- (b-2) Notwithstanding any other provision of this section, the additional compensation from the state paid to a chief justice or presiding judge of an appellate court in accordance with Subsection (a)(5) is not included as part of the judge's or justice's combined base salary from all state and county sources for purposes of determining whether the judge's or justice's salary exceeds the limitation.
- (d) Notwithstanding any other provision in this section or other law, [in a county with more than five district courts,] a district judge who serves as a local administrative district judge under Section 74.091 is entitled to an annual base salary from the state in the amount provided under Subsection (a) or (b) and an additional annual [in the] amount from the state equal to:
- (1) in a county with three or four district courts, three percent of the annual base [\$5,000 more than the maximum] salary for a judge of a district court [from the state to which the judge is otherwise entitled] under Subsection (a);
- (2) in a county with more than four but fewer than 10 district courts, five percent of the annual base salary for a judge of a district court under Subsection (a); or
- (3) in a county with 10 or more district courts, seven percent of the annual base salary for a judge of a district court under Subsection (a) [or (b)].
- (d-1) Notwithstanding any other provision in this section or other law, a judge of a division of the business court who serves as administrative presiding judge under Section 25A.009 is entitled to an annual base salary from the state in the amount provided under Subsection (a) or (b) and an additional annual amount equal to the amount provided under Subsection (d)(3).

SECTION 22. Section 665.052(b), Government Code, is amended to read as follows:

- (b) In this section, "incompetency" means:
  - (1) gross ignorance of official duties;
  - (2) gross carelessness in the discharge of official duties; [or]
- (3) inability or unfitness to discharge promptly and properly official duties because of a serious physical or mental defect that did not exist at the time of the officer's election; or
- (4) persistent or wilful violation of Article 17.15, Code of Criminal Procedure.

SECTION 23. Sections 814.103(a), (a-1), and (b), Government Code, are amended to read as follows:

- (a) Except as provided by Subsection (a-1) or (b), the standard service retirement annuity for service credited in the elected class of membership is an amount equal to the number of years of service credit in that class, times 2.3 percent of \$140,000 [the state base salary, excluding longevity pay payable under Section 659.0445 and as adjusted from time to time, being paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a)].
- (a-1) Except as provided by Subsection (b), the standard service retirement annuity for service credited in the elected class of membership for a member of the class under Section 812.002(a)(3) whose effective date of retirement is on or after September 1, 2019, is an amount equal to the number of years of service credit in that class, times 2.3 percent of the state salary, excluding longevity pay payable under Section 659.0445 [and as adjusted from time to time], being paid in accordance with Section 659.012 to a district judge who has the same number of years of contributing service credit as the member on the member's last day of service as a district or criminal district attorney, as applicable.
- (b) The standard service retirement annuity for service credited in the elected class may not exceed at any time 100 percent of, as applicable:
  - (1) the dollar amount on which the annuity is based under Subsection (a); or
- (2) the state salary of a district judge on which the annuity is based under Subsection [(a) or] (a-1)[, as applicable].

SECTION 24. Section 820.053(c), Government Code, is amended to read as follows:

(c) For purposes of this section, a member of the elected class of membership under Section 812.002(a)(2) shall have the member's accumulated account balance computed as if the contributions to the account were based on an annual [the state base] salary of \$140,000[, excluding longevity pay payable under Section 659.0445, being paid a district judge as set by the General Appropriations Act in accordance with Section 659.012(a)].

SECTION 25. Section 834.102, Government Code, is amended by adding Subsections (e) and (f) to read as follows:

- (e) Notwithstanding Subsection (a) or (d) or any other law:
- (1) any increase in the state base salary being paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012 by the 89th Legislature, Regular Session, 2025, does not apply to a service retirement annuity computed under this section of a retiree or beneficiary if the retiree on whose service the annuity is based retired before September 1, 2025; and
- (2) the amount of the state base salary being paid to a district judge as set by Chapter 1170 (H.B. 1), Acts of the 88th Legislature, Regular Session, 2023 (the General Appropriations Act), for the fiscal year ending August 31, 2025, in accordance with Section 659.012 continues to apply to the annuities described by Subdivision (1) until the effective date of legislation the 90th Legislature or a later legislature enacts that increases the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012.
- (f) On the effective date of legislation the 90th Legislature or a later legislature enacts that increases the state base salary paid to a district judge, as described by Subsection (e), this subsection and Subsection (e) expire.

SECTION 26. Section 837.102(a), Government Code, is amended to read as follows:

(a) A retiree who resumes service as a judicial officer other than by assignment described in Section 837.101 may not rejoin or receive credit in the retirement system for the resumed service, except [unless an election is made] as provided by Section 837.103.

SECTION 27. Section 837.103, Government Code, is amended by amending Subsections (b) and (c) and adding Subsections (b-1), (b-2), (c-1), and (c-2) to read as follows:

- (b) Notwithstanding Sections 837.001(c) and 837.002(2) and subject to the requirements of this section [Subsection (d)], a retiree who resumes full-time service as a judicial officer other than by assignment described in Section 837.101 [described by Section 837.102(a)] may elect to rejoin the retirement system as a member [and receive service credit in the system for resuming service as a judicial officer] if, before taking the oath of office, the retiree has been separated from judicial service for at least six full consecutive months.
- $\underline{\text{(b-1)}}$  The retiree shall provide notice of  $\underline{\text{an}}$  [the] election to  $\underline{\text{rejoin}}$  the  $\underline{\text{retirement}}$  system under this section:
- (1) not later than the 60th day after the date the retiree takes the oath of office; and
  - (2) in the form and manner prescribed by the system.
- (b-2) A person who rejoins the retirement system under this section shall resume making member contributions at the rate of 9.5 percent of the person's state compensation.
- (c) For a person who rejoins the retirement system [makes an election] under this section and completes at least 24 months of resumed judicial service, on the person's subsequent retirement from resumed service [the resumption of annuity payments that have been suspended under Section 837.102], the retirement system shall recompute the annuity selected at the time of the person's original retirement to reflect:
- (1) the highest annual state salary earned by the person while holding a judicial office included within the membership of the retirement system; and
- (2) [to include] the [person's] additional service credit established during the person's period of resumed service [membership under this section].
- (c-1) For a person who rejoins the retirement system under this section but who does not complete at least 24 months of resumed service, on the person's subsequent retirement from resumed service, the retirement system shall:
  - (1) resume annuity payments suspended under Section 837.102; and
- (2) issue the person a refund of the person's accumulated member contributions made during the person's period of resumed service.
- (c-2) If, at the time of the person's original retirement, a [the] person described by Subsection (c) or (c-1) selected an optional retirement annuity payable under Section 839.103(a)(3) or (4), the retirement system shall reduce the number of months of payments by the number of months for which the annuity was paid before the person resumed service.

SECTION 28. Section 840.1025(b), Government Code, is amended to read as follows:

(b) A member who elects to make contributions under Subsection (a) shall contribute 9.5 [six] percent of the member's state compensation for each payroll period in the manner provided by Sections 840.102(b)-(f).

SECTION 29. Section 840.1027(b), Government Code, is amended to read as follows:

(b) A member who elects to make contributions under Subsection (a) shall contribute 9.5 [six] percent of the member's state compensation for each payroll period in the manner provided by Sections 840.102(b)-(f).

SECTION 30. Section 837.103(e), Government Code, is repealed.

SECTION 31. Section 23.303, Government Code, as added by this Act, applies only to a motion for summary judgment filed on or after the effective date of this Act. A motion for summary judgment filed before the effective date of this Act is governed by the law in effect on the date the motion was filed, and that law is continued in effect for that purpose.

SECTION 32. Not later than March 1, 2026, the Texas Supreme Court and the Texas Court of Criminal Appeals shall adopt rules necessary to implement Section 22.302(a), Government Code, as amended by this Act, and Section 23.303, Government Code, as added by this Act.

SECTION 33. As soon as practicable after September 1, 2025, the State Commission on Judicial Conduct shall adopt rules to implement Section 33.001(b), Government Code, as amended by this Act.

SECTION 34. Sections 33.001(b) and 665.052(b), Government Code, as amended by this Act, apply only to an allegation of judicial misconduct received by the State Commission on Judicial Conduct on or after September 1, 2025, regardless of whether the conduct or act that is the subject of the allegation occurred or was committed before, on, or after September 1, 2025.

SECTION 35. Section 33.02111, Government Code, as added by this Act, and Section 33.023, Government Code, as amended by this Act, apply only to a complaint filed with the State Commission on Judicial Conduct on or after September 1, 2025.

SECTION 36. As soon as practicable after the effective date of this Act, the Office of Court Administration of the Texas Judicial System shall:

- (1) prescribe procedures as required by Section 23.303(c), Government Code, as added by this Act; and
- (2) establish the judicial directory required by Section 33.041, Government Code, as added by this Act.

SECTION 37. As soon as practicable after September 1, 2025, the Texas Supreme Court shall adopt rules for purposes of Section 72.0396, Government Code, as added by this Act.

SECTION 38. A former or retired judge on a list maintained by a presiding judge under Section 74.055(a), Government Code, who is ineligible to be named on the list under Section 74.055(c), Government Code, as amended by this Act, shall be struck from the list on September 1, 2025, and may not be assigned to any court on or after September 1, 2025.

- SECTION 39. (a) Except as provided by Subsection (c) of this section, Sections 837.102 and 837.103, Government Code, as amended by this Act, apply only to:
- (1) a former retiree of the Judicial Retirement System of Texas Plan Two who, on the effective date of this Act, holds a judicial office and has resumed membership in the retirement system; or
- (2) a retiree who, on or after the effective date of this Act, resumes service as a judicial officer holding a judicial office included in the membership of the retirement system.
- (b) A person described by Subsection (a)(1) of this section may purchase service credit for resumed judicial service performed before the effective date of this Act, including service performed before June 18, 2023, by depositing with the Judicial Retirement System of Texas Plan Two, for each month of service credit, member contributions calculated by multiplying 9.5 percent by the person's monthly judicial state salary on the effective date of this Act. Not later than September 1, 2027, the person must purchase service credit under this subsection and make the required deposits.
- (c) Section 837.103(b-1)(1), Government Code, as added by this Act, applies only to an election to rejoin the Judicial Retirement System of Texas Plan Two under Section 837.103, Government Code, made on or after the effective date of this Act.

SECTION 40. (a) Sections 4, 9, 13, and 14 of this Act apply only to a sanction issued by the State Commission on Judicial Conduct on or after January 1, 2026.

(b) Sections 4, 9, 13, and 14 of this Act take effect January 1, 2026, but only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, regarding the membership of the State Commission on Judicial Conduct and the authority of the commission and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct is approved by the voters. If that amendment is not approved by the voters, Sections 4, 9, 13, and 14 of this Act have no effect.

SECTION 41. Section 30 of 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, Section 30 of this Act has no effect.

SECTION 42. Except as otherwise provided by this Act, this Act takes effect September 1, 2025.

### Floor Amendment No. 1

Amend CSSB 293 (house committee report) as follows:

- (1) On page 2, line 26, strike "Subdivision (8)" and substitute "Subdivisions (8) and (9)".
  - (2) On page 3, between lines 7 and 8, insert the following:
- (9) "Review tribunal" means a panel of seven justices of the courts of appeal selected [by let] by the chief justice of the supreme court to review a recommendation of the commission for the removal or retirement of a judge under Section 1-a(9), Article V, Texas Constitution.
- (3) On page 18, lines 6 and 7, strike "required to submit information under rules adopted under Subsection (e)".

- (4) On page 18, lines 9 and 10, strike "the 20th day of each calendar quarter information for the preceding quarter" and substitute "July 20 or January 20, as applicable, information for the preceding six-month period".
  - (5) On page 19, strike lines 5 through 14 and substitute the following:
- (e) The supreme court shall adopt rules establishing guidelines and providing instructions regarding the submission of information under Subsection (a), including rules:
- (1) establishing a penalty for the submission of false information under that subsection; and
- (2) providing guidance on the form and manner of submitting information under that subsection.
  - (6) On page 21, line 16, strike "\$182,000" and substitute "\$175,000".

#### Floor Amendment No. 2

Amend CSSB 293 (house committee report) as follows:

- (1) On page 3, strike lines 8 through 14.
- (2) Strike page 10, line 15, through page 11, line 4.
- (3) Strike page 15, line 16, through page 16, line 5.
- (4) Strike page 31, line 18, through page 32, line 1.
- (5) Renumber the SECTIONS of the bill accordingly.

The amendments were read.

Question: Shall the Senate concur in the House Amendments to SB 293?

#### POINT OF ORDER

Senator Menéndez raised a point of order that Section 23 to SB 293 is not germaine to the body of the bill.

## POINT OF ORDER RULING

The President ruled that the point of order was well-taken and sustained.

## **SENATE RESOLUTION 695**

On motion of Senator Bettencourt and by unanimous consent, Senate Rule 8.02 was suspended to take up **SR 695** regarding **SB 293** for consideration at this time.

The President laid before the Senate the following resolution:

WHEREAS, The Senate has passed S.B. 293, relating to the discipline of judges by the State Commission on Judicial Conduct, notice of certain reprimands, judicial compensation and related retirement benefits, and the reporting of certain judicial transparency information; authorizing an administrative penalty; and

WHEREAS, The House of Representatives has passed S.B. 293 in the form of a house committee substitute with floor amendments and returned the House Amendments to the Senate for consideration; and

WHEREAS, The President of the Senate sustained a point of order that Section 23 of the House Amendments version of the bill is not germane to the Senate version of the bill and is for that reason not eligible for consideration by the Senate; therefore, be it

RESOLVED, That the Senate of the 89th Texas Legislature hereby concurs in the House Amendments to S.B. 293 in all respects except for Section 23 of the House Amendments, amending Section 814.103, Government Code, and substitutes therefor Section 20 of the Senate version of the bill, amending Section 814.103, Government Code, and requests the House of Representatives to recede from the portion of the House Amendments adding Section 23 to the bill and adopt in lieu thereof the following Section, which is in all respects identical to Section 20 of the Senate version:

SECTION 23. Section 814.103, Government Code, is amended by adding Subsections (d) and (e) to read as follows:

- (d) Notwithstanding Subsection (a) or (a-1) or any other law:
- (1) any increase in the state base salary being paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012 by the 89th Legislature, Regular Session, 2025, does not apply to a standard service retirement annuity computed under this section for a retiree or beneficiary if the retiree on whose service the annuity is based retired before September 1, 2025; and
- (2) the amount of the state base salary being paid to a district judge as set by Chapter 1170 (H.B. 1), Acts of the 88th Legislature, Regular Session, 2023 (the General Appropriations Act), for the fiscal year ending August 31, 2025, in accordance with Section 659.012 continues to apply to the annuities described by Subdivision (1) until the effective date of legislation the 90th Legislature or a later legislature enacts that increases the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012.
- (e) On the effective date of legislation the 90th Legislature or a later legislature enacts that increases the state base salary paid to a district judge, as described by Subsection (d), this subsection and Subsection (d) expire.

and; be it further

RESOLVED, that on action by the House of Representatives agreeing to Senate amendment to the House version of S.B. 293 as proposed by this resolution, the House and Senate be considered to be in agreement in all respects on S.B. 293 and that the bill be so enrolled.

BETTENCOURT	FLORES	NICHOLS
ALVARADO	<b>GUTIERREZ</b>	PARKER
BIRDWELL	HALL	PAXTON
BLANCO	A. HINOJOSA	PERRY
CAMPBELL	J. HINOJOSA	SPARKS
COOK	JOHNSON	WEST
CREIGHTON	KING <sub>.</sub>	ZAFFIRINI
ECKHARDT	MENÉNDEZ	

**SR** 695 was read and adopted by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Huffman.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 457

Senator Kolkhorst submitted the following Conference Committee Report:

Austin, Texas May 30, 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 457** 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.

KOLKHORST FRANK BLANCO HULL CAMPBELL ROSE

HUGHES CAPRIGLIONE

**SPARKS** 

On the part of the Senate On the part of the House

# 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. 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.
- SECTION 2. 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 3. 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 4. 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 5. 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 6. 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) housekeeping staff and 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) 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
- (3) 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 7. Sections 32.028(g), (i), and (m), Human Resources Code, are repealed.
- SECTION 8. (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 9. 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 10. 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 11. This Act takes effect September 1, 2025.

The Conference Committee Report on SB 457 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2067

Senator Middleton submitted the following Conference Committee Report:

Austin, Texas May 30, 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 2067** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

MIDDLETON PAUL
CAMPBELL BARRY
CREIGHTON L GONZÁI

CREIGHTON J. GONZÁLEZ KING WHARTON

SCHWERTNER

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 2067** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 12

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 12** 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 LEACH
PAXTON BUCKLEY
PARKER HULL
A. HINOJOSA METCALF
CAMPBELL TINDERHOLT

On the part of the Senate On the part of the House

## A BILL TO BE ENTITLED

## AN ACT

relating to parental rights in public education, to certain public school requirements and prohibitions regarding instruction, diversity, equity, and inclusion duties, and social transitioning, and to student clubs at public schools.

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

SECTION 1. Chapter 1, Education Code, is amended by adding Sections 1.007 and 1.009 to read as follows:

- Sec. 1.007. COMPLIANCE WITH MANDATORY POLICY. (a) In this section, "public elementary or secondary school" means a school district and a district, campus, program, or school operating under a charter under Chapter 12.
- (b) A public elementary or secondary school, the school's governing body, and the school's employees shall implement and comply with each policy the school is required to adopt under this code or other law.
- Sec. 1.009. INFRINGEMENT OF PARENTAL RIGHTS PROHIBITED. The fundamental rights granted to parents by their Creator and upheld by the United States Constitution, the Texas Constitution, and the laws of this state, including the right to direct the moral and religious training of the parent's child, make decisions concerning the child's education, and consent to medical, psychiatric, and psychological treatment of the parent's child under Section 151.001, Family Code, may not be infringed on by any public elementary or secondary school or state governmental entity, including the state or a political subdivision of the state, unless the infringement is:
- (1) necessary to further a compelling state interest, such as providing life-saving care to a child; and
- (2) narrowly tailored using the least restrictive means to achieve that compelling state interest.

SECTION 2. Subchapter C, Chapter 7, Education Code, is amended by adding Section 7.0611 to read as follows:

Sec. 7.0611. FACILITY USAGE REPORT. (a) In this section, "instructional facility" has the meaning assigned by Section 46.001.

- (b) The agency by rule shall require each school district to annually report the following information in the form and manner prescribed by the agency:
- (1) the square footage of each school district facility and the acreage of land on which each facility sits;
- (2) the total student capacity for each instructional facility on a district campus;
  - (3) for each campus in the school district:
- (A) the enrollment capacity of the campus and of each grade level offered at the campus; and
- (B) the number of students currently enrolled at the campus and in each grade level offered at the campus;
- (4) whether a school district facility is used by one or more campuses and the campus identifier of each campus that uses the facility;
  - (5) what each school district facility is used for, including:
    - (A) an instructional facility;
    - (B) a career and technology center;
    - (C) an administrative building;
    - (D) a food service facility;
    - (E) a transportation facility; and
    - (F) vacant land; and
- (c) whether each school district facility is leased or owned.
  (c) From the information submitted under Subsection (b), the agency shall produce and make available to the public on the agency's Internet website an annual report on school district land and facilities. The agency may combine the report required under this section with any other required report to avoid multiplicity of reports.
- (d) If the agency determines information provided under Subsection (b) would create a security risk, such information is considered confidential for purposes of Chapter 552, Government Code, and may not be disclosed in the annual report under Subsection (c).
- (e) The commissioner may adopt rules as necessary to implement this section. In adopting rules for determining the student capacity of a school district or district campus, the commissioner may consider the staffing, student-teacher ratio, and facility capacity of the district or campus.
- SECTION 3. Subchapter A, Chapter 11, Education Code, is amended by adding Section 11.005 to read as follows:
- Sec. 11.005. PROHIBITION ON DIVERSITY, EQUITY, AND INCLUSION DUTIES. (a) In this section, "diversity, equity, and inclusion duties" means:
- (1) influencing hiring or employment practices with respect to race, sex, color, or ethnicity except as necessary to comply with state or federal antidiscrimination laws;
- (2) promoting differential treatment of or providing special benefits to individuals on the basis of race, color, or ethnicity;
- (3) developing or implementing policies, procedures, trainings, activities, or programs that reference race, color, ethnicity, gender identity, or sexual orientation except:

- (A) for the purpose of student recruitment efforts by colleges and universities designated as historically black colleges and universities in collaboration with school districts or open-enrollment charter schools; or
  - (B) as necessary to comply with state or federal law; and
- (4) compelling, requiring, inducing, or soliciting any person to provide a diversity, equity, and inclusion statement or giving preferential consideration to any person based on the provision of a diversity, equity, and inclusion statement.
  - (b) Except as required by state or federal law, a school district:
- (1) may not assign diversity, equity, and inclusion duties to any person; and
  (2) shall prohibit a district employee, contractor, or volunteer from engaging in diversity, equity, and inclusion duties at, for, or on behalf of the district.
- (c) A school district shall adopt a policy and procedure for the appropriate discipline, including termination, of a district employee or contractor who intentionally or knowingly engages in or assigns to another person diversity, equity, and inclusion duties. The district shall provide a physical and electronic copy of the policy and procedure to each district employee or contractor.
- (d) The policy and procedure adopted by a school district under Subsection (c) must ensure that an employee or contractor receives adequate due process and an opportunity to appeal disciplinary actions, including termination, in the same manner provided for other disciplinary actions.
- (e) Nothing in this section may be construed to:

  (1) limit or prohibit a school district from contracting with historically underutilized businesses or businesses owned by members of a minority group or by women in accordance with applicable state law;

  (2) limit or prohibit a school district from acknowledging or teaching the
- significance of state and federal holidays or commemorative months and how those holidays or months fit into the themes of history and the stories of this state and the United States of America in accordance with the essential knowledge and skills adopted under Subchapter A, Chapter 28;
- (3) affect a student's rights under the First Amendment to the United States
- Constitution or Section 8, Article I, Texas Constitution;

  (4) limit or prohibit a school district from analyzing school-based causes and taking steps to eliminate unlawful discriminatory practices as necessary to address achievement gaps and differentials described by Section 39.053; or
  - (5) apply to:
- (A) classroom instruction that is consistent with the essential knowledge and skills adopted by the State Board of Education;
- (B) the collection, monitoring, or reporting of data;
  (C) a policy, practice, procedure, program, or activity intended to enhance student academic achievement or postgraduate outcomes that is designed and implemented without regard to race, sex, color, or ethnicity; or
- (D) a student club that is in compliance with the requirements of Section 33.0815.
- SECTION 4. The heading to Section 11.1518, Education Code, is amended to read as follows:
  - Sec. 11.1518. TRUSTEE INFORMATION [POSTED ON WEBSITE].

- SECTION 5. Section 11.1518, Education Code, is amended by amending Subsection (c) and adding Subsections (d) and (e) to read as follows:
- (c) Not later than the 30th day after a new person is sworn in as a member [Each time there is a change in the membership] of a school district's board of trustees, the district shall update the information required under Subsection (a) and, as applicable:
  - (1) post the updated information on the district's Internet website; or
- (2) submit the updated information to the agency for posting on the agency's Internet website in accordance with Subsection (b).
- (d) A school district shall annually submit to the agency the information required under Subsection (a) for each member of the district's board of trustees. The information must:
  - (1) identify the member designated as chair; and
  - (2) be updated as required by Subsection (c).
  - (e) The commissioner may adopt rules as necessary to implement this section. SECTION 6. Section 11.161, Education Code, is amended to read as follows:

- Sec. 11.161. FRIVOLOUS SUIT OR PROCEEDING. (a) In a civil suit or administrative proceeding brought under state law or rules[-] against an independent school district or an officer of an independent school district acting under color of office, the court or another person authorized to make decisions regarding the proceeding may award costs and reasonable attorney's fees if:
- $\overline{(1)}$  the court or other authorized person finds that the suit or proceeding is frivolous, unreasonable, and without foundation; and
  - (2) the suit or proceeding is dismissed or judgment is for the defendant.
- (b) This section does not apply to a civil suit or administrative proceeding brought under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.). A civil suit or administrative proceeding described by this subsection is governed by the attorney's fees provisions under 20 U.S.C. Section 1415.
- (c) This section does not apply to a proceeding regarding a grievance filed under the grievance procedure established by the board of trustees of a school district under Section 26.011.
- SECTION 7. Chapter 11, Education Code, is amended by adding Subchapter I to read as follows:
- SUBCHAPTER I. ASSISTANCE WITH SOCIAL TRANSITIONING PROHIBITED Sec. 11.401. SCHOOL DISTRICT POLICY: ASSISTANCE WITH SOCIAL
- TRANSITIONING PROHIBITED. (a) In this subchapter, "social transitioning" means a person's transition from the person's biological sex at birth to the opposite biological sex through the adoption of a different name, different pronouns, or other expressions of gender that deny or encourage a denial of the person's biological sex at birth.
- (b) The board of trustees of a school district shall adopt a policy prohibiting an employee of the district from assisting a student enrolled in the district with social transitioning, including by providing any information about social transitioning or providing guidelines intended to assist a person with social transitioning.
- (c) A parent of a student enrolled in the district or a district employee may report to the board of trustees of the district a suspected violation of the policy adopted under Subsection (b). The board shall investigate any suspected violation and

determine whether the violation occurred. If the board determines that a district employee has assisted a student enrolled at the district with social transitioning, the board shall immediately report the violation to the commissioner.

Sec. 11.402. RELIEF. A parent of a student enrolled in a school district may seek relief for a violation of this subchapter by filing a grievance through the district's grievance procedure adopted under Section 26.011.

SECTION 8. Section 12.104(b), Education Code, is amended to read as follows:

- (b) An open-enrollment charter school is subject to:
  - (1) a provision of this title establishing a criminal offense;
  - (2) the provisions in Chapter 554, Government Code; and
- (3) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:
- (A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;
  - (B) criminal history records under Subchapter C, Chapter 22;
- (C) reading instruments and accelerated reading instruction programs under Section 28.006;
  - (D) accelerated instruction under Section 28.0211;
  - (E) high school graduation requirements under Section 28.025;
  - (F) special education programs under Subchapter A, Chapter 29;
  - (G) bilingual education under Subchapter B, Chapter 29;
- (H) prekindergarten programs under Subchapter E or E-1, Chapter 29, except class size limits for prekindergarten classes imposed under Section 25.112, which do not apply;
  - (I) extracurricular activities under Section 33.081;
- (J) discipline management practices or behavior management techniques under Section 37.0021;
  - (K) health and safety under Chapter 38;
  - (L) the provisions of Subchapter A, Chapter 39;
- (M) public school accountability and special investigations under Subchapters A, B, C, D, F, G, and J, Chapter 39, and Chapter 39A;
- (N) the requirement under Section 21.006 to report an educator's misconduct;
  - (O) intensive programs of instruction under Section 28.0213;
- (P) the right of a school employee to report a crime, as provided by Section 37.148;
  - (Q) bullying prevention policies and procedures under Section 37.0832;
- (R) the right of a school under Section 37.0052 to place a student who has engaged in certain bullying behavior in a disciplinary alternative education program or to expel the student;
- (S) the right under Section 37.0151 to report to local law enforcement certain conduct constituting assault or harassment;
- (T) a parent's right to information regarding the provision of assistance for learning difficulties to the parent's child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);

- (U) establishment of residency under Section 25.001;
- (V) school safety requirements under Sections 37.0814, 37.108, 37.1081, 37.1082, 37.1083, 37.1084, 37.1085, 37.1086, 37.109, 37.113, 37.114, 37.1141, 37.115, 37.207, and 37.2071 and Subchapter J, Chapter 37;
- (W) the early childhood literacy and mathematics proficiency plans under Section 11.185;
- (X) the college, career, and military readiness plans under Section 11.186; [and]
  - (Y) parental options to retain a student under Section 28.02124;
  - (Z) diversity, equity, and inclusion duties under Section 11.005;
- (AA) parental access to instructional materials and curricula under Section 26.0061;
- (BB) the adoption of a parental engagement policy as provided by Section 26.0071;
- (CC) parental rights to information regarding a student's mental, emotional, and physical health-related needs and related services offered by the school as provided by Section 26.0083; and
- (DD) establishment of a local school health advisory council with members appointed by the governing body of the school and health education instruction that complies with Section 28.004.
- SECTION 9. Section 12A.004(a), Education Code, is amended to read as follows:
- (a) A local innovation plan may not provide for the exemption of a district designated as a district of innovation from the following provisions of this title:
- (1) a state or federal requirement applicable to an open-enrollment charter school operating under Subchapter D, Chapter 12;
- (2) Subchapters A, C, D, and E, Chapter 11, except that a district may be exempt from Sections 11.1511(b)(5) and (14) and Section 11.162;
- (3) state curriculum and graduation requirements adopted under Chapter 28; [and]
  - (4) Section 28.004; and
- (5) academic and financial accountability and sanctions under Chapters 39 and 39A.
- SECTION 10. Section 21.057, Education Code, is amended by adding Subsection (f) to read as follows:
- (f) Except as provided by Subsection (e) and notwithstanding any other provision of this code, a school district is not exempt from the requirements of this section.
- SECTION 11. Section 26.001, Education Code, is amended by amending Subsections (a), (c), (d), and (e) and adding Subsections (a-1) and (c-1) to read as follows:
- (a) As provided under Section 151.001, Family Code, a parent has the right to direct the moral and religious training of the parent's child, make decisions concerning the child's education, and consent to medical, psychiatric, and

psychological treatment of the child without obstruction or interference from this state, any political subdivision of this state, a school district or open-enrollment charter school, or any other governmental entity.

- (a-1) Parents are partners with educators, administrators, and school district boards of trustees in their children's education. Parents shall be encouraged to actively participate in creating and implementing educational programs for their children.
- (c) Unless otherwise provided by law, a board of trustees, administrator, educator, or other person shall comply with Section 1.009 and may not limit parental rights or withhold information from a parent regarding the parent's child.
- (c-1) A school district may not be considered to have withheld information from a parent regarding the parent's child if the district's actions are in accordance with other law, including the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).
  - (d) Each board of trustees shall:
- (1) provide for procedures to consider complaints that a parent's right has been denied;[-]
- (2) develop a plan for parental participation in the district to improve parent and teacher cooperation, including in the areas of homework, school attendance, and discipline;
- (3) [(e) Each board of trustees shall] cooperate in the establishment of ongoing operations of at least one parent-teacher organization at each school in the district to promote parental involvement in school activities; and
- (4) provide to a parent of a child on the child's enrollment in the district for the first time and to the parent of each child enrolled in the district at the beginning of each school year information about parental rights and options, including the right to withhold consent for or exempt the parent's child from certain activities and instruction, that addresses the parent's rights and options concerning:
  - (A) the child's course of study and supplemental services;
  - (B) instructional materials and library materials;
  - (C) health education instruction under Section 28.004;
- (D) instruction regarding sexual orientation and gender identity under Section 28.0043;
  - (E) school options, including virtual and remote schooling options;
  - (F) immunizations under Section 38.001;
  - (G) gifted and talented programs;
  - (H) promotion, retention, and graduation policies;
  - (I) grade, class rank, and attendance information;
  - (J) state standards and requirements;
  - (K) data collection practices;
  - (L) health care services, including notice and consent under Section

## 26.0083(g);

- (M) the grievance procedure under Section 26.011; and
- (N) special education and bilingual education and special language

programs.

(e) The agency shall develop a form for use by school districts in providing information about parental rights and options under Subsection (d)(4). Each school district shall post the form in a prominent location on the district's Internet website.

SECTION 12. Chapter 26, Education Code, is amended by adding Section 26.0025 to read as follows:

Sec. 26.0025. RIGHT TO SELECT EDUCATIONAL SETTING. A parent is entitled to choose the educational setting for the parent's child, including public school, private school, or home school.

SECTION 13. 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) medical records in accordance with Section 38.0095, including 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 library materials checked out by the child from a school library.

SECTION 14. Section 26.006, Education Code, is amended by adding Subsection (g) to read as follows:

(g) Each school district and open-enrollment charter school shall post on the home page of the district's or school's Internet website a notice stating that a parent of a student enrolled in the district or school is entitled to review the materials described by Subsection (a)(1) and may request that the district or school make the materials available for review as provided by this section.

SECTION 15. Chapter 26, Education Code, is amended by adding Sections 26.0062 and 26.0071 to read as follows:

Sec. 26.0062. REQUIRED DISCLOSURE REGARDING INSTRUCTIONAL PLAN. (a) Each school district shall adopt a policy to make available on the district's Internet website at the beginning of each semester an instructional plan or course syllabus for each class offered in the district for that semester.

(b) The policy adopted under Subsection (a) must:

(1) require each teacher to provide before the beginning of each semester a copy of the teacher's instructional plan or course syllabus for each class for which the teacher provides instruction to:

(A) district administration; and

- (B) the parent of each student enrolled in the class; and
- (2) provide for additional copies of an instructional plan or course syllabus to be made available to a parent of a student enrolled in the class on the parent's request.
- Sec. 26.0071. PARENTAL ENGAGEMENT POLICY. Each board of trustees of a school district shall develop a parental engagement policy that:
- (1) provides for an Internet portal through which parents of students enrolled in the district may submit comments to campus or district administrators and the board;
- (2) requires the board to prioritize public comments by presenting those comments at the beginning of each board meeting; and
  - (3) requires board meetings to be held outside of typical work hours.

SECTION 16. Section 26.008, Education Code, is amended to read as follows:

Sec. 26.008. RIGHT TO FULL INFORMATION CONCERNING STUDENT.

- (a) Except as provided by Section 38.004, a [A] parent is entitled to:
  - (1) full information regarding the school activities of a parent's child; and
- (2) notification not later than one school business day after the date a school district employee first suspects that a criminal offense has been committed against the parent's child [except as provided by Section 38.004].
- (b) An attempt by any school district employee to encourage or coerce a child to withhold information from the child's parent is grounds for discipline under Section 21.104, 21.156, or 21.211, as applicable, or by the State Board for Educator Certification, if applicable.

SECTION 17. Chapter 26, Education Code, is amended by adding Section 26.0083 to read as follows:

- Sec. 26.0083. RIGHT TO INFORMATION REGARDING MENTAL, EMOTIONAL, AND PHYSICAL HEALTH AND HEALTH-RELATED SERVICES.

  (a) The agency shall adopt a procedure for school districts to notify the parent of a student enrolled in the district regarding any change in services provided to or monitoring of the student related to the student's mental, emotional, or physical health or well-being.
- (b) A procedure adopted under Subsection (a) must reinforce the fundamental right of a parent to make decisions regarding the upbringing and control of the parent's child by requiring school district personnel to:
- (1) encourage a student to discuss issues relating to the student's well-being with the student's parent; or
  - (2) facilitate a discussion described under Subdivision (1).
  - (c) A school district may not adopt a procedure that:
- (1) prohibits a district employee from notifying the parent of a student regarding:
- (A) information about the student's mental, emotional, or physical health or well-being; or
- (B) a change in services provided to or monitoring of the student related to the student's mental, emotional, or physical health or well-being;
- (2) encourages or has the effect of encouraging a student to withhold from the student's parent information described by Subdivision (1)(A); or

- (3) prevents a parent from accessing education or health records concerning the parent's child.
- (d) Subsections (a) and (c) do not require the disclosure of information to a parent if a reasonably prudent person would believe the disclosure is likely to result in the student suffering abuse or neglect, as those terms are defined by Section 261.001, Family Code.
- (e) A school district employee may not discourage or prohibit parental knowledge of or involvement in critical decisions affecting a student's mental, emotional, or physical health or well-being.
- (f) Any student support services training developed or provided by a school district to district employees must comply with any student services guidelines, standards, and frameworks established by the State Board of Education and the agency.
- (g) Before the first instructional day of each school year, a school district shall provide to the parent of each student enrolled in the district written notice of each health-related service offered at the district campus the student attends. The notice must include a statement of the parent's right to withhold consent for or decline a health-related service. A parent's consent to a health-related service does not waive a requirement of Subsection (a), (c), or (e).
- (h) Before administering a student well-being questionnaire or health screening form to a student enrolled in prekindergarten through 12th grade, a school district must provide a copy of the questionnaire or form to the student's parent and obtain the parent's consent to administer the questionnaire or form in the manner provided by Section 26.009(a-2).
  - (i) This section may not be construed to:
- (1) limit or alter the requirements of Section 38.004 of this code or Chapter 261, Family Code; or
- (2) limit a school district employee's ability to inquire about a student's daily well-being without parental consent.
- (j) Not later than June 30, 2026, the agency, the State Board of Education, and the State Board for Educator Certification, as appropriate, shall review and revise as necessary the following to ensure compliance with this section:
  - (1) school counseling frameworks and standards;
  - (2) educator practices and professional conduct principles; and
- (3) any other student services personnel guidelines, standards, or frameworks.
  - (k) Subsection (j) and this subsection expire September 1, 2027.

SECTION 18. Section 26.009, Education Code, is amended to read as follows:

- Sec. 26.009. CONSENT REQUIRED FOR CERTAIN ACTIVITIES. (a) An employee or contractor of a school district must obtain the written consent of a child's parent in the manner required by Subsection (a-2) before the employee or contractor may:
- (1) conduct a psychological or psychiatric examination or [-,] test, or psychological or psychiatric treatment, unless the examination, test, or treatment is required under Section 38.004 or state or federal law regarding requirements for special education; [or]

- (2) <u>subject to Subsection (b)</u>, make or authorize the making of a videotape of a child or record or authorize the recording of a child's voice;
  - (3) unless authorized by other law:
- (A) disclose a child's health or medical information to any person other than the child's parent; or
- (B) collect, use, store, or disclose to any person other than the child's parent a child's biometric identifiers; or
- (4) subject to Subsection (a-3), provide health care services or medication or conduct a medical procedure.
  - (a-1) For purposes of Subsection (a):
- (1) "Biometric identifier" means a blood sample, hair sample, skin sample, DNA sample, body scan, retina or iris scan, fingerprint, voiceprint, or record of hand or face geometry.
- (2) "Psychological or psychiatric examination or test" means a method designed to elicit information regarding an attitude, habit, trait, opinion, belief, feeling, or mental disorder or a condition thought to lead to a mental disorder, regardless of the manner in which the method is presented or characterized, including a method that is presented or characterized as a survey, check-in, or screening or is embedded in an academic lesson.
- (3) "Psychological or psychiatric treatment" means the planned, systematic use of a method or technique that is designed to affect behavioral, emotional, or attitudinal characteristics of an individual or group.
- (a-2) Written consent for a parent's child to participate in a district activity described by Subsection (a) must be signed by the parent and returned to the district. A child may not participate in the activity unless the district receives the parent's signed written consent to that activity.
- (a-3) For the purpose of obtaining written consent for actions described by Subsection (a)(4) that are determined by a school district to be routine care provided by a person who is authorized by the district to provide physical or mental health-related services, the district may obtain consent at the beginning of the school year or at the time of the child's enrollment in the district. Unless otherwise provided by a child's parent, written consent obtained in accordance with this subsection is effective until the end of the school year in which the consent was obtained.
- (b) An employee or contractor of a school district is not required to obtain the consent of a child's parent before the employee or contractor may make a videotape of a child or authorize the recording of a child's voice if the videotape or voice recording is to be used only for:
- (1) purposes of safety, including the maintenance of order and discipline in common areas of the school or on school buses;
  - (2) a purpose related to a cocurricular or extracurricular activity;
  - (3) a purpose related to regular classroom instruction;
  - (4) media coverage of the school; or
- (5) a purpose related to the promotion of student safety under Section 29.022.

- (c) Before the first instructional day of each school year, a school district shall provide to the parent of each student enrolled in the district written notice of any actions the district may take involving the authorized collection, use, or storage of information as described by Subsection (a)(3). The notice must:
- (1) include a plain language explanation for the district's collection, use, or storage of the child's information and the district's legal authority to engage in that collection, use, or storage; and
  - (2) be signed by the parent and returned to the district.
- (d) A school district shall take disciplinary action against an employee responsible for allowing a child to participate in an activity described by Subsection (a)(4) if the district did not obtain a parent's consent for the child's participation in that activity.
- (e) A school district shall retain the written informed consent of a child's parent obtained under this section as part of the child's education records.
  - (f) Nothing in this section may be construed to:
- (1) require an employee or contractor of a school district to obtain the written consent of a child's parent before verbally asking the child about the child's general well-being; or
- (2) affect the duty to report child abuse or neglect under Chapter 261, Family Code, or an investigation of a report of abuse or neglect under that chapter.

SECTION 19. Section 26.011, Education Code, is amended to read as follows:

- Sec. 26.011. GRIEVANCES [COMPLAINTS]. (a) The board of trustees of each school district shall adopt a grievance procedure that complies with Chapter 26A under which the board shall address each grievance [complaint] that the board receives concerning violation of a right guaranteed by this chapter, of a board of trustees policy, or of a provision of this title.
- (b) The board of trustees of a school district is not required by Subsection (a) or Section 11.1511(b)(13) to address a grievance [complaint] that the board receives concerning a student's participation in an extracurricular activity that does not involve a violation of a right guaranteed by this chapter, of a board of trustees policy, or of a provision of this title. This subsection does not affect a claim brought by a parent under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) or a successor federal statute addressing special education services for a child with a disability.

SECTION 20. Subtitle E, Title 2, Education Code, is amended by adding Chapter 26A to read as follows:

## CHAPTER 26A. GRIEVANCE POLICY

- Sec. 26A.001. GRIEVANCE POLICY. (a) The board of trustees of a school district shall adopt a grievance policy to address grievances received by the district.
- (b) The policy must provide for the following levels of review, subject to Subsection (c):
  - (1) review by:
- (A) the principal of the school district campus at which the grievance is filed or the principal's designee; or
- (B) for a grievance that arises from subject matter unrelated to a campus, an administrator at the school district's central office;

- (2) if established by the policy, an appeal to an administrator at the school district's central office;
- (3) an appeal to the superintendent of the school district or the superintendent's designee; and
  - (4) an appeal to the board of trustees of the school district.
- (c) A review or appeal on a grievance must be conducted by a person with the authority to address the grievance unless a preliminary hearing is necessary to develop a record or a recommendation for the board of trustees of the school district.
- (d) The board of trustees of a school district may delegate the authority to hear and decide a grievance to a committee of at least three members composed only of members of the board of trustees. For purposes of an appeal to the commissioner under Section 7.057, a decision by the committee is a decision of the board of trustees. Subsection (e) applies to the committee in the same manner as that subsection applies to the board of trustees.
  - (e) The policy must:
- (1) prohibit the board of trustees of the school district or a district employee from retaliating against a student or parent of or person standing in parental relation to a student who files a grievance in accordance with the policy;
- (2) require a person involved in reviewing a grievance under the policy to recuse himself or herself from reviewing the grievance if the person is the subject of the grievance;
- (3) provide for a higher level of review under Subsection (b) if the person who would otherwise review the grievance is required to recuse himself or herself under Subdivision (2);
- (4) provide for the creation and retention of a record of each hearing on the grievance, including:
- (A) documents submitted by the person who filed the grievance or determined relevant by school district personnel; and
- (B) a written record of the decision, including an explanation of the basis for the decision and an indication of each document that supports the decision;
- (5) allow the person who filed the grievance to supplement the record with additional documents or add additional claims;
- (6) allow for a member of the board of trustees of the school district to file a grievance with the district, but prohibit the member from voting on matters related to that grievance;
- (7) allow for a remand to a lower level of review under Subsection (b) to develop a record at any time, including at the board of trustees level of review;
- (8) require the school district to direct a grievance that is filed with the incorrect administrator to the appropriate administrator and consider the grievance filed on the date on which the grievance was initially filed;
- (9) require the school district to issue a decision on the merits of the concern raised in the grievance, notwithstanding procedural errors or the type of relief requested;
- (10) unless otherwise required by law, allow for a hearing or meeting at which the grievance will be discussed to be open or closed at the request of the person who filed the grievance; and

- (11) for a grievance before the board of trustees of the school district, require that:
- (A) the person who filed the grievance be provided at least five business days before the date on which the meeting to discuss the grievance will be held a description of any information the board of trustees intends to rely on that is not contained in the record; and
- (B) the meeting at which the grievance is discussed be recorded by video or audio recording or by transcript created by a certified court reporter.
- (f) If a grievance is appealed to the commissioner under Section 7.057, the commissioner may:
- (1) investigate an alleged violation of state or federal law regarding the confidentiality of student information, including the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), relating to the grievance;
- (2) collaborate with relevant federal agencies in an investigation described by Subdivision (1); and
- (3) take any action necessary to compel the school district, the board of trustees of the district, or a district employee to comply with law described by Subdivision (1).
- (g) Each school district shall annually submit to the agency a report on grievances filed in the district during the preceding year. The report must include for each grievance the resolution of the grievance and any corrective action taken.
- (h) Not later than December 1 of each year, the agency shall post on the agency's Internet website a report on grievances filed in school districts during the preceding year. The report must aggregate the data statewide and state:
  - (1) the number of grievances filed;
- (2) the number of grievances resolved and the resolution of those grievances; and
  - (3) any corrective actions taken.
- (i) If the commissioner determines that a school district educator has retaliated against a student or parent of or person standing in parental relation to a student in violation of Subsection (e)(1), the commissioner may report the educator to the State Board for Educator Certification for investigation.
- Sec. 26A.002. TIMELINES FOR FILING AND APPEAL. The policy adopted under Section 26A.001 must:
  - (1) provide at least:
- (A) for a grievance filed by a parent of or person standing in parental relation to a student enrolled in the school district:
- (i) 60 days to file a grievance from the date on which the parent or person knew or had reason to know of the facts giving rise to the grievance; or
- (ii) if the parent or person engaged in informal attempts to resolve the grievance, the later of 90 days to file a grievance from the date described by Subparagraph (i) or 30 days to file a grievance from the date on which the district provided information to the parent or person regarding how to file the grievance; and
- (B) 20 days to file an appeal after the date on which a decision on the grievance was made;

- (2) for a hearing that is not before the board of trustees of the school district, require:
- (A) the district to hold a hearing not later than the 10th day after the date on which the grievance or appeal was filed; and
- (B) a written decision to be made not later than the 20th day after the date on which the hearing was held that includes:
  - (i) any relief or redress to be provided; and
- (ii) information regarding filing an appeal, including the timeline to appeal under this section and Section 7.057, if applicable; and
- (3) for a hearing before the board of trustees of the school district, require the board of trustees to:
- (A) hold a meeting to discuss the grievance not later than the 60th day after the date on which the previous decision on the grievance was made; and
- (B) make a decision on the grievance not later than the 30th day after the date on which the meeting is held under Paragraph (A).
- Sec. 26A.003. POSTING OF PROCEDURES AND FORMS. (a) The board of trustees of a school district shall develop, make publicly available in a prominent location on the district's Internet website, and include in the district's student handbook:
  - (1) procedures for resolving grievances;
- (2) standardized forms for filing a grievance, a notice of appeal, or a request for a hearing under this chapter; and
  - (3) the method by which a grievance may be filed electronically.
- (b) A school district shall ensure that a grievance may be submitted electronically at the location on the district's Internet website at which the information described by Subsection (a) is available.
- (c) A school district shall submit and make accessible to the agency the location on the district's Internet website at which the information described by Subsection (a) is available.
- Sec. 26A.004. TESTIMONY BEFORE STATE BOARD OF EDUCATION. If the commissioner finds against a school district under Section 7.057 in at least five grievances to which that section applies involving the district during a school year, the superintendent of the school district must appear before the State Board of Education to testify regarding the commissioner's findings and the frequency of grievances against the district.
- SECTION 21. Section 28.002, Education Code, is amended by adding Subsection (c-6) to read as follows:
- (c-6) The State Board of Education may not adopt standards in violation of Section 28.0043.
- SECTION 22. Section 28.0022, Education Code, is amended by amending Subsection (f) and adding Subsection (h) to read as follows:
- (f) This section does not create a private cause of action against a teacher, administrator, or other employee of a school district or open-enrollment charter school. [A school district or open-enrollment charter school may take appropriate action involving the employment of any teacher, administrator, or other employee based on the individual's compliance with state and federal laws and district policies.]

- (h) A school district or open-enrollment charter school shall adopt a policy and procedure for the appropriate discipline, including termination, of a district or school employee or contractor who intentionally or knowingly engages in or assigns to another person an act prohibited by this section. The district or school shall provide a physical and electronic copy of the policy and procedure to each district or school employee or contractor.
- SECTION 23. Section 28.004, Education Code, is amended by adding Subsection (i-2) to read as follows:
- (i-2) Before a student may be provided with human sexuality instruction, a school district must obtain the written consent of the student's parent. A request for written consent under this subsection:
- (1) may not be included with any other notification or request for written consent provided to the parent, other than the notice provided under Subsection (i); and
- (2) must be provided to the parent not later than the 14th day before the date on which the human sexuality instruction begins.

SECTION 24. Subchapter A, Chapter 28, Education Code, is amended by adding Section 28.0043 to read as follows:

Sec. 28.0043. RESTRICTION ON INSTRUCTION REGARDING SEXUAL ORIENTATION AND GENDER IDENTITY. (a) A school district, open-enrollment charter school, or district or charter school employee may not provide or allow a third party to provide instruction, guidance, activities, or programming regarding sexual orientation or gender identity to students enrolled in prekindergarten through 12th grade.

(b) This section may not be construed to:

- (1) limit a student's ability to engage in speech or expressive conduct protected by the First Amendment to the United States Constitution or by Section 8, Article I, Texas Constitution, that does not result in material disruption to school activities;
- (2) limit the ability of a person who is authorized by the district to provide physical or mental health-related services to provide the services to a student, subject to any required parental consent; or
- (3) prohibit an organization whose membership is restricted to one sex and whose mission does not advance a political or social agenda from meeting on a school district or open-enrollment charter school campus.

SECTION 25. The heading to Section 28.022, Education Code, is amended to read as follows:

Sec. 28.022. NOTICE TO PARENT OF UNSATISFACTORY PERFORMANCE; CONFERENCES.

SECTION 26. Section 28.022(a), Education Code, is amended to read as follows:

- (a) The board of trustees of each school district shall adopt a policy that:
- (1) provides for <u>at least two opportunities for in-person conferences during each school year [a conference]</u> between <u>each parent of a child enrolled in the district and the child's [parents and]</u> teachers;

- (2) requires the district, at least once every 12 weeks, to give written notice to a parent of a student's performance in each class or subject; and
- (3) requires the district, at least once every three weeks, or during the fourth week of each nine-week grading period, to give written notice to a parent or legal guardian of a student's performance in a subject included in the foundation curriculum under Section 28.002(a)(1) if the student's performance in the subject is consistently unsatisfactory, as determined by the district.

SECTION 27. Subchapter D, Chapter 33, Education Code, is amended by adding Section 33.0815 to read as follows:

- Sec. 33.0815. CERTAIN REQUIREMENTS FOR STUDENT CLUBS. (a) Subject to Subsection (b), a school district or open-enrollment charter school may authorize or sponsor a student club.
- (b) A school district or open-enrollment charter school may not authorize or sponsor a student club based on sexual orientation or gender identity.
- (c) A school district or open-enrollment charter school must require the written consent of the parent of or person standing in parental relation to a student enrolled in the district or school before the student may participate in a student club authorized or sponsored under Subsection (a) at the district or school.

SECTION 28. Subchapter A, Chapter 39, Education Code, is amended by adding Section 39.008 to read as follows:

Sec. 39.008. CERTIFICATION OF COMPLIANCE WITH CERTAIN LAWS REQUIRED. (a) Not later than September 30 of each year, the superintendent of a school district or open-enrollment charter school shall certify to the agency that the district or school is in compliance with this section and Sections 11.005 and 28.0022.

(b) The certification required by Subsection (a) must:

(1) be:

- (A) approved by a majority vote of the board of trustees of the school district or the governing body of the open-enrollment charter school at a public meeting that includes an opportunity for public testimony and for which notice was posted on the district's or school's Internet website at least seven days before the date on which the meeting is held; and
  - (B) submitted electronically to the agency; and

(2) include:

- (A) a description of the policies and procedures required by Sections 11.005(c) and 28.0022(h) and the manner in which district or school employees and contractors were notified of those policies and procedures;
- (B) any existing policies, programs, procedures, or trainings that were altered to ensure compliance with this section or Section 11.005 or 28.0022; and
- (C) any cost savings resulting from actions taken by the school district or open-enrollment charter school to comply with this section.
- (c) The agency shall post each certification received under Subsection (a) on the agency's Internet website.

SECTION 29. Section 12A.004(a), Education Code, as amended by this Act, applies to a local innovation plan adopted or renewed before, on, or after the effective date of this Act.

SECTION 30. This Act applies beginning with the 2025-2026 school year.

SECTION 31. 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.

The Conference Committee Report on SB 12 was filed with the Secretary of the Senate.

## CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3595

Senator Perry 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 3595** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

PERRY BARRY
BETTENCOURT ASHBY
J. HINOJOSA KING
KOLKHORST WHARTON

SPARKS

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 3595** was filed with the Secretary of the Senate.

## CONFERENCE COMMITTEE REPORT ON SENATE BILL 2878

Senator Hughes 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 2878 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.

HUGHES LEACH
BIRDWELL DYSON
CREIGHTON JOHNSON
J. HINOJOSA LANDGRAF
KING MOODY

On the part of the Senate On the part of the House

## A BILL TO BE ENTITLED

AN ACT

relating to the operation and administration of and practices and procedures related to proceedings in the judicial branch of state government, including court security, court documents and arrest warrants, document delivery, juvenile boards, constitutional amendment election challenges, mandatory expunction for certain persons, record retention, and youth diversion; increasing a criminal penalty; authorizing fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: ARTICLE 1. DISTRICT COURTS, DISTRICT CLERKS, AND DISTRICT ATTORNEYS

SECTION 1.01. Effective January 1, 2027, the heading to Section 24.127, Government Code, is amended to read as follows:

Sec. 24.127. 522ND [SECOND 25TH] JUDICIAL DISTRICT ([COLORADO,] GONZALES AND [-], GUADALUPE [-, AND LAVACA] COUNTIES).

SECTION 1.02. Effective January 1, 2027, Section 24.127(a), Government Code, is amended to read as follows:

(a) The <u>522nd</u> [Second <u>25th</u>] Judicial District is composed of [Colorado,] Gonzales and [, Guadalupe [, and Lavaea] counties.

SECTION 1.03. Section 24.360, Government Code, is amended to read as follows:

Sec. 24.360. 173RD JUDICIAL DISTRICT (HENDERSON COUNTY). (a) The 173rd Judicial District is composed of Henderson County.

(b) The 173rd District Court shall give preference to civil and family law matters.

SECTION 1.04. Effective January 1, 2026, the heading to Section 24.451, Government Code, is amended to read as follows:

Sec. 24.451. 274TH JUDICIAL DISTRICT (COMAL[<del>, GUADALUPE,</del>] AND HAYS COUNTIES).

SECTION 1.05. Effective January 1, 2026, Sections 24.451(a) and (c), Government Code, are amended to read as follows:

- (a) The 274th Judicial District is composed of Comal[<del>, Guadalupe,</del>] and Hays counties.
- (c) The 274th District Court has the same jurisdiction as the 22nd and the 207th district courts in Comal and Hays counties [and concurrent jurisdiction with the 25th and Second 25th district courts in Guadalupe County].

SECTION 1.06. Section 24.537, Government Code, is amended by adding Subsection (c) to read as follows:

(c) The 392nd District Court shall give preference to criminal cases.

SÉCTION 1.07. Section 24.591(c), Government Code, is amended to read as follows:

(c) The district clerk serves as clerk of a district court in all criminal and civil matters, including family matters, except the county clerk serves as clerk of a district court in Class A and Class B misdemeanor cases, juvenile matters, probate matters, and guardianship matters. Each clerk shall establish a separate docket for a district court [All eivil and criminal matters within the concurrent jurisdiction of the county and district courts must be filed with the county clerk in the county court. The county clerk serves as the clerk of the district court for those matters].

SECTION 1.08. (a) Effective September 1, 2026, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.60035 to read as follows:

Sec. 24.60035. 490TH JUDICIAL DISTRICT (BRAZORIA COUNTY). The 490th Judicial District is composed of Brazoria County.

(b) The 490th Judicial District is created on September 1, 2026.

SECTION 1.09. (a) Effective September 1, 2026, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.60037 to read as follows:

Sec. 24.60037. 492ND JUDICIAL DISTRICT (COLORADO AND LAVACA COUNTIES). The 492nd Judicial District is composed of Colorado and Lavaca counties.

(b) The 492nd Judicial District is created on September 1, 2026.

SECTION 1.10. Section 24.60043(d), Government Code, as effective October 1, 2025, is amended to read as follows:

(d) The district clerk serves as the clerk of a district court in all criminal and civil matters, including family matters, except the county clerk serves as the clerk of a district court in Class A and Class B misdemeanor cases, juvenile matters, probate matters, and guardianship matters. Each clerk shall establish a separate docket for a district court [All civil and criminal matters within the concurrent jurisdiction of the county and district courts must be filed with the county clerk in the county court. The county clerk serves as the clerk of the district court for those matters].

SECTION 1.11. (a) Subchapter C, Chapter 24, Government Code, is amended by adding Sections 24.60046 and 24.60047 to read as follows:

Sec. 24.60046. 501ST JUDICIAL DISTRICT (FORT BEND COUNTY). The 501st Judicial District is composed of Fort Bend County.

Sec. 24.60047. 502ND JUDICIAL DISTRICT (FORT BEND COUNTY). The 502nd Judicial District is composed of Fort Bend County.

(b) The 501st and 502nd Judicial Districts are created on September 1, 2025.

SECTION 1.12. (a) Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.60048 to read as follows:

Sec. 24.60048. 503RD JUDICIAL DISTRICT (ROCKWALL COUNTY). The 503rd Judicial District is composed of Rockwall County.

(b) The 503rd Judicial District is created on September 1, 2025.

SECTION 1.13. (a) Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.60049 to read as follows:

Sec. 24.60049. 504TH JUDICIAL DISTRICT (ELLIS COUNTY). The 504th Judicial District is composed of Ellis County.

(b) The 504th Judicial District is created on September 1, 2025.

SECTION 1.14. (a) Effective September 1, 2026, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.60053 to read as follows:

Sec. 24.60053. 511TH JUDICIAL DISTRICT (COMAL COUNTY). The 511th Judicial District is composed of Comal County.

(b) The 511th Judicial District is created on September 1, 2026.

SECTION 1.15. (a) Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.60054 to read as follows:

Sec. 24.60054. 512TH JUDICIAL DISTRICT (WILLIAMSON COUNTY). The 512th Judicial District is composed of Williamson County.

(b) The 512th Judicial District is created on September 1, 2025.

SECTION 1.16. (a) Effective October 1, 2025, Subchapter C, Chapter 24, Government Code, is amended by adding Sections 24.60055, 24.60056, and 24.60057 to read as follows:

Sec. 24.60055. 513TH JUDICIAL DISTRICT (HARRIS COUNTY). (a) The 513th Judicial District is composed of Harris County.

(b) The 513th District Court shall give preference to civil cases.

Sec. 24.60056. 514TH JUDICIAL DISTRICT (HARRIS COUNTY). (a) The 514th Judicial District is composed of Harris County.

(b) The 514th District Court shall give preference to civil cases. Sec. 24.60057. 515TH JUDICIAL DISTRICT (HARRIS COUNTY). (a) The 515th Judicial District is composed of Harris County.

(b) The 515th District Court shall give preference to civil cases.

(b) The 513th, 514th, and 515th District Courts are created on October 1, 2025.

SECTION 1.17. (a) Effective October 1, 2026, Subchapter C, Chapter 24, Government Code, is amended by adding Sections 24.60058 and 24.60059 to read as follows:

Sec. 24.60058. 516TH JUDICIAL DISTRICT (HARRIS COUNTY). (a) The 516th Judicial District is composed of Harris County.

(b) The 516th District Court shall give preference to civil cases.

Sec. 24.60059. 517TH JUDICIAL DISTRICT (HARRIS COUNTY). (a) The 517th Judicial District is composed of Harris County.

(b) The 517th District Court shall give preference to civil cases.

(b) The 516th and 517th District Courts are created on October 1, 2026.

SECTION 1.18. Section 24.911, Government Code, is amended by adding Subsection (a-2) to read as follows:

(a-2) Tarrant County Criminal District Court No. 2 shall give preference to criminal cases.

SECTION 1.19. Section 24.913, Government Code, is amended by adding Subsection (e) to read as follows:

(e) Tarrant County Criminal District Court No. 4 shall give preference to criminal cases.

SECTION 1.20. Effective September 1, 2028, Section 43.101, Government Code, is amended to read as follows:

Sec. 43.101. 1ST JUDICIAL DISTRICT. The voters of [Sabine and] San Augustine County [counties] elect a district attorney for the 1st Judicial District who represents the state in the [that] district courts in that county [court only in those counties].

- SECTION 1.21. (a) Effective January 1, 2029, Subchapter B, Chapter 43, Government Code, is amended by adding Section 43.1742 to read as follows:
- Sec. 43.1742. 273RD JUDICIAL DISTRICT. The voters of Sabine County elect a district attorney for the 273rd Judicial District who represents the state in the district courts in that county.
- (b) The office of district attorney for the 273rd Judicial District is created on September 1, 2028.
- SECTION 1.22. Effective January 1, 2029, Section 43.177, Government Code, is amended to read as follows:
- Sec. 43.177. 293RD JUDICIAL DISTRICT. (a) The voters of Maverick County [the 293rd Judicial District] elect a district attorney who represents the state in all cases before the [that] district court.
- (b) The commissioners court of Maverick County [one or more of the counties comprising the district] may supplement the state salary of the district attorney and [-The commissioners court of each county may] set the amount of supplemental compensation paid by that county.
- (c) The district attorney of the 293rd Judicial District also represents the state in all criminal and civil matters that arise in the 365th Judicial District in Maverick County.
- SECTION 1.23. (a) Effective January 1, 2029, Subchapter B, Chapter 43, Government Code, is amended by adding Section 43.1812 to read as follows:
- Sec. 43.1812. 365TH JUDICIAL DISTRICT. The voters of Dimmit and Zavala Counties elect a district attorney for the 365th Judicial District who represents the state in all civil and criminal matters in the district courts having jurisdiction in those counties.
- (b) The office of district attorney for the 365th Judicial District is created on January 1, 2029.
- (c) The office of district attorney for the 365th Judicial District exists for purposes of the primary and general elections in 2028.
- SECTION 1.24. Effective January 1, 2029, Section 46.002, Government Code, is amended to read as follows:
- Sec. 46.002. PROSECUTORS SUBJECT TO CHAPTER. This chapter applies to the state prosecuting attorney, all county prosecutors, and the following state prosecutors:
- (1) the district attorneys for Kenedy and Kleberg Counties and for the 1st, 2nd, 8th, 9th, 18th, 21st, 23rd, 24th, 26th, 27th, 29th, 31st, 32nd, 33rd, 34th, 35th, 36th, 38th, 39th, 42nd, 43rd, 46th, 47th, 49th, 50th, 51st, 52nd, 53rd, 63rd, 64th, 66th, 69th, 70th, 76th, 79th, 81st, 83rd, 84th, 85th, 88th, 90th, 97th, 100th, 105th, 106th, 109th, 110th, 112th, 118th, 119th, 123rd, 132nd, 142nd, 143rd, 145th, 156th, 159th, 173rd, 196th, 198th, 216th, 220th, 229th, 235th, 253rd, 258th, 259th, 266th, 268th, 271st, 273rd, 286th, 287th, 329th, 344th, 349th, 355th, 369th, 452nd, and 506th judicial districts;
- (2) the criminal district attorneys for the counties of Anderson, Austin, Bastrop, Bexar, Bowie, Brazoria, Caldwell, Calhoun, Cass, Collin, Comal, Dallas, Deaf Smith, Denton, Eastland, Fannin, Galveston, Grayson, Gregg, Harrison, Hays, Hidalgo, Jasper, Jefferson, Kaufman, Kendall, Lubbock, McLennan, Madison,

Medina, Navarro, Newton, Panola, Polk, Randall, Rockwall, San Jacinto, Smith, Tarrant, Taylor, Tyler, Upshur, Van Zandt, Victoria, Walker, Waller, Wichita, Wood, and Yoakum; and

(3) the county attorneys performing the duties of district attorneys in the counties of Andrews, Aransas, Burleson, Callahan, Cameron, Castro, Colorado, Crosby, Ellis, Falls, Fayette, Freestone, Gonzales, Guadalupe, Lamar, Lamb, Lampasas, Lavaca, Lee, Limestone, Marion, Milam, Morris, Ochiltree, Oldham, Orange, Rains, Red River, Robertson, Rusk, Swisher, Terry, Webb, and Willacy.

SECTION 1.25. Effective January 1, 2026, the following provisions of the Government Code are repealed:

- (1) Sections 24.126(b) and (d);
- (2) Sections 24.127(b) and (c); and
- (3) Section 24.451(b).

#### ARTICLE 2. STATUTORY COUNTY COURTS

SECTION 2.01. Sections 22.004(b) and (h-1), Government Code, are amended to read as follows:

- (b) The supreme court from time to time may promulgate a specific rule or rules of civil procedure, or an amendment or amendments to a specific rule or rules, to be effective at the time the supreme court deems expedient in the interest of a proper administration of justice. The rules and amendments to rules remain in effect unless and until disapproved by the legislature. The clerk of the supreme court shall file with the secretary of state the rules or amendments to rules promulgated by the supreme court under this subsection and shall provide [mail] a copy of those rules or amendments to rules to each registered member of the State Bar of Texas not later than the 60th day before the date on which they become effective. On receiving a written request from a member of the legislature, the secretary of state shall provide the member with electronic notifications when the supreme court has promulgated rules or amendments to rules under this section.
- (h-1) In addition to the rules adopted under Subsection (h), the supreme court shall adopt rules to promote the prompt, efficient, and cost-effective resolution of civil actions filed in county courts at law in which the amount in controversy does not exceed \$325,000 [\$250,000]. The rules shall balance the need for lowering discovery costs in these actions against the complexity of and discovery needs in these actions. The supreme court may not adopt rules under this subsection that conflict with other statutory law.

SECTION 2.02. Section 25.0003(c), Government Code, is amended to read as follows:

- (c) In addition to other jurisdiction provided by law, a statutory county court exercising civil jurisdiction concurrent with the constitutional jurisdiction of the county court has concurrent jurisdiction with the district court in:
- (1) civil cases in which the matter in controversy exceeds \$500 but does not exceed \$325,000 [\$250,000], excluding interest, statutory or punitive damages and penalties, and attorney's fees and costs, as alleged on the face of the petition; and
- (2) appeals of final rulings and decisions of the division of workers' compensation of the Texas Department of Insurance regarding workers' compensation claims, regardless of the amount in controversy.

SECTION 2.03. Section 25.0007(c), Government Code, is amended to read as follows:

(c) In a civil case pending in a statutory county court in which the matter in controversy exceeds  $\underline{\$325,000}$  [ $\underline{\$250,000}$ ], the jury shall be composed of 12 members unless all of the parties agree to a jury composed of a lesser number of jurors.

SECTION 2.04. Section 25.00212, Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

- (a) At the end of each state fiscal year, the comptroller shall determine:
- (1) the amounts deposited in the judicial fund <u>under Section 133.151(c)(1),</u> <u>Local Government Code, from [by]</u> statutory probate <u>courts fees remitted under Section 133.151(a)(1), Local Government Code, either:</u>
- (A) directly to the treasury by the Office of Court Administration of the Texas Judicial System for fees paid using the electronic filing system established under Section 72.031; or
- (B) to the comptroller in the manner provided by Subchapter B, Chapter 133, Local Government Code, for fees paid to an officer of a court; and
- (2) the sum of the amount paid under Section 25.0022(e) and the total amounts paid to the counties under Section 25.00211.
- (a-1) If the comptroller determines the total amount deposited in the judicial fund by statutory probate courts in all counties as calculated under Subsection (a)(1) exceeds the sum calculated under Subsection (a)(2) [that sum], the comptroller [state] shall remit the excess proportionately to each county that contributed [deposited] a greater amount to [in] the judicial fund from fees collected by a statutory probate court than the amount the county was paid under Section 25.00211, as adjusted in an equitable manner to reflect the differences in the total amounts paid to the counties under Section 25.00211.

SECTION 2.05. Section 25.0022(f), Government Code, is amended to read as follows:

(f) Each county pays annually to the presiding judge, from fees allocated to the judicial education and support fund under [collected pursuant to] Section 135.102 [118.052(2)(A)(vi)], Local Government Code, the amount of the salary apportioned [to it] as provided by this section and the other expenses authorized by this section. The presiding judge shall place each county's payment of salary and other expenses in an administrative fund, from which the salary and other expenses are paid. The salary shall be paid in equal monthly installments.

SECTION 2.06. Section 25.0062(b), Government Code, is amended to read as follows:

(b) The district clerk serves as clerk of a county court at law in felony cases, in family law cases and proceedings, and in civil cases in which the matter in controversy exceeds \$325,000 [\$250,000]. The county clerk serves as clerk of a county court at law in all other cases. The district clerk shall establish a separate docket for a county court at law. The commissioners court shall provide the deputy clerks, bailiffs, and other personnel necessary to operate a county court at law.

SECTION 2.07. (a) Section 25.0092, Government Code, is amended by amending Subsections (a) and (d) and adding Subsection (c-1) to read as follows:

- (a) In addition to the jurisdiction provided by Section 25.0003 and other law, and except as limited by Subsection (b), a county court at law in Atascosa County has concurrent jurisdiction with the district court in:
  - (1) Class A and Class B misdemeanor cases;
  - (2) family law matters;
  - (3) juvenile matters;
  - (4) probate matters; [and]
  - (5) appeals from the justice and municipal courts; and
- (6) civil cases in which the matter in controversy exceeds the maximum amount provided by Section 25.0003 but does not exceed \$1 million, excluding interest, statutory or punitive damages and penalties, and attorney's fees and costs, as alleged on the face of the petition, including:
  - (A) a suit to decide the issue of title to real or personal property;
  - (B) a suit for the enforcement of a lien on real property;
- (C) a suit for the trial of the right to property valued at \$500 or more that has been levied on under a writ of execution, sequestration, or attachment; and (D) a suit for the recovery of real property.
- (c-1) In addition to other assignments provided by law, a judge of the county court at law in Atascosa County is subject to assignment under Chapter 74 to any district court in Atascosa County. A county court at law judge assigned to a district court may been any matter proding in the district court.
- court may hear any matter pending in the district court.

  (d) The judge of a county court at law shall be paid as provided by Section 25.0005 [a total annual salary set by the commissioners court at an amount that is not less than \$1,000 less than the total annual salary received by a district judge in the county. A district judge's or statutory county court judge's total annual salary does not include contributions and supplements paid by a county].
- (b) Section 25.0092(a), Government Code, as amended by this section, applies only to a case filed or proceeding commenced on or after the effective date of this Act. A case filed or proceeding commenced before that date is governed by the law in effect on the date the case was filed or the proceeding was commenced, and the former law is continued in effect for that purpose.

SECTION 2.08. Section 25.0212, Government Code, is amended by amending Subsections (a), (b), and (f) and adding Subsections (i) and (j) to read as follows:

- (a) In addition to the jurisdiction provided by Section 25.0003 and other law and except as limited by Subsection (b), a county court at law in Bowie County has, concurrent with the district court, the jurisdiction provided by the constitution and by general law for district courts, including concurrent jurisdiction in:
  - (1) specialty court programs;
  - (2) misdemeanor cases;
  - (3) family law cases and proceedings, including juvenile matters; and
  - (4) probate and guardianship matters.
  - (b) A county court at law does not have jurisdiction of:
    - (1) felony criminal matters;
    - (2) suits on behalf of the state to recover penalties or escheated property;
    - (3) misdemeanors involving official misconduct;
    - (4) contested elections; or

- (5) civil cases in which the matter in controversy exceeds the amount provided in Section 25.0003 [\$200,000], excluding interest, statutory or punitive damages and penalties, and attorney's fees and costs, as alleged on the face of the petition.
- (f) The [commissioners court may authorize the judge of a county court at law to set the] official court reporter of a county court at law is entitled to compensation, fees, and allowances in amounts equal to the amounts paid to the official court reporters serving the district courts in Bowie County, including an annual salary set by the judge of the county court at law and approved by the commissioners court [reporter's salary].
- (i) The jury in all civil or criminal matters is composed of 12 members, except in misdemeanor criminal cases and any other case in which the court has concurrent jurisdiction with county courts under Section 25.0003(a), the jury is composed of six members.
- (j) In matters of concurrent jurisdiction, a judge of a county court at law and a judge of a district court with jurisdiction in Bowie County may transfer cases between the courts in the same manner that judges of district courts may transfer cases under Section 24.003.

SECTION 2.09. (a) Section 25.1031(a), Government Code, is amended to read as follows:

- (a) Harris County has the following county civil courts at law:
  - (1) County Civil Court at Law No. 1 of Harris County, Texas;
  - (2) County Civil Court at Law No. 2 of Harris County, Texas;
  - (3) County Civil Court at Law No. 3 of Harris County, Texas; [and]
  - (4) County Civil Court at Law No. 4 of Harris County, Texas; and
  - (5) County Civil Court at Law No. 5 of Harris County, Texas.
- (b) The County Civil Court at Law No. 5 of Harris County is created on September 1, 2025.

SECTION 2.10. (a) Effective September 1, 2026, Section 25.1101(b), Government Code, is amended to read as follows:

- (b) Hidalgo County has the following statutory probate courts:
- (1) [one statutory probate court, the] Probate Court No. 1 of Hidalgo County; and
  - (2) Probate Court No. 2 of Hidalgo County.
  - (b) On September 1, 2026:
    - (1) Probate Court No. 2 of Hidalgo County is created; and
- (2) the Probate Court of Hidalgo County is redesignated as Probate Court No. 1 of Hidalgo County.

SECTION 2.11. (a) Section 25.1102(a), Government Code, is amended to read as follows:

- (a) In addition to the jurisdiction provided by Section 25.0003 and other law, a county court at law in Hidalgo County has concurrent jurisdiction with the district court in:
  - (1) family law cases and proceedings; and

- (2) civil cases [in which the matter in controversy does not exceed \$750,000, excluding interest, statutory or punitive damages and penalties, and attorney's fees and costs, as alleged on the page of the petition].
- (b) Section 25.1102(a), Government Code, as amended by this section, applies only to an action filed in a county court at law in Hidalgo County on or after the effective date of this Act. An action filed in a county court at law in Hidalgo County before the effective date of this Act is governed by the law in effect on the date the action was filed, and the former law is continued in effect for that purpose.

SECTION 2.12. Section 25.1902(b-1), Government Code, is amended to read as follows:

(b-1) In addition to the jurisdiction provided by Subsections (a) and (b), the county courts at law in [County Court at Law No. 1 of] Potter County have [has] concurrent jurisdiction with the district court in felony cases to conduct arraignments, conduct pretrial hearings, and accept pleas in uncontested matters.

SECTION 2.13. Section 25.2282, Government Code, is amended by adding Subsection (b) to read as follows:

(b) In addition to the jurisdiction provided by Section 25.0003 and other law, a county court at law in Tom Green County has concurrent jurisdiction with the district court in family law cases and proceedings.

SECTION 2.14. Sections 25.2452(b), (c), (d), and (e), Government Code, are amended to read as follows:

- (b) All misdemeanor cases, probate and mental health matters, <u>proceedings</u> under the Estates Code, and appeals from municipal courts of record shall be filed in the county court at law. A county court at law may transfer a case or an appeal described by this subsection to the county court with the consent of the county judge.
- (c) Except as provided by Section 25.0003 and Subsection (d), a county court at law has concurrent jurisdiction with the district court in:
  - (1) family law cases and proceedings under the Family Code; [and]
- (2) civil cases in which the amount in controversy exceeds \$500 but does not exceed \$200,000, excluding interest, exemplary damages, penalties, attorney's fees, and court costs; and
  - (3) appeals from the justice courts.
  - (d) A county court at law does not have jurisdiction of:
    - (1) a case under:
      - (A) the Alcoholic Beverage Code;
      - (B) the Election Code; or
      - (C) the Tax Code; or
    - (2) a matter over which the district court has exclusive jurisdiction[; or
- [(3) a civil case, other than a case under the Family Code or the Estates Code, in which the amount in controversy is:
- [(A) less than the maximum amount in controversy allowed the justice court in Wichita County; or
- [(B) more than \$200,000, exclusive of punitive or exemplary damages, penalties, interest, costs, and attorney's fees].

(e) On the motion of any party, a county court at law may transfer a civil case originally filed in a county court at law that exceeds the maximum amount in controversy described by Subsection  $\underline{(c)(2)}$  [ $\underline{(d)(3)(B)}$ ] to the district court in Wichita County, except that an announcement of ready for trial by all parties before a motion to transfer the case to the district court is filed confers original jurisdiction on the county court at law. A case that is transferred to the district court shall be completed under the same cause number and in the same manner as if the case were originally filed in the district court.

SECTION 2.15. Section 25.2704(a), Government Code, is amended to read as follows:

(a) In addition to the jurisdiction provided by Section 25.0003 and other law, the 2nd Multicounty Court at Law has concurrent jurisdiction with the district courts, including [except] in civil cases in which the matter in controversy exceeds the maximum amount provided by Section 25.0003(c)(1).

SECTION 2.16. (a) Sections 25.0212(d) and 25.1723(c), Government Code, are repealed.

(b) Section 25.1723(c), Government Code, as repealed by this section, applies only to an action filed on or after September 1, 2025. An action filed before that date is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 2.17. Sections 25.0003(c), 25.0007(c), and 25.0062(b), Government Code, as amended by this article, apply only to a civil case filed in a statutory county court on or after September 1, 2025. A civil case filed in a statutory county before that date is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

SECTION 2.18. Section 25.00212, Government Code, as amended by this article, applies to amounts deposited in the judicial fund under Section 133.151(c)(1), Local Government Code, from fees collected by a statutory probate court before, on, or after September 1, 2025.

SECTION 2.19. Section 25.2282, Government Code, as amended by this article, applies only to a case filed or proceeding commenced on or after September 1, 2025. A case filed or proceeding commenced before that date is governed by the law in effect on the date the action was filed, and the former law is continued in effect for that purpose.

SECTION 2.20. Section 25.2452, Government Code, as amended by this article, applies only to an action filed in a county court at law in Wichita County on or after September 1, 2025. An action filed in a county court at law in Wichita County before that date is governed by the law in effect on the date the action was filed, and the former law is continued in effect for that purpose.

SECTION 2.21. Section 25.2704(a), Government Code, as amended by this article, applies only to a case filed or proceeding commenced on or after September 1, 2025. A case filed or proceeding commenced before that date is governed by the law in effect on the date the case was filed or the proceeding was commenced, and the former law is continued in effect for that purpose.

#### ARTICLE 3. VISITING JUDGES

SECTION 3.01. Sections 25.0022(d), (h), (k), (o), (t), (u), and (w), Government Code, are amended to read as follows:

- (d) The presiding judge shall:
- (1) ensure the promulgation of local rules of administration in accordance with policies and guidelines set by the supreme court;
- (2) advise local statutory probate court judges on case flow management practices and auxiliary court services;
- (3) perform a duty of a local administrative statutory probate court judge if the local administrative judge does not perform that duty;
  - (4) appoint an assistant presiding judge of the statutory probate courts;
- (5) call and preside over annual meetings of the judges of the statutory probate courts at a time and place in the state as designated by the presiding judge;
- (6) call and convene other meetings of the judges of the statutory probate courts as considered necessary by the presiding judge to promote the orderly and efficient administration of justice in the statutory probate courts;
- (7) study available statistics reflecting the condition of the dockets of the probate courts in the state to determine the need for the assignment of judges under this section;
- (8) compare local rules of court to achieve uniformity of rules to the extent practical and consistent with local conditions;
- (9) assign or order the clerk who serves the statutory probate courts to randomly assign a judge or former or retired judge of a statutory probate court or a former or retired justice of an appellate court to hear a case under Section 25.002201(a) or 25.00255, as applicable; and
- (10) require the local administrative judge for statutory probate courts in a county to ensure that all statutory probate courts in the county comply with Chapter 37.
- (h) Subject to Section 25.002201, a judge or a former or retired judge of a statutory probate court or a former or retired justice of an appellate court may be assigned by the presiding judge of the statutory probate courts to hold court in a statutory probate court, a county court, or any statutory court exercising probate jurisdiction when:
- (1) a statutory probate judge requests assignment of another judge to the judge's court;
- (2) a statutory probate judge is absent, disabled, or disqualified for any reason;
- (3) a statutory probate judge is present or is trying cases as authorized by the constitution and laws of this state and the condition of the court's docket makes it necessary to appoint an additional judge;
  - (4) the office of a statutory probate judge is vacant;
- (5) the presiding judge of an administrative judicial district requests the assignment of a statutory probate judge to hear a probate matter in a county court or statutory county court;
- (6) the statutory probate judge is recused or disqualified as described by Section 25.002201(a);

- (7) a county court judge requests the assignment of a statutory probate judge to hear a probate matter in the county court; or
- (8) a local administrative statutory probate court judge requests the assignment of a statutory probate judge to hear a matter in a statutory probate court.
- (k) The daily compensation of a former or retired judge or justice for purposes of this section is set at an amount equal to the daily compensation of a judge of a statutory probate court in the county in which the former or retired judge or justice is assigned. A former or retired judge or justice assigned to a county that does not have a statutory probate court shall be paid an amount equal to the daily compensation of a judge of a statutory probate court in the county where the assigned judge or justice was last elected.
- (o) The county in which the assigned judge served shall pay out of the general fund of the county:
  - (1) expenses certified under Subsection (m) to the assigned judge; and
- (2) the salary certified under Subsection (m) to the county in which the assigned judge serves, or, if the assigned judge is a former or retired judge or justice, to the assigned judge.
- (t) To be eligible for assignment under this section, a former or retired judge of a statutory probate court or a former or retired justice of an appellate court must:
  - (1) not have been removed from office;
- (2) certify under oath to the presiding judge, on a form prescribed by the state board of regional judges, that:
- (A) the judge <u>or justice</u> has not been publicly reprimanded or censured by the State Commission on <u>Judicial Conduct</u>; and
  - (B) the judge or justice:
- (i) did not resign or retire from office after the State Commission on Judicial Conduct notified the judge or justice of the commencement of a full investigation into an allegation or appearance of misconduct or disability of the judge or justice as provided in Section 33.022 and before the final disposition of that investigation; or
- (ii) if the judge <u>or justice</u> did resign from office under circumstances described by Subparagraph (i), was not publicly reprimanded or censured as a result of the investigation;
- (3) annually demonstrate that the judge <u>or justice</u> has completed in the past state fiscal year the educational requirements for an active statutory probate court judge;
- (4) have served as an active judge <u>or justice</u> for at least 72 months in a district, statutory probate, statutory county, or appellate court; and
- (5) have developed substantial experience in the judge's <u>or justice's</u> area of specialty.
- (u) In addition to the eligibility requirements under Subsection (t), to be eligible for assignment under this section in the judge's or justice's county of residence, a former or retired judge of a statutory probate court or a former or retired justice of an appellate court must certify to the presiding judge a willingness not to:
- (1) appear and plead as an attorney in any court in the judge's county of residence for a period of two years; and

- (2) accept appointment as a guardian ad litem, guardian of the estate of an incapacitated person, or guardian of the person of an incapacitated person in any court in the judge's or justice's county of residence for a period of two years.
- (w) A former or retired judge or justice who is assigned under this section is not an employee of the county in which the assigned court is located.

SECTION 3.02. Section 25.002201, Government Code, is amended to read as follows:

- Sec. 25.002201. ASSIGNMENT OF JUDGE ON RECUSAL OR DISQUALIFICATION. (a) Except as provided by Subsection (b), not later than the 15th day after the date an order of recusal or disqualification of a statutory probate court judge is issued in a case, the presiding judge shall assign a statutory probate court judge or a former or retired judge of a statutory probate court or a former or retired justice of an appellate court to hear the case if:
- (1) the judge of the statutory probate court recused himself or herself under Section 25.00255(g)(1)(A);
- (2) the judge of the statutory probate court disqualified himself or herself under Section 25.00255(g-1);
  - (3) the order was issued under Section 25.00255(i-3)(1); or
- (4) the presiding judge receives notice and a request for assignment from the clerk of the statutory probate court under Section 25.00255(1).
- (b) If the judge who is the subject of an order of recusal or disqualification is the presiding judge of the statutory probate courts, the chief justice of the supreme court shall assign a statutory probate judge, [or] a former or retired judge of a statutory probate court, or a former or retired justice of an appellate court to hear the case.

SECTION 3.03. Section 25.00255, Government Code, is amended by amending Subsection (a) and adding Subsections (b) and (c) to read as follows:

- (a) Notwithstanding any conflicting provision in the Texas Rules of Civil Procedure, Rules 18a and 18b, Texas Rules of Civil Procedure, apply to the recusal and disqualification of a statutory probate court judge except as otherwise provided by this section or another provision of this subchapter. The presiding judge:
- (1) has the authority and shall perform the functions and duties of the presiding judge of the administrative judicial region under the rules, including the duty to hear or rule on a referred motion of recusal or disqualification or, subject to Subdivisions (2) and (3), assign a judge to hear and rule on a referred motion of recusal or disqualification;
- (2) may assign a presiding judge of the administrative judicial region to hear and rule on a referred motion of recusal or disqualification only with the consent of the presiding judge of the administrative judicial region;
- (3) may not assign a judge of a statutory probate court located in the same county as the statutory probate court served by the judge who is the subject of the motion of recusal or disqualification; and
- (4) if the presiding judge is the subject of the motion of recusal or disqualification, shall sign and file with the clerk an order referring the motion to the chief justice of the supreme court for assignment of a presiding judge of an

administrative judicial region, a statutory probate court judge, [er] a former or retired judge of a statutory probate court, or a former or retired justice of an appellate court to hear and rule on the motion, subject to Subdivisions (2) and (3).

- (b) The presiding judge may deny a motion of recusal or disqualification that does not comply with Rule 18a, Texas Rules of Civil Procedure, without a hearing. An order denying a motion under this subsection must state the manner in which the motion fails to comply with that rule.
- (c) A motion of recusal or disqualification that does not comply with Rule 18a, Texas Rules of Civil Procedure, is a motion or disqualification for the purpose of determining whether a tertiary recusal motion has been filed under Section 25.00256, regardless of whether the motion was amended after filing.

SECTION 3.04. Section 74.003(e), Government Code, is amended to read as follows:

(e) A retired justice or judge assigned as provided by this section is entitled to receive, pro rata for the time serving on assignment, from money appropriated from the general revenue fund for that purpose, an amount equal to the compensation received from state and county sources by a justice of the court of appeals to which assigned. A former justice or judge assigned as provided by this section is entitled to receive, pro rata for the time serving on assignment, from money appropriated from the general revenue fund for that purpose, an amount equal to the compensation from the state received by a justice of the court of appeals to which assigned, and from county sources, an amount equal to the compensation received from county sources by a justice of the court of appeals to which assigned. For purposes of determining the amount to be paid to a former or retired justice or judge under this subsection, the compensation received from the state by a justice of the court of appeals to which the retired justice or judge is assigned is the amount equal to the state [base] salary paid to a justice of that court of appeals with eight years of service [as set by the General Appropriations Aet] in accordance with Section 659.012(b)(2) [659.012(a)].

SECTION 3.05. Section 74.046(b), Government Code, is amended to read as follows:

(b) A presiding judge may appoint a judicial mentor or arrange for additional administrative personnel to be assigned to a court identified by the Office of Court Administration of the Texas Judicial System as needing additional assistance under Section 72.024(b-1). A former or retired judge or justice assigned as a judicial mentor under this subsection is entitled to the same salary, compensation, and expenses under Section 74.061 that the judge or justice would be entitled to if the judge or justice had been assigned under this chapter to serve as the judge of a trial court in the administrative judicial region of the court to which the judge or justice is assigned as a judicial mentor.

SECTION 3.06. Section 74.059, Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) A judge assigned under the provisions of this chapter to a court that sits in a county located in the Texas-Mexico border region, as defined by Section 2056.002(e), may conduct a proceeding, other than a trial, or perform a judicial action from any location in this state using videoconference, teleconference, or other available electronic means if authorized by the order of assignment.

SECTION 3.07. Section 74.061, Government Code, is amended by amending Subsections (h), (i), and (k) and adding Subsection (k-1) to read as follows:

- (h) Notwithstanding Subsection (c), the salary from the state of a retired judge or justice assigned to a district court is determined pro rata based on the sum of the regular judge's salary from the county plus the amount of the state [base] salary paid to a district judge with eight years of service [as set by the General Appropriations Act] in accordance with Section 659.012(b)(2) [659.012(a)].
- (i) Notwithstanding Subsection (d), the salary from the state of a former judge or justice assigned to a district court is determined pro rata based on the amount of the state [base] salary paid to a district judge with eight years of service [as set by the General Appropriations Act] in accordance with Section 659.012(b)(2) [659.012(a)].
- (k) Except as provided by Subsection (k-1) and notwithstanding [Notwithstanding] any other provision of law, a former, retired, or active judge is not entitled to compensation paid by the state when the judge sits as an assigned judge for a statutory county court.
- (k-1) Notwithstanding any other provision, a former or retired judge or justice assigned under this chapter to a constitutional county court in a county located in the Texas-Mexico border region, as defined by Section 2056.002(e), is entitled to compensation from the state in an amount equal to the maximum salary a district judge may receive from county and state sources under Section 659.012(a) if the presiding judge of the administrative judicial region in which the county lies certifies that exigent circumstances require the assignment.

SECTION 3.08. This article 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 article takes effect September 1, 2025.

# ARTICLE 4. MASTERS, MAGISTRATES, REFEREES, AND ASSOCIATE JUDGES

SECTION 4.01. Article 2A.151, Code of Criminal Procedure, is amended to read as follows:

- Art. 2A.151. TYPES OF MAGISTRATES. The following officers are magistrates for purposes of this code:
  - (1) a justice of the supreme court;
  - (2) a judge of the court of criminal appeals;
  - (3) a justice of the courts of appeals;
  - (4) a judge of a district court;
  - (5) an associate judge appointed by:
- (A) a judge of a district court or a statutory county court that gives preference to criminal cases in Jefferson County;
- (B) a judge of a district court or a statutory county court of Brazos County, Nueces County, or Williamson County; [ex]
  - (C) a judge of a district court under Chapter 54A, Government Code; or
- (D) a judge of a district court under Subchapter B, Chapter  $54\overline{B}$ , Government Code;
  - (6) a criminal magistrate appointed by:
    - (A) the Bell County Commissioners Court;

- (B) the Brazoria County Commissioners Court; or
- (C) (B) the Burnet County Commissioners Court;
- (7) a criminal law hearing officer for:
- (A) Harris County appointed under Subchapter L, Chapter 54, Government Code; or
- (B) Cameron County appointed under Subchapter BB, Chapter 54, Government Code;
  - (8) a magistrate appointed:
- (A) by a judge of a district court of Bexar County, Dallas County, or Tarrant County that gives preference to criminal cases;
- (B) by a judge of a criminal district court of Dallas County or Tarrant County;
- (C) by a judge of a district court or statutory county court of Denton or Grayson County;
- (D) by a judge of a district court or statutory county court that gives preference to criminal cases in Travis County;
  - (E) [(D)] by the El Paso Council of Judges;
  - (F) [(E)] by the Fort Bend County Commissioners Court;
  - (G) (F) by the Collin County Commissioners Court; or
  - (H) [(G)] under Subchapter JJ, Chapter 54, Government Code;
- (9) a magistrate or associate judge appointed by a judge of a district court of Lubbock County, Nolan County, or Webb County;
  - (10) a county judge;
  - (11) a judge of:
    - (A) a statutory county court;
    - (B) a county criminal court; or
    - (C) a statutory probate court;
- (12) an associate judge appointed by a judge of a statutory probate court under Chapter 54A, Government Code;
  - (13) a justice of the peace; and
  - (14) a mayor or recorder of a municipality or a judge of a municipal court.

SECTION 4.02. Chapter 54, Government Code, is amended by adding Subchapter A to read as follows:

### SUBCHAPTER A. GENERAL PROVISIONS

- Sec. 54.001. QUALIFICATIONS. (a) Except as provided by Subsection (b) or another provision of this chapter and in addition to any other qualification required by law, a master, magistrate, referee, or associate judge appointed under this chapter must have been licensed to practice law in this state for at least five years before the date of appointment.
- (b) A master, magistrate, referee, or associate judge appointed under the following provisions of this chapter must have been licensed to practice law in this state for at least two years before the date of appointment:
  - (1) Section 54.991;
  - (2) Section 54.1231;
  - (3) Section 54.1501;
  - (4) Section 54.1851;

- (5) Section 54.2001;
- (6) Section 54.2301; or
- (7) Section 54.2802.

SECTION 4.03. Chapter 54, Government Code, is amended by adding Subchapter EE to read as follows:

## SUBCHAPTER EE. BELL COUNTY CRIMINAL MAGISTRATES

- Sec. 54.1601. APPOINTMENT. (a) The Commissioners Court of Bell County may select magistrates to serve the courts of Bell County having jurisdiction in criminal matters.
- (b) The commissioners court shall establish the minimum qualifications, salary, benefits, and other compensation of each magistrate position and shall determine whether the position is full-time or part-time. Notwithstanding another provision of this chapter, to be eligible for appointment under this subchapter, a person must have been licensed to practice law in this state and in good standing with the State Bar of Texas for at least two years.
- (c) A magistrate appointed under this section serves at the pleasure of the commissioners court.
- Sec. 54.1602. JURISDICTION. A magistrate has concurrent criminal jurisdiction with the judges of the justice of the peace courts of Bell County.
- Sec. 54.1603. POWERS AND DUTIES. (a) The Commissioners Court of Bell County shall establish the powers and duties of a magistrate appointed under this subchapter. Except as otherwise provided by the commissioners court, a magistrate has the powers of a magistrate under the Code of Criminal Procedure and other laws of this state and may administer an oath for any purpose.
- (b) A magistrate shall give preference to performing the duties of a magistrate under Article 15.17, Code of Criminal Procedure.
- (c) The commissioners court may designate one or more magistrates to hold regular hearings to:
  - (1) give admonishments;
  - (2) set and review bail and conditions of release;
  - (3) appoint legal counsel; and
- (4) determine other routine matters relating to preindictment or pending cases within those courts' jurisdiction.
- (d) In the hearings provided under Subsection (c), a magistrate shall give preference to the case of an individual held in county jail.
- (e) A magistrate may inquire into a defendant's intended plea to the charge and set the case for an appropriate hearing before a judge or master.
- Sec. 54.1604. JUDICIAL IMMUNITY. A magistrate has the same judicial immunity as a district judge.
- Sec. 54.1605. WITNESSES. (a) A witness who is sworn and who appears before a magistrate is subject to the penalties for perjury and aggravated perjury provided by law.
- (b) A referring court may fine or imprison a witness or other court participant for failure to appear after being summoned, refusal to answer questions, or other acts of direct contempt before a magistrate.

SECTION 4.04. Section 54.302, Government Code, is amended to read as follows:

Sec. 54.302. QUALIFICATIONS. To be eligible for appointment as a magistrate, a person must[÷

[(1)] be a resident of this state[; and

(2) have been licensed to practice law in this state for at least four years].

SECTION 4.05. Section 54.652, Government Code, is amended to read as follows:

Sec. 54.652. QUALIFICATIONS. To be eligible for appointment as a magistrate, a person must[÷

[(1)] be a resident of this state[; and

(2) have been licensed to practice law in this state for at least four years].

SECTION 4.06. Section 54.802, Government Code, is amended to read as follows:

Sec. 54.802. QUALIFICATIONS. A master must [:

[(1)] be a citizen and resident of this state[; and

[(2) have been licensed to practice law in this state for at least four years].

SECTION 4.07. Section 54.853, Government Code, is amended to read as follows:

Sec. 54.853. QUALIFICATIONS. To be eligible for appointment as a criminal law hearing officer under this subchapter, a person must:

- (1) be a resident of this state and the county;
- (2) [have been licensed to practice law in this state for at least four years;
- [(3)] not have been defeated for reelection to a judicial office;
- (3) [(4)] not have been removed from office by impeachment, by the supreme court, by the governor on address to the legislature, by a tribunal reviewing a recommendation of the State Commission on Judicial Conduct, or by the legislature's abolition of the judge's court; and
- $\underline{(4)}$  [ $\underline{(5)}$ ] not have resigned from office after having received notice that formal proceedings by the State Commission on Judicial Conduct had been instituted as provided in Section 33.022 and before the final disposition of the proceedings.

SECTION 4.08. Section 54.872, Government Code, is amended to read as follows:

Sec. 54.872. QUALIFICATIONS. To be eligible for appointment as a magistrate, a person must  $[\div]$ 

[(1)] be a resident of this state [; and]

[(2) have been licensed to practice law in this state for at least four years].

SECTION 4.09. Section 54.902, Government Code, is amended to read as follows:

Sec. 54.902. QUALIFICATIONS. To be eligible for appointment as a magistrate, a person must  $[\div]$ 

[(1)] be a resident of this state [; and]

[(2) have been licensed to practice law in this state for at least four years].

SECTION 4.10. Section 54.972, Government Code, is amended to read as follows:

Sec. 54.972. QUALIFICATIONS. A magistrate must[÷

- [(1)] be a resident of this state and of Travis County[; and
- [(2) have been licensed to practice law in this state for at least four years].

SECTION 4.11. Section 54.1173, Government Code, is amended to read as follows:

Sec. 54.1173. QUALIFICATIONS. A magistrate must:

- (1) be a citizen of this state; and
- (2) be at least 25 years of age[; and
- [(3) have been licensed to practice law in this state for at least four years preceding the date of appointment].

SECTION 4.12. Section 54.1353, Government Code, is amended to read as follows:

Sec. 54.1353. QUALIFICATIONS. To be eligible for appointment as a criminal law hearing officer under this subchapter, a person must:

- (1) be a resident of Cameron County;
- (2) be eligible to vote in this state and in Cameron County;
- (3) be at least 30 years of age; and
- (4) [be a licensed attorney with at least four years' experience; and
- [(5)] have the other qualifications required by the board.

SECTION 4.13. Section 54.1501(b), Government Code, is amended to read as follows:

- (b) The commissioners court shall establish the minimum qualifications, salary, benefits, and other compensation of each magistrate position and shall determine whether the position is full-time or part-time. [The qualifications must require the magistrate to:
  - [(1) have served as a justice of the peace or municipal court judge; or
  - [(2) be an attorney licensed in this state.]

SECTION 4.14. Section 54.1804, Government Code, is amended to read as follows:

Sec. 54.1804. QUALIFICATIONS. A magistrate must[÷

- $[\frac{1}{2}]$  be a resident of this state and of the county in which the magistrate is appointed to serve under this subchapter  $[\frac{1}{2}]$ ; and
  - [(2) have been licensed to practice law in this state for at least four years].

SECTION 4.15. Section 54.1851(b), Government Code, is amended to read as follows:

(b) The commissioners court shall establish the minimum qualifications, salary, benefits, and other compensation of each magistrate position and shall determine whether the position is full-time or part-time. [The qualifications must require the magistrate to have served as a justice of the peace or be an attorney licensed in this state.]

SECTION 4.16. Section 54.1953, Government Code, is amended to read as follows:

Sec. 54.1953. QUALIFICATIONS. A magistrate must:

- (1) be a citizen of this state; and
- (2) have resided in the county for at least six months before the date of the appointment[; and
  - [(3)] have:

- [(A) served as a justice of the peace for at least four years before the date of appointment; or
- [(B) been licensed to practice law in this state for at least four years before the date of appointment].

SECTION 4.17. Section 54.2202(a), Government Code, is amended to read as follows:

- (a) To be eligible for appointment as a magistrate, a person must:
  - (1) be a citizen of the United States; and
- (2) have resided in Collin County for at least the four years preceding the person's appointment[; and
  - [(3) have been licensed to practice law in this state for at least four years].

SECTION 4.18. Section 54.2402(a), Government Code, is amended to read as follows:

- (a) To be eligible for appointment as a magistrate, a person must:
  - (1) be a citizen of the United States; and
- (2) have resided in Fort Bend County for at least the four years preceding the person's appointment[; and
  - [(3) have been licensed to practice law in this state for at least four years].

SECTION 4.19. Section 54.2602, Government Code, is amended to read as follows:

Sec. 54.2602. QUALIFICATIONS. To be eligible for appointment as a magistrate, a person must[÷

- [(1)] be a resident of this state[; and
- [(2) have been licensed to practice law in this state for at least four years].

SECTION 4.20. Section 54.2702(a), Government Code, is amended to read as follows:

- (a) To be eligible for appointment as a magistrate, a person must be a resident of this state [and:
- [(1) have served as a justice of the peace or municipal court judge for at least four years before the date of appointment; or
- [(2) have been licensed to practice law in this state for at least four years before the date of appointment].

SECTION 4.21. Section 54.2802(a), Government Code, is amended to read as follows:

- (a) The district court judges with jurisdiction in Denton County and the judges of the criminal statutory county courts of Denton County shall appoint one or more judges to preside over the criminal law magistrate court. An appointed judge must:
- (1) serve Denton County as a district court judge, a criminal statutory county court judge, an associate judge of a court with criminal jurisdiction, a magistrate, including a jail magistrate, a judge of a municipal court of record, or a justice of the peace;
  - (2) [be a licensed attorney in good standing with the State Bar of Texas;
- $[\frac{3}{3}]$  be authorized to access criminal history records under state and federal law;

- (3) [(4)] have completed training necessary to serve as a magistrate in Denton County, as determined by the district court judges with jurisdiction in Denton County and the judges of the criminal statutory county courts of Denton County; and
  - (4) [<del>(5)</del>] meet the qualifications under Section 54.2807.

SECTION 4.22. Section 54.2807, Government Code, is amended to read as follows:

- Sec. 54.2807. QUALIFICATIONS. To be eligible for appointment as the criminal law magistrate court associate judge, a jail magistrate, or another magistrate in the criminal law magistrate court, a person must[÷
- $[\frac{1}{2}]$  have been a resident of Denton County for at least two years preceding the person's appointment  $[\frac{1}{2}]$  and
  - [(2) have been licensed to practice law in this state for at least four years].

SECTION 4.23. Section 54A.003, Government Code, is amended to read as follows:

- Sec. 54A.003. QUALIFICATIONS. To qualify for appointment as an associate judge under this subchapter, a person must:
  - (1) be a resident of this state and one of the counties the person will serve;
- (2) have been licensed to practice law in this state for at least <u>five</u> [four] years;
- (3) not have been removed from office by impeachment, by the supreme court, by the governor on address to the legislature, by a tribunal reviewing a recommendation of the State Commission on Judicial Conduct, or by the legislature's abolition of the judge's court; and
- (4) not have resigned from office after having received notice that formal proceedings by the State Commission on Judicial Conduct had been instituted as provided by Section 33.022 and before final disposition of the proceedings.

SECTION 4.24. Section 54A.103, Government Code, is amended to read as follows:

Sec. 54A.103. QUALIFICATIONS. To qualify for appointment as an associate judge under this subchapter, a person must:

- (1) be a resident of this state and one of the counties the person will serve;
- (2) have been licensed to practice law in this state for at least <u>five</u> [<del>four</del>] years;
- (3) not have been removed from office by impeachment, by the supreme court, by the governor on address to the legislature, by a tribunal reviewing a recommendation of the State Commission on Judicial Conduct, or by the legislature's abolition of the judge's court; and
- (4) not have resigned from office after having received notice that formal proceedings by the State Commission on Judicial Conduct had been instituted as provided in Section 33.022 and before final disposition of the proceedings.

SECTION 4.25. Section 54A.305(a), Government Code, is amended to read as follows:

- (a) To be eligible for appointment as an associate judge under this subchapter, a person must:
  - (1) be a citizen of the United States;

- (2) be a resident of this state for the two years preceding the date of appointment; and
  - (3) be:
- (A) eligible for assignment under Section 74.054 because the person is named on the list of retired and former judges maintained by the presiding judge of the administrative judicial region under Section 74.055;
- (B) eligible for assignment under Section 25.0022 by the presiding judge of the statutory probate courts; or
- (C) licensed to practice law in this state <u>for at least five years</u> and have at least four years of experience in guardianship proceedings or protective services proceedings before the date of appointment as a practicing attorney in this state or a judge of a court in this state.

SECTION 4.26. Chapter 54B, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. CRIMINAL ASSOCIATE JUDGES IN COKE, CONCHO, IRION, RUNNELS, SCHLEICHER, STERLING, AND TOM GREEN COUNTIES

Sec. 54B.031. APPOINTMENT. (a) A judge of the 51st, 119th, 340th, or 391st district court may appoint a full-time or part-time criminal associate judge to perform the duties authorized by this subchapter if the commissioners court of the county in which the court has jurisdiction has authorized the creation of an associate judge position.

- (b) If a court has jurisdiction in more than one county, an associate judge appointed by that court may serve only in a county in which the commissioners court has authorized the appointment.
- (c) If more than one court in a county is subject to this subchapter, the commissioners court may authorize the appointment of an associate judge for each court or may authorize one or more associate judges to share service with two or more courts.
- (d) If an associate judge serves more than one court, the associate judge's appointment must be made as established by local rule, but in no event by less than a vote of two-thirds of the judges under whom the associate judge serves.
- Sec. 54B.032. APPLICABILITY. Except as provided by Section 54B.033, Subchapter A, Chapter 54A applies to a criminal associate judge appointed under this subchapter.
- Sec. 54B.033. PROCEEDINGS THAT MAY BE REFERRED. (a) A judge may refer to a criminal associate judge any criminal case or matter relating to a criminal case for proceedings involving:
  - (1) a negotiated plea of guilty or no contest and sentencing before the court;
  - (2) a bond forfeiture, remittitur, and related proceedings;
  - (3) a pretrial motion;
  - (4) a writ of habeas corpus;
  - (5) an examining trial;
  - (6) an occupational driver's license;
- (7) a petition for an order of expunction under Chapter 55A, Code of Criminal Procedure;

- (8) an asset forfeiture hearing as provided by Chapter 59, Code of Criminal Procedure:
- (9) a petition for an order of nondisclosure of criminal history record information or an order of nondisclosure of criminal history record information that does not require a petition provided by Subchapter E-1, Chapter 411;
- (10) a motion to modify or revoke community supervision or to proceed with an adjudication of guilty;

  (11) setting conditions, modifying, revoking, and surrendering of bonds,
- including surety bonds;
  - (12) specialty court proceedings;
  - (13) a waiver of extradition; and
- (14) any other matter the judge considers necessary and proper.

  (b) A judge may refer to a criminal associate judge a civil case arising out of Chapter 59, Code of Criminal Procedure, for any purpose authorized by that chapter, including issuing orders, accepting agreed judgments, enforcing judgments, and presiding over a case on the merits if a party has not requested a jury trial.
- (c) A criminal associate judge may accept a plea of guilty from a defendant charged with misdemeanor, felony, or both misdemeanor and felony offenses.
- (d) A criminal associate judge may select a jury. A criminal associate judge may not preside over a criminal trial on the merits, whether or not the trial is before a jury.
- (e) A criminal associate judge may not hear a jury trial on the merits of a bond forfeiture.
- (f) A judge of a designated juvenile court may refer to a criminal associate judge any proceeding over which a juvenile court has exclusive original jurisdiction under Title 3, Family Code, including any matter ancillary to the proceeding.
- SECTION 4.27. The changes in law made by this article apply only to a master, magistrate, referee, or associate judge appointed under Chapter 54 or 54A, Government Code, as amended by this article, on or after September 1, 2025. A master, magistrate, referee, or associate judge appointed before that date is governed by the law in effect on the date the master, magistrate, referee, or associate judge was appointed, and the former law is continued in effect for that purpose.

### ARTICLE 5. BUSINESS COURT

SECTION 5.01. Section 659.012, Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) In addition to the annual base salary from the state prescribed by Subsection (a), a judge of a division of the business court is entitled to an additional annual salary from the state in an amount equal to the difference between the judge's annual base salary from the state and the maximum combined base salary from all state and county sources paid to a district judge under Subsection (a).

## ARTICLE 6. JURORS

SECTION 6.01. Article 19A.051(c), Code of Criminal Procedure, is amended to read as follows:

(c) The judge shall test the qualifications for and exemptions [excuses] from service as a grand juror and impanel the completed grand jury as provided by this chapter.

SECTION 6.02. The heading to Subchapter C, Chapter 19A, Code of Criminal Procedure, is amended to read as follows:

# SUBCHAPTER C. GRAND JUROR QUALIFICATIONS; $\underline{\text{EXEMPTIONS}}$ $\underline{\text{EXCUSES}}$ FROM SERVICE

SECTION 6.03. Article 19A.101, Code of Criminal Procedure, is amended to read as follows:

- Art. 19A.101. GRAND JUROR QUALIFICATIONS; LISTS OF DISQUALIFIED PERSONS. (a) A person may be selected or serve as a grand juror only if the person:
  - (1) is at least 18 years of age;
  - (2) is a citizen of the United States;
- (3) is a resident of this state and of the county in which the person is to serve;
- (4) is qualified under the constitution and other laws to vote in the county in which the grand jury is sitting, regardless of whether the person is registered to vote;
  - (5) is of sound mind and good moral character;
  - (6) is able to read and write;
  - (7) has never been convicted of misdemeanor theft [or a felony];
  - (8) has never been convicted of a felony;
- (9) is not under indictment or other legal accusation for misdemeanor theft or a felony;
- (10) [(9)] is not related within the third degree by consanguinity or second degree by affinity, as determined under Chapter 573, Government Code, to any person selected to serve or serving on the same grand jury;
- $\underline{(11)}$  [(10)] has not served as a grand juror in the year before the date on which the term of court for which the person has been selected as a grand juror begins; and
- $\underline{(12)}$  [(11)] is not a complainant in any matter to be heard by the grand jury during the term of court for which the person has been selected as a grand juror.
- (b) On the third business day of each month, the clerk of the district court shall prepare:
- (1) a list of persons who in the preceding month were disqualified from serving as a grand juror based on the person's citizenship [or indictment or conviction for misdemeanor theft or a felony] and send a copy of the list to:
  - (A) [(1)] the secretary of state;
  - (B) the voter registrar for the county in which the grand jury is sitting;

and

- $\underline{(C)}$  [ $\underline{(2)}$ ] the prosecuting attorney for the court to which the grand jurors were summoned for investigation into whether any person made a false claim concerning the person's qualification under Subsection (a)(2);
- (2) a list of persons who in the preceding month were disqualified from serving as a grand juror based on the person's residency and send a copy of the list to:
  - (A) the secretary of state; and
  - (B) the voter registrar for the county in which the grand jury is sitting;

- (3) a list of persons who in the preceding month were disqualified from serving as a grand juror based on the person's conviction for a felony and send a copy of the list to:
  - (A) the secretary of state;
  - (B) the voter registrar for the county in which the grand jury is sitting;

and

- (C) the prosecuting attorney for the court to which the grand jurors were summoned for investigation into whether any person made a false claim concerning the person's qualification under Subsection (a)(8); and
- (4) a list of persons who in the preceding month were disqualified from serving as a grand juror based on the person's indictment for a felony or indictment or conviction for misdemeanor theft and send a copy of the list to:
  - (A) the secretary of state; and
- (B) the prosecuting attorney for the court to which the grand jurors were summoned for investigation into whether any person made a false claim concerning the person's qualification under Subsection (a)(7) or (9) [ $\frac{1}{2}$ , (7), or (8)].

SECTION 6.04. Article 19A.105, Code of Criminal Procedure, is amended to read as follows:

- Art. 19A.105. EXCUSE AND EXEMPTION [EXCUSES] FROM GRAND JURY SERVICE. (a) The court shall excuse from serving any summoned person who does not possess the requisite qualifications or who claims an exemption to which the person is entitled.
- (b) The following qualified persons may be exempted [exeused] from grand jury service:
  - (1) a person who is 75 years of age or older [than 70 years of age];
- (2) a person responsible for the care of a child who is younger than 18 years of age and who will be without adequate supervision if the person serves on the grand jury;
  - (3) a student of a public or private secondary school;
- (4) a person enrolled in and in actual attendance at an institution of higher education; and
- (5) any other person the court determines has a reasonable excuse from service.

SECTION 6.05. Subchapter C, Chapter 19A, Code of Criminal Procedure, is amended by adding Articles 19A.106 and 19A.107 to read as follows:

- Art. 19A.106. PERMANENT EXEMPTION FOR ELDERLY. (a) A person who is entitled to exemption from grand jury service because the person is 75 years of age or older may establish a permanent exemption on that ground as provided by this article.
- (b) A person may claim a permanent exemption by filing with the district clerk or the clerk of a district court in the county, through an electronic transmission, mail, or personal delivery, a signed statement affirming the person is 75 years of age or older and desires a permanent exemption on that ground.
- (c) The district clerk shall maintain a current register of the name of each person who resides in the county and who has claimed and is entitled to a permanent exemption from grand jury service because the person is 75 years of age or older.

- (d) On the third business day of each month, the district clerk shall prepare a list of persons who in the preceding month were permanently exempted from serving as a grand juror under this article or who rescinded a permanent exemption under Subsection (f) and send a copy of the list to the secretary of state.
- (e) A person whose name appears on the register of persons permanently exempted from serving as a grand juror under this article may not be selected or summoned for grand jury service by any district judge in the county.
- (f) A person who has claimed a permanent exemption from jury service under this article may rescind the exemption at any time by filing a signed request for the rescission with the district clerk or the clerk of a district court in the county. Rescission of a permanent exemption does not affect the right of a person who is 75 years of age or older to claim a permanent exemption at a later time.
- Art. 19A.107. LIST OF DISQUALIFIED CONVICTED PERSONS. (a) The district clerk shall maintain a list of the name and address of each person who is disqualified under this subchapter from grand jury service because the person was convicted of misdemeanor theft or a felony.
- (b) A person who was convicted of misdemeanor theft or a felony is permanently disqualified from serving as a juror.
- (c) A person whose name appears on the list maintained under this article may not be selected or summoned for grand jury service by any judge of a district court served by the clerk.
- (d) On the third business day of each month, the district clerk shall send a copy of the list maintained under this article to:
  - (1) the secretary of state; and
- (2) the prosecuting attorney for the court to which the grand jurors were summoned for investigation into whether any person made a false claim concerning the person's qualification under Article 19A.101(a)(7) or (8).
- (e) On the third business day of each month, the district clerk shall prepare a list of the name and address of each person on the list maintained under this article disqualified from grand jury service because the person was convicted of a felony and send a copy of the list to the voter registrar for the county in which the grand jury is sitting.
- SECTION 6.06. Sections 62.001(a) and (b), Government Code, are amended to read as follows:
  - (a) The jury wheel must be reconstituted by using, as the source:
- (1) the names of all persons on the current voter registration lists from all the precincts in the county; and
- (2) all names on a current list to be furnished by the Department of Public Safety, showing the citizens of the county who:
- (A) hold a valid Texas driver's license or a valid personal identification card or certificate issued by the department; and
- (B) are not disqualified from jury service under Section 62.102(1), (2), (3), (7), or (8).
- (b) Notwithstanding Subsection (a), the names of persons listed on a register of persons exempt from jury service may not be placed in the jury wheel, as provided by Sections 62.108 and [5] 62.109 [62.113, 62.114, and 62.115].

SECTION 6.07. Section 62.0132(g), Government Code, is amended to read as follows:

- (g) The information contained in a completed questionnaire may be disclosed to:
- (1) a judge assigned to hear a cause of action in which the respondent to the questionnaire is a potential juror;
  - (2) court personnel;
- (3) a litigant and a litigant's attorney in a cause of action in which the respondent to the questionnaire is a potential juror; and
- (4) other than information provided that is related to Section  $\underline{62.102(2)}$ ,  $\underline{(3)}$ ,  $\underline{(7)}$ ,  $\underline{(8)}$ , or  $\underline{(9)}$  [ $\underline{62.102(8)}$  or  $\underline{(9)}$ ], the voter registrar of a county in connection with any matter of voter registration or the administration of elections.

SECTION 6.08. Section 62.102, Government Code, is amended to read as follows:

- Sec. 62.102. GENERAL QUALIFICATIONS FOR JURY SERVICE. A person is disqualified to serve as a petit juror unless the person:
  - (1) is at least 18 years of age;
  - (2) is a citizen of the United States;
- (3) is a resident of this state and of the county in which the person is to serve as a juror;
- (4) is qualified under the constitution and laws to vote in the county in which the person is to serve as a juror;
  - (5) is of sound mind and good moral character;
  - (6) is able to read and write;
- (7) [has not served as a petit juror for six days during the preceding three months in the county court or during the preceding six months in the district court;
  - [(8)] has not been convicted of misdemeanor theft [or a felony];
  - (8) has not been convicted of a felony; [and]
- (9) is not under indictment or other legal accusation for misdemeanor theft or a felony; and
- $(\overline{10})$  has not served as a petit juror for six days during the preceding three months in the county court or during the preceding six months in the district court.

SECTION 6.09. Section 62.106(a), Government Code, is amended to read as follows:

- (a) A person qualified to serve as a petit juror may establish an exemption from jury service if the person:
  - (1) is [over] 75 years of age or older;
- (2) has legal custody of a child younger than 12 years of age and the person's service on the jury requires leaving the child without adequate supervision;
  - (3) is a student of a public or private secondary school;
- (4) is a person enrolled and in actual attendance at an institution of higher education;
- (5) is an officer or an employee of the senate, the house of representatives, or any department, commission, board, office, or other agency in the legislative branch of state government;

- (6) is summoned for service in a county with a population of at least 200,000, unless that county uses a jury plan under Section 62.011 and the period authorized under Section 62.011(b)(5) exceeds two years, and the person has served as a petit juror in the county during the 24-month period preceding the date the person is to appear for jury service;
- (7) is the primary caretaker of a person who is unable to care for himself or herself;
- (8) except as provided by Subsection (b), is summoned for service in a county with a population of at least 250,000 and the person has served as a petit juror in the county during the three-year period preceding the date the person is to appear for jury service; or
- (9) is a member of the United States military forces serving on active duty and deployed to a location away from the person's home station and out of the person's county of residence.

SECTION 6.10. Section 62.107(c), Government Code, is amended to read as follows:

(c) A person who files a statement with a clerk of the court, as provided by Subsection (a), claiming an exemption because the person is [over] 75 years of age or older, may also claim the permanent exemption on that ground authorized by Section 62.108 by including in the statement filed with the clerk a declaration that the person desires the permanent exemption. The [Promptly after a statement elaiming a permanent exemption on the basis of age is filed, the] clerk of the court with whom the declaration [it] is filed shall notify the district clerk [have a copy delivered to the voter registrar of the county].

SECTION 6.11. Section 62.108, Government Code, is amended by amending Subsections (a), (b), (c), and (e) and adding Subsection (c-1) to read as follows:

- (a) A person who is entitled to exemption from jury service because the person is [over] 75 years of age or older may establish a permanent exemption on that ground as provided by this section or Section 62.107.
  - (b) A person may claim a permanent exemption:
- (1) by filing with the <u>district clerk</u> [voter registrar] of the county, by mail or personal delivery, a signed statement affirming that the person is [over] 75 years of age or older and desires a permanent exemption on that ground; or
  - (2) in the manner provided by Section 62.107(c).
- (c) The district clerk [voter registrar] of the county shall maintain a current register indicating the name of each person who has claimed and is entitled to a permanent exemption from jury service because the person is [over] 75 years of age or older.
- (c-1) On the third business day of each month, the district clerk shall prepare a list of persons who in the preceding month claimed and were entitled to a permanent exemption under this section or who rescinded an exemption under Subsection (e) and send a copy of the list to the secretary of state.

(e) A person who has claimed a permanent exemption from jury service because the person is [over] 75 years of age or older may rescind the exemption at any time by filing a signed request for the rescission with the district clerk [voter registrar] of the county. Rescission of a permanent exemption does not affect the right of a person who is [over] 75 years of age or older to claim permanent exemption at a later time.

SECTION 6.12. Section 62.109, Government Code, is amended by amending Subsections (a), (b), (d), and (e) and adding Subsection (b-1) to read as follows:

- (a) The judge of a district court <u>or</u> the district clerk [by order] may permanently or for a specified period exempt from service as a juror in all the county and district courts in the county a person with a physical or mental impairment or with an inability to comprehend or communicate in the English language that makes it impossible or very difficult for the person to serve on a jury.
- (b) A person requesting an exemption under this section must submit to the court or the district clerk an affidavit stating the person's name and address and the reason for and the duration of the requested exemption. A person requesting an exemption due to a physical or mental impairment must attach to the affidavit a statement from a physician. The affidavit and physician's statement may be submitted to the court at the time the person is summoned for jury service or at any other time.
- (b-1) The district clerk shall maintain a current list indicating the name of each person permanently or temporarily exempt under this section and the period of the exemption.
- (d) A person included on the list maintained under Subsection (b-1) [listed on the register] may not be summoned for jury service during the period for which the person is exempt. The name of a person included on the list maintained under Subsection (b-1) [listed on the register] may not be placed in the jury wheel or otherwise used in preparing the record of names from which a jury list is selected during the period for which the person is exempt.
- (e) A person exempt from jury service under this section may rescind the exemption at any time by filing a signed request for the rescission with the <u>district clerk</u> [voter registrar] of the county.

SECTION 6.13. Sections 62.113(a) and (b), Government Code, are amended to read as follows:

- (a) The clerk of the court shall maintain a list of the name and address of each person who is [excused or] disqualified under this subchapter from jury service because the person is not a citizen of the United States.
- (b) On the third business day of each month, the clerk shall send a copy of the list of persons [excused or] disqualified because of citizenship in the previous month to:
  - (1) the voter registrar of the county;
  - (2) the secretary of state; and
- (3) the county or district attorney for an investigation of whether the person committed an offense under Section 13.007, Election Code, or other law.

SECTION 6.14. Sections 62.114(a) and (b), Government Code, are amended to read as follows:

- (a) The clerk of the court shall maintain a list containing the name and address of each person who is [excused or] disqualified under this subchapter from jury service because the person is not a resident of the county.
- (b) On the third business day of each month, the clerk shall send a copy of the list of persons [excused or] disqualified in the previous month because the persons do not reside in the county to:
  - (1) the voter registrar of the county; and
  - (2) the secretary of state.

SECTION 6.15. Section 62.115, Government Code, is amended by amending Subsections (c) and (d) and adding Subsection (d-1) to read as follows:

- (c) The district clerk <u>shall</u> [may] remove from the jury wheel the jury wheel card for the person whose name appears on the list.
- (d) On the third business day of each month, the clerk shall send [to the secretary of state] a copy of the list of persons disqualified because of a conviction of misdemeanor theft or a felony to:
  - (1) the secretary of state; and
- (2) the prosecuting attorney for a court to which a person was summoned for investigation into whether the person falsely made a claim related to a disqualification under Section 62.102(7) or (8) [in the preceding month].
- (d-1) On the third business day of each month, the clerk of the court shall prepare a list of the name and address of each person on the list maintained under this section disqualified from jury service because the person was convicted of a felony and send a copy of the list to the voter registrar for the county.
- SECTION 6.16. The changes in law made by this article apply only to a person who is summoned to appear for service on a grand jury or petit jury on or after September 1, 2025. A person who is summoned to appear for service on a grand jury or petit jury before that date is governed by the law in effect on the date the person was summoned, and the former law is continued in effect for that purpose.

# ARTICLE 7. COURT ADMINISTRATION

SECTION 7.01. Section 233.006(b), Election Code, is amended to read as follows:

(b) Except as provided by Section 30.023, Civil Practice and Remedies Code [233.014], the contestant must file the petition not later than the later of the 30th day after the date the election records are publicly available under Section 1.012 or the official result of the contested election is determined.

SECTION 7.02. (a) Section 233.014, Election Code, is transferred to Chapter 30, Civil Practice and Remedies Code, redesignated as Section 30.023, Civil Practice and Remedies Code, and amended to read as follows:

Sec. <u>30.023</u> [<del>233.014</del>]. SPECIAL PROCEDURES FOR CONTEST OF CONSTITUTIONAL AMENDMENT ELECTION. (a) This section applies only to a contest of an election on a proposed constitutional amendment.

- (b) The contestant's petition must be filed and service of citation on the secretary of state must be obtained before the final official canvass is completed.
- (c) The filing of an election contest does not suspend implementation of a constitutional amendment approved by the majority of the votes cast [The declaration of the official result of a contested election may not be made until the contest is

finally determined. The secretary of state shall tabulate the county returns and the governor shall announce the final vote count, as ascertained from the returns, in a written document. The document announcing the final vote count must state that a contest of the election has been filed and that the declaration of the official result will not be made until the contest is finally determined.

- (c-1) The trial court must ensure a written ruling on a pretrial motion before the court is entered not later than the 30th day after the date the motion is filed.
- (d) The trial date may not be earlier than the 45th day after the date of the contested election except [nor later than the 180th day after the date of the contested election. The trial date may be earlier than the 45th day after the date of the contested election] at the request of the contestant. The trial court must ensure the judgment of the court is not filed later than the 180th day after the date of the contested election.
- (e) If an amended petition alleging additional grounds of contest is filed, the contest may not be called for trial earlier than the 20th day after the date the amended petition is filed unless the secretary of state agrees to calling the contest for trial at an earlier date.
- (f) The court shall include in its judgment in a contest an order directing the governor to declare the [official result of the election or to declare the] election valid or void, as appropriate, not later than the 10th day after the date the judgment becomes final.
- (g) Any question relating to the validity or outcome of a constitutional amendment election may be raised in an election contest. A contest is the exclusive method for adjudicating such questions.
- (h) If a contestant files an appeal of the contest, the appellate court must ensure that the action is brought to final disposition not later than the  $\underline{60th}$  [180th] day after the date the judgment becomes final.
- (b) Section 233.014, Election Code, as redesignated and amended by this article, applies to a contest of a constitutional amendment election filed on or after September 1, 2025. A contest of a constitutional amendment election filed before that date is governed by the law in effect on the date that the suit is filed, and the former law is continued in effect for that purpose.

SECTION 7.03. Section 253.152(7), Election Code, is amended to read as follows:

(7) "Statewide judicial office" means the office of chief justice or justice, supreme court, or presiding judge or judge, court of criminal appeals, or the Court of Appeals for the Fifteenth Court of Appeals District.

SECTION 7.04. Section 6.4035(e), Family Code, is amended to read as follows:

(e) The party executing the waiver may [not] sign the waiver using a digitized signature.

SECTION 7.05. The heading to Section 22.110, Government Code, is amended to read as follows:

Sec. 22.110. JUDICIAL INSTRUCTION RELATED TO FAMILY VIOLENCE, SEXUAL ASSAULT, TRAFFICKING OF PERSONS, AND CHILD AND ELDER ABUSE AND NEGLECT.

SECTION 7.06. Section 22.110, Government Code, is amended by amending Subsections (a), (b), and (d) and adding Subsection (b-1) to read as follows:

- (a) The court of criminal appeals shall assure that judicial training related to the problems of family violence, sexual assault, trafficking of persons, [and] child abuse and neglect, and elder abuse and neglect is provided.
- (b) The court of criminal appeals shall adopt the rules necessary to accomplish the purposes of this section. The rules must require:
- (1) each district judge, judge of a statutory county court, associate judge appointed under Chapter 54A of this code or Chapter 201, Family Code, master, referee, and magistrate within the judge's first term of office or the judicial officer's first four years of service to complete and provide certification of completion of 12 hours of training that include at least:
- (A) four hours dedicated to issues related to trafficking of persons, [and] child abuse and neglect, and elder abuse and neglect that cover at least two of the topics described in Subsections (d)(8) through (12) and (d)(14) [(d)(8) (12)];
- (B) six hours dedicated to the training described by Subsections (d)(5), (6), and (7); and
  - (C) one hour dedicated to the training described by Subsection (d)(13);
- (2) each judge and judicial officer during each additional term in office or four years of service to complete and provide certification of completion of an additional five hours of training that include at least:
- (A) two hours dedicated to the training described by Subsections (d)(11) and (12); and
- (B) one hour dedicated to the training described by Subsection (d)(13); and
- (3) each judge of a court with primary responsibility for family law or family violence matters to complete and provide certification of completion of an additional hour of training described by Subsection (d)(13) every two years.
- (b-1) The rules adopted under Subsection (b) must exempt from the training requirements of this section each judge or judicial officer, including an associate judge, who files an affidavit stating the judge or judicial officer does not hear cases involving family violence, sexual assault, trafficking of persons, or child abuse and neglect.
  - (d) The instruction must include information about:
- (1) statutory and case law relating to videotaping a child's testimony and relating to competency of children to testify;
- (2) methods for eliminating the trauma to the child caused by the court process;
- (3) case law, statutory law, and procedural rules relating to family violence, sexual assault, trafficking of persons, and child abuse and neglect;
- (4) methods for providing protection for victims of family violence, sexual assault, trafficking of persons, and child abuse and neglect;
- (5) available community and state resources for counseling and other aid to victims and to offenders;
  - (6) gender bias in the judicial process;
- (7) dynamics and effects of being a victim of sexual assault, trafficking of persons, or child abuse and neglect;

- (8) dynamics of sexual abuse of children, including child abuse accommodation syndrome and grooming;
- (9) impact of substance abuse on an unborn child and on a person's ability to care for a child;
  - (10) issues of attachment and bonding between children and caregivers;
- (11) issues of child development that pertain to trafficking of persons and child abuse and neglect;
- (12) medical findings regarding physical abuse, sexual abuse, trafficking of persons, and child abuse and neglect; [and]
  - (13) dynamics of family violence; and
  - (14) elder abuse and neglect.

SECTION 7.07. Section 22.216(n-2), Government Code, is amended to read as follows:

(n-2) Notwithstanding Subsection (n-1), the Court of Appeals for the Fifteenth Court of Appeals District consists of a chief justice and of two justices holding places numbered consecutively beginning with Place 2 for the first three years following the court's creation. Place 4 shall be created and the initial vacancy in that place shall be filled for the fourth year following the court's creation. Place 5 shall be created and the initial vacancy in that place shall be filled for the fifth year following the court's creation. This subsection expires September 1, 2029 [2027].

SECTION 7.08. Section 22.220, Government Code, is amended by adding Subsection (e) to read as follows:

(e) A party may not file a notice of appeal in a civil case requesting assignment of the appeal to the Court of Appeals for the Fifteenth Court of Appeals District unless the notice includes a matter arising out of or related to the case that is within the court's exclusive intermediate appellate jurisdiction.

SECTION 7.09. Section 51.303, Government Code, is amended by amending Subsections (b) and (f) and adding Subsection (d) to read as follows:

- (b) The clerk of a district court shall:
  - (1) record the acts and proceedings of the court;
  - (2) enter all judgments of the court under the direction of the judge; [and]
  - (3) record all executions issued and the returns on the executions; and
- (4) accept an application for a protective order filed under Chapter 82, Family Code.
- (d) Paper records must include a reference opposite each name to the minutes on which is entered the judgment in the case.
- (f) A case with an electronic record must be searchable by each party's full name, the case number, and the date on which the record was made [In addition to the other powers and duties of this section, a district elerk shall accept applications for protective orders under Chapter 71, Family Code].

SECTION 7.10. Section 51.903(d), Government Code, is amended to read as follows:

(d) The district clerk may not collect a filing fee under Section 12.005, Civil Practice and Remedies Code, for a filing [a motion] under this section.

SECTION 7.11. Section 53.001(a), Government Code, is amended to read as follows:

(a) The judges of the 30th, 70th, 71st, 78th, 89th, and 161st [; and 341st] district courts, the judges of the district courts having jurisdiction in Taylor County, the judges of the county courts at law of Taylor County, and the judge of the County Court of Harrison County shall each appoint a bailiff.

SECTION 7.12. Section 57.002(d), Government Code, is amended to read as follows:

- (d) Subject to Subsection (e), in a county with a population of 50,000 or more, a court may appoint a spoken language interpreter who is not a certified or licensed court interpreter:
  - (1) if:
- $\underline{(A)}$  [(1)] the language necessary in the proceeding is a language other than Spanish; and
- $\underline{\text{(B)}}$  [ $\underline{\text{(2)}}$ ] the court makes a finding that there is no licensed court interpreter within 75 miles who can interpret in the language that is necessary in a proceeding; or
- (2) if the court is a justice court, municipal court, or municipal court of record.
- SECTION 7.13. Subchapter C, Chapter 71, Government Code, is amended by adding Section 71.0354 to read as follows:
- Sec. 71.0354. PROSECUTING ATTORNEY INFORMATION. (a) In this section, "prosecuting attorney" means a county attorney, district attorney, or criminal district attorney representing this state in criminal matters before the district or other courts of the county.
- (b) Each prosecuting attorney shall report in the form and manner prescribed by the council information on:
- (1) the categories of criminal offenses prosecuted by the prosecuting attorney and the number of criminal cases in each category;
- (2) the number of personnel employed by the prosecuting attorney and whether that number is sufficient to support the prosecutor's caseload;
- (3) the number of times a defendant was released as provided by Article 17.151, Code of Criminal Procedure; and
- (4) the number of electronic notices submitted by the prosecuting attorney to a court as required by Article 17.027(a)(2), Code of Criminal Procedure.
- (c) In prescribing the information to be submitted and form and manner of submission of the information under Subsection (b), the council shall consult with:
  - (1) the Texas District and County Attorneys Association; and
  - (2) other interested persons.

SECTION 7.14. Section 72.015(c), Government Code, is amended to read as follows:

- (c) The judicial security division shall:
- (1) serve as a central resource for information on local and national best practices for court security and the safety of court personnel;
- (2) provide an expert opinion on the technical aspects of court security; [and]
- (3) keep abreast of and provide training on recent court security improvements; and

(4) develop a model court emergency management plan as a resource for court security committees.

SECTION 7.15. Section 72.016, Government Code, is amended to read as follows:

Sec. 72.016. NOTIFICATION PROCEDURE FOR JUDICIAL PRIVACY. The director shall develop a procedure to regularly notify county registrars, the Department of Public Safety, the Texas Ethics Commission, and any other state or local government agency the office determines should be notified of the judges, judges' spouses, employees of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office, employees and commissioners of the State Commission on Judicial Conduct, and related family members whose personal information must be kept from public records, as provided under Sections 552.117 and 572.035 of this code, Sections 13.0021 and 15.0215, Election Code, Section 25.025, Tax Code, and Section 521.121, Transportation Code.

SECTION 7.16. Section 72.083, Government Code, is amended by adding Subsection (c) to read as follows:

(c) Notwithstanding Subsection (b), if the director determines a performance measure listed in Subsection (b) does not accurately reflect a court's performance in probate and mental health matters, the director may develop an alternative performance measure to assess the efficient and timely adjudication of those matters and include the alternative performance measure in the annual report required under Subsection (b).

SECTION 7.17. Section 74.024(d), Government Code, is amended to read as follows:

(d) Any rules adopted under this section remain in effect unless and until disapproved by the legislature. The clerk of the supreme court shall file with the secretary of state the rules or any amendments to the rules adopted by the supreme court under this section and shall provide [mail] a copy of the rules and any amendments to each registered member of the State Bar not later than the 120th day before the date on which they become effective. The supreme court shall allow a period of 60 days for review and comment on the rules and any amendments. The clerk of the supreme court shall report the rules or amendments to the rules to the next regular session of the legislature by providing [mailing] a copy of the rules or amendments to the rules to each elected member of the legislature on or before December 1 immediately preceding the session.

SECTION 7.18. Section 74.051(c), Government Code, is amended to read as follows:

(c) A presiding judge [who is a retired or former district judge or a retired appellate judge and who presides over an administrative region with 30 or more district courts, statutory county courts, and retired and former judges named on the list maintained under Section 74.055 for the administrative region] is entitled to an annual salary for each fiscal year, based on the number of district courts, business courts, and statutory county courts in the administrative region, the number of associate judges appointed by the presiding judge under Chapter 201, Family Code, and the number of retired and former judges named on the list maintained under Section 74.055 for the administrative region, in an amount equal to:

Number of Courts and Judges	Salary
[ <del>30 to</del> ] 49 or fewer	50 [30] percent of the state base salary
<u> </u>	paid to a district judge as set by the
	General Appropriations Act in
	accordance with Section 659.012(a)
50 to 69	55 [35] percent of the state base salary
	paid to a district judge as set by the
	General Appropriations Act in
	accordance with Section 659.012(a)
70 to 89	60 [40] percent of the state base salary
	paid to a district judge as set by the
	General Appropriations Act in
	accordance with Section 659.012(a)
90 or more	65 [45] percent of the state base salary
	paid to a district judge as set by the
	General Appropriations Act in
	accordance with Section 659.012(a)
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SECTION 7.19. Section 74.091, Government Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

- (b) In a county with two or more district courts the judges of those courts shall elect a district judge as local administrative district judge:
  - (1) for a term of [not more than] two years; or
- (2) if the district judge's term ends before the second anniversary of the date the district judge is elected as local administrative judge, for the remainder of the district judge's term.
- (b-1) The local administrative district judge may not be elected on the basis of rotation or seniority.

SECTION 7.20. Section 74.092, Government Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

- (a) A local administrative judge, for the courts for which the judge serves as local administrative judge, shall:
- (1) implement and execute the local rules of administration, including the assignment, docketing, transfer, and hearing of cases;
- (2) appoint any special or standing committees necessary or desirable for court management and administration;
- (3) promulgate local rules of administration if the other judges do not act by a majority vote;
- (4) recommend to the regional presiding judge any needs for assignment from outside the county to dispose of court caseloads;
- (5) supervise the expeditious movement of court caseloads, subject to local, regional, and state rules of administration;
- (6) provide the supreme court and the office of court administration requested statistical and management information;
  - (7) set the hours and places for holding court in the county;
  - (8) supervise the employment and performance of nonjudicial personnel;
- (9) supervise the budget and fiscal matters of the local courts, subject to local rules of administration:

- (10) coordinate and cooperate with any other local administrative judge in the district in the assignment of cases in the courts' concurrent jurisdiction for the efficient operation of the court system and the effective administration of justice;
- (11) if requested by the courts the judge serves, establish and maintain the lists required by Section 37.003 and ensure appointments are made from the lists in accordance with Section 37.004;
- (12) perform other duties as may be directed by the chief justice or a regional presiding judge; and
- (13) establish a court security committee to adopt security policies and procedures for the <u>trial</u> courts served by the local administrative district judge, including by adopting a court emergency management plan, that is composed of:
- (A) the local administrative district judge, or the judge's designee, who serves as presiding officer of the committee;
  - (B) a representative of the sheriff's office;
  - (C) a representative of a constable's office;
  - (D) a representative of the county commissioners court;
- (E) (D) one judge of each type of court in the county, including a justice of the peace and excluding the judge of [other than] a municipal court or a municipal court of record;
- $\underline{\text{(F)}}$  [ $\underline{\text{(E)}}$ ] a representative of any county attorney's office, district attorney's office, or criminal district attorney's office that serves in the applicable courts; and
- $\underline{\text{(G)}}$  [ $\overline{\text{(F)}}$ ] any other person the committee determines necessary to assist the committee.
- (c) Notwithstanding Section 551.001 or 552.003, a court security committee established under this section is not a governmental body for the purposes of Chapter 551 or 552.
- SECTION 7.21. Section 74.092(b), Government Code, is redesignated as Section 74.0922, Government Code, and amended to read as follows:
- Sec. 74.0922. DUTIES OF COURT SECURITY COMMITTEE. [(b)] A court security committee established under Section 74.092(a)(13) shall meet at least once annually and shall develop and submit recommendations [may recommend] to the county commissioners court on the uses of resources and expenditures of money for courthouse security, but may not direct the assignment of those resources or the expenditure of those funds.

SECTION 7.22. Chapter 74, Government Code, is amended by adding Subchapter D-1 to read as follows:

## SUBCHAPTER D-1. COURT LEADERSHIP CONFERENCE

- Sec. 74.0981. COURT LEADERSHIP CONFERENCE. The Office of Court Administration of the Texas Judicial System shall hold an annual leadership conference to provide information to presiding judges of administrative regions, local administrative judges, and court administrators related to:
  - (1) court budgets and operational funding;
- (2) court activity statistics and case-level information on the amount and character of the business transacted by the state trial courts;
  - (3) the duties of a local administrative judge; and

(4) other matters related to court administration.

Sec. 74.0982. REIMBURSEMENT. The Office of Court Administration of the Texas Judicial System may reimburse a presiding judge of an administrative region, a local administrative judge, or a court administrator for the expense of attending the leadership conference described by Section 74.0981 to the extent money is appropriated to the office for that purpose.

SECTION 7.23. Section 75.001(d), Government Code, is amended to read as follows:

- (d) A retiree who makes an election under this section shall be:
  - (1) designated a senior judge; and
- (2) considered a judge of a court of this state for the purpose of appointment to a judicial branch board, commission, or council.

SECTION 7.24. Section 121.002(c), Government Code, is amended to read as follows:

- (c) Notwithstanding any other law, a specialty court program may not operate until the judge, magistrate, or coordinator:
- (1) provides to the Office of Court Administration of the Texas Judicial System:
  - (A) written notice of the program;
- (B) any resolution or other official declaration under which the program was established; and
- (C) a copy of the program policy manual, participant handbook, or other adopted documentation describing the operational plan of [applicable strategic plan that incorporates duties related to supervision that will be required under] the program; and
- (2) receives from the office written verification of the program's compliance with Subdivision (1).

SECTION 7.25. Section 406.026, Government Code, is amended to read as follows:

Sec. 406.026. ELECTRONIC NOTARIZATION. In a proceeding filed under Title 1 or 5, Family Code, if a signature is required to be notarized, acknowledged, verified, or made under oath, the requirement may be satisfied if the electronic signature of the person authorized to perform that act, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature required to be notarized, acknowledged, verified, or made under oath.

SECTION 7.26. Section 659.012, Government Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

- (d) Notwithstanding any other provision in this section or other law, [in a county with more than five district courts,] a district judge who serves as a local administrative district judge under Section 74.091 is entitled to an annual base salary from the state in the amount provided under Subsection (a) or (b) and an additional annual [in the] amount from the state equal to:
- (1) in a county with three or four district courts, three percent of the annual base [\$5,000 more than the maximum] salary for a judge of a district court [from the state to which the judge is otherwise entitled] under Subsection (a);

- (2) in a county with more than four but fewer than 10 district courts, five percent of the annual base salary for a judge of a district court under Subsection (a); or
- (3) in a county with 10 or more district courts, seven percent of the annual base salary for a judge of a district court under Subsection (a) [or (b)].
- (d-1) Notwithstanding any other provision in this section or other law, a judge of a division of the business court who serves as administrative presiding judge under Section 25A.009 is entitled to an annual base salary from the state in the amount provided under Subsection (a) or (b) and an additional annual amount equal to the amount provided under Subsection (d)(3).

SECTION 7.27. Section 574.001(b), Health and Safety Code, is amended to read as follows:

- (b) Except as provided by Subsection (f), the application must be filed with the county clerk in the county in which the proposed patient:
  - (1) resides;
  - (2) is located at the time the application is filed [is found]; [or]
  - (3) was apprehended under Chapter 573; or
- (4) is receiving mental health services by court order or under Subchapter A, Chapter 573.

SECTION 7.28. Section 118.011(a), Local Government Code, is amended to read as follows:

- (a) A county clerk shall collect the following fees for services rendered to any person:
  - (1) Personal Property Records Filing (Sec. 118.012):
    - (A) for the first page ......\$ 5.00;
- - (2) Real Property Records Filing (Sec. 118.013):
- - (C) for all or part of each 8-1/2" X 14" attachment or rider . . . . \$ 4.00;
- (D) for each name in excess of five names that has to be indexed in all records in which the document must be indexed ...............................\$ 0.25;
  - (3) Certified Papers (Sec. 118.014):
    - (A) for the clerk's certificate.....\$ 5.00;
    - (B) printed on paper, plus a fee for each page or part of a page . . \$ 1.00;
- - (D) that is an electronic copy of an electronic document:
    - (i) for each document up to 10 pages in length.....\$1;
  - - (4) Noncertified Papers (Sec. 118.0145):
      - (A) printed on paper, for each page or part of a page . . . . . . . . \$ 1.00;

- - (7) Marriage License (Sec. 118.018).....\$60.00;
- SECTION 7.29. Section 135.101(a), Local Government Code, is amended to read as follows:
- (a) A person shall pay in a district court, statutory county court, or county court in addition to all other fees and court costs a local consolidated filing fee of:
- (1) \$213 on filing any civil case except a probate, guardianship, or mental health case; and
- (2) \$35 on any action other than an original action for a case subject to Subdivision (1), including [an appeal and] any counterclaim, cross-action, intervention, contempt action, interpleader, motion for new trial, motion to reinstate, or third-party action.

SECTION 7.30. Section 615.003(a), Local Government Code, is amended to read as follows:

(a) A county [with a population of 150,000 or more] may construct, enlarge, equip, and operate a parking lot or parking garage adjacent to or near the county courthouse.

SECTION 7.31. Sections 53.001(i), 53.009(d), and 74.051(b), Government Code, are repealed.

SECTION 7.32. (a) In this section:

- (1) "Digital court reporting" means the act of making a verbatim record of an oral court proceeding, deposition, or proceeding before a grand jury, referee, or court commissioner for use in litigation in the courts of this state through the use of digital technology, electronic recording equipment, or other recording and transcribing technology.
- (2) "Office" means the Office of Court Administration of the Texas Judicial System.
  - (b) The office shall conduct a study on digital court reporting, including:
- (1) an evaluation of the current use of digital court reporting in the courts of this state, including the cost, access, accuracy, and effectiveness of digital court reporting;
- (2) an analysis of the use of digital court reporting in other states and jurisdictions; and
- (3) recommendations on any necessary changes to statutes, rules, regulations, or standards regarding the use of digital court reporting in this state.

- (c) Not later than October 1, 2026, the office shall submit a report on the study conducted under this section to the governor, lieutenant governor, speaker of the house of representatives, and appropriate standing committees of the legislature.
  - (d) This section expires September 1, 2027.

SECTION 7.33. Section 6.4035(e), Family Code, and Section 406.026, Government Code, as amended by this article, apply to a waiver of citation executed in a suit for dissolution of a marriage that is pending in a trial court on September 1, 2025, or that is filed on or after that date.

SECTION 7.34. (a) As soon as practicable after September 1, 2025, the Texas Court of Criminal Appeals shall adopt the rules necessary to implement Section 22.110, Government Code, as amended by this article.

(b) Section 22.110, Government Code, as amended by this article, applies to all judges, masters, referees, and magistrates elected, appointed, or holding office on or after September 1, 2025.

SECTION 7.35. Section 22.220(e), Government Code, as added by this article, applies only to a notice of appeal filed on or after September 1, 2025. A notice of appeal filed before that date is governed by the law in effect on the date the notice was filed, and the former law is continued in effect for that purpose.

SECTION 7.36. Section 53.001, Government Code, as amended by this article, does not apply to a bailiff appointed by the judge of the 341st or 406th district court before September 1, 2025. A bailiff appointed by the judge of the 341st or 406th district court before that date shall continue to serve and receive compensation from Webb County in the same manner as before that date and shall be eligible to receive any longevity or cost of living salary increases available to a bailiff serving in Webb County before that date. The former law is continued in effect for the purposes of this section.

SECTION 7.37. Not later than September 1, 2026, the Texas Judicial Council shall prescribe the information, and form and manner of submission, a prosecuting attorney in this state is required to report under Section 71.0354, Government Code, as added by this article.

SECTION 7.38. The change in law made by this article to Section 574.001, Health and Safety Code, applies only to an application for court-ordered mental health services submitted on or after September 1, 2025.

### ARTICLE 8. COPIES CERTIFIED BY CLERKS

SECTION 8.01. Subchapter D, Chapter 51, Government Code, is amended by adding Section 51.3033 to read as follows:

Sec. 51.3033. CERTIFIED COPIES. A certified copy made of an original document on file in a district clerk's office must include:

- (1) on each page of the copy:
  - (A) the clerk's signature or initials;
  - (B) the district court seal; or
  - (C) a unique document certification and paginated page number; and
- (2) on the final page of the copy:
- (A) the clerk's attestation certifying that the copy is a true and correct copy of the original document filed in the clerk's office;
  - (B) the number of pages copied; and

(C) the date the copy was issued.

SECTION 8.02. Subchapter F, Chapter 51, Government Code, is amended by adding Section 51.503 to read as follows:

Sec. 51.503. CERTIFIED COPIES. A certified copy made of an original document on file in a joint clerk's office must include:

- (1) on each page of the copy:
  - (A) the clerk's signature or initials;
  - (B) the applicable court's seal; or
  - (C) a unique document certification and paginated page number; and
- (2) on the final page of the copy:
- (A) the clerk's attestation certifying that the copy is a true and correct copy of the original document filed in the clerk's office;
  - (B) the number of pages copied; and
  - (C) the date the copy was issued.

SECTION 8.03. Chapter 191, Local Government Code, is amended by adding Section 191.0041 to read as follows:

Sec. 191.0041. CERTIFIED COPIES. A certified copy made of an original document on file in a county clerk's office must include:

- (1) on each page of the copy:
  - (A) either:
    - (i) the clerk's signature or initials; or
    - (ii) a unique document certification and paginated page number;

and

- (B) either:
- (i) the commissioners court seal on a copy of a document that is not a court document; or
  - (ii) the court seal on a copy of a court document; and
  - (2) on the final page of the copy:
- (A) the clerk's attestation certifying that the copy is a true and correct copy of the original document filed in the clerk's office;
  - (B) the number of pages copied; and
  - (C) the date the copy was issued.

ARTICLE 9. YOUTH DIVERSION

SECTION 9.01. Article 45A.253(b), Code of Criminal Procedure, is amended to read as follows:

- (b) A judge shall [may] allow a defendant who is a child, as defined by Article 45A.453(a), to elect at the time of conviction, as defined by Section 133.101, Local Government Code, to discharge the fine and costs by:
- (1) performing community service or receiving tutoring under Article 45A.460, regardless of whether the applicable offense occurred at a location specified by Subsection (a) of that article; or
  - (2) paying the fine and costs in a manner described by Article 45A.251(b).

SECTION 9.02. (a) Chapter 45A, Code of Criminal Procedure, is amended to conform to Section 2, Chapter 525 (H.B. 3186), Acts of the 88th Legislature, Regular Session, 2023, and Chapter 1033 (S.B. 24), Acts of the 88th Legislature, Regular Session, 2023, and is further amended by adding Subchapter K to read as follows:

### SUBCHAPTER K. YOUTH DIVERSION

Art. 45A.501. DEFINITIONS. In this subchapter:

- (1) "Charge" means a formal or informal allegation of an offense, including a citation, written promise to appear, complaint, or pending complaint.
  - (2) "Child" has the meaning assigned by Article 45A.453(a).
- (3) "Court" means a justice court, municipal court, or other court subject to this chapter.
- (4) "Diversion" means an intervention strategy that redirects a child from formal criminal prosecution and holds the child accountable for the child's actions. The term includes diversion under Article 45A.509 or 45A.510.
- (5) "Offense" means a misdemeanor punishable by fine only, other than a traffic offense.
  - (6) "Parent" has the meaning assigned by Article 45A.457(a).
- (7) "Service provider" means a governmental agency, political subdivision, open-enrollment charter school, nonprofit organization, or other entity that provides services to children or families.
- (8) "Traffic offense" has the meaning assigned by Section 51.02, Family Code.
  - (9) "Youth diversion plan" means a plan adopted under Article 45A.506.
- Art. 45A.502. APPLICABILITY. This subchapter applies only to a child who is alleged to have engaged in conduct that constitutes a misdemeanor punishable by fine only, other than a traffic offense.
- Art. 45A.503. TRANSFER TO JUVENILE COURT NOT AFFECTED. Nothing in this subchapter precludes:
- (1) a case involving a child from being referred, adjudicated, or disposed of as conduct indicating a need for supervision under Title 3, Family Code; or
- (2) a waiver of criminal jurisdiction and transfer of a child's case as provided by Section 51.08, Family Code.
- Art. 45A.504. DIVERSION ELIGIBILITY. (a) Except as otherwise provided by this subchapter, a child shall be diverted from formal criminal prosecution as provided by this subchapter.
- (b) A child is eligible to enter into a diversion agreement under this subchapter only once every 12 months.
- (b-1) A child is eligible to enter into a diversion agreement under this subchapter for more than one offense if the offenses are alleged to have occurred as part of the same criminal episode, as defined by Section 3.01, Penal Code.
- (c) A child is not eligible for diversion if the child has previously had an unsuccessful diversion under this subchapter.
- (d) A child is not eligible for diversion if a diversion is objected to by the attorney representing the state.
- (e) A court may not divert a child from criminal prosecution as provided by this subchapter without the written consent of the child and the child's parent.
  - Art. 45A.505. DIVERSION STRATEGIES. (a) Diversion strategies include:
    - (1) requiring a child to participate in a program, including:
- (A) a court-approved teen court program operated by a service provider;

preparation;

- (B) a school-related program;
- (C) an educational program, including an alcohol awareness program, a tobacco awareness program, or a drug education program;
  - (D) a rehabilitation program; or
- (E) a self-improvement program, including a program relating to self-esteem, leadership, self-responsibility, empathy, parenting, parental responsibility, manners, violence avoidance, anger management, life skills, wellness, or dispute resolution;
  - (2) referring a child to a service provider for services, including:
- (A) at-risk youth services under Subchapter D, Chapter 137, Human Resources Code;
  - (B) juvenile case manager services under Article 45A.451;
  - (C) work and job skills training, including job interviewing and work
- (D) academic monitoring or tutoring, including preparation for a high school equivalency examination administered under Section 7.111, Education Code;
  - (E) community-based services;
  - (F) mental health screening and clinical assessment;
  - (G) counseling, including private or in-school counseling; or
  - (H) mentoring services;
  - (3) requiring a child to:
    - (A) participate in mediation or other dispute resolution processes;
    - (B) submit to alcohol or drug testing; or
- (C) substantially comply with a course of treatment prescribed by a physician or other licensed medical or mental health professional; and
  - (4) requiring a child, by court order, to:
- (A) pay restitution not to exceed \$100 for an offense against property under Title 7, Penal Code;
  - (B) perform not more than 20 hours of community service; or
  - (C) perform any other reasonable action determined by the court.
  - (b) A diversion strategy may be imposed under:
    - (1) an intermediate diversion under Article 45A.509;
    - (2) a diversion by a justice or judge under Article 45A.510; or
- (3) a system of graduated sanctions for certain school offenses under Section 37.144, Education Code.
- (c) A diversion strategy under this subchapter may not require a child who is a home-schooled student, as defined by Section 29.916, Education Code, to:
  - (1) attend an elementary or secondary school; or
- (2) use an educational curriculum other than the curriculum selected by the parent.
- Art. 45A.506. YOUTH DIVERSION PLAN. (a) A youth diversion plan is a written plan that describes the types of strategies that will be used to implement youth diversion. A youth diversion plan does not limit the types of diversion strategies that may be imposed under a diversion agreement under Article 45A.508.
  - (b) Each justice and municipal court shall adopt a youth diversion plan.

- (c) A youth diversion plan may be devised for a county or municipality or an individual court within a county or municipality.
- (d) In accordance with Chapter 791, Government Code, a local government may enter into an agreement with one or more local governments to create a regional youth diversion plan and collaborate in the implementation of this subchapter.
- (e) A youth diversion plan may include an agreement with a service provider to provide services for a diversion strategy.
- (f) A youth diversion plan may contain guidelines for disposition or diversion of a child's case by law enforcement. The guidelines are not mandatory.
- (g) A current youth diversion plan must be maintained on file for public inspection in each justice and municipal court, including courts that collaborate with one or more counties or municipalities.
- (h) A court or local government may adopt rules necessary to coordinate services under a youth diversion plan or to implement this subchapter.
- Art. 45A.507. YOUTH DIVERSION COORDINATOR. (a) A court may designate a youth diversion coordinator to assist the court in:
  - (1) determining whether a child is eligible for diversion;
  - (2) employing a diversion strategy authorized by this subchapter;
  - (3) presenting and maintaining diversion agreements;
  - (4) monitoring diversions;
- (5) maintaining records regarding whether one or more diversions were successful or unsuccessful; and
  - (6) coordinating referrals to court.
  - (b) The responsibilities of the youth diversion coordinator may be performed by:
- (1) a court administrator or court clerk, or a person who regularly performs the duties of court administrator or court clerk;
- (2) an individual or entity that provides juvenile case manager services under Article 45A.451;
  - (3) a court-related services office;
- (4) a community supervision and corrections department, including a juvenile probation department;
  - (5) a county or municipal employee, including a peace officer;
  - (6) a community volunteer;
- (7) an institution of higher education, including a public, private, or independent institution of higher education; or
  - (8) a qualified nonprofit organization as determined by the court.
- Art. 45A.508. DIVERSION AGREEMENT. (a) A diversion agreement must identify the parties to the agreement and the responsibilities of the child and the child's parent to ensure their meaningful participation in a diversion under Article 45A.509 or 45A.510.
- (b) Stated objectives in a diversion agreement must be measurable, realistic, and reasonable and consider the circumstances of the child, the best interests of the child, and the long-term safety of the community.
  - (c) A diversion agreement must include:

- (1) the terms of the agreement, including one or more diversions required to be completed by the child, written in a clear and concise manner and identifying any offense or charge being diverted;
- (2) possible outcomes or consequences of a successful diversion and an unsuccessful diversion;
- (3) an explanation that participation in a diversion is not an admission of guilt and a guilty plea is not required to participate in a diversion;
- (4) an explanation of the process that will be used for reviewing and monitoring compliance with the terms of the agreement;
  - (5) the period of the diversion;
  - (6) a verification that:
- (A) the child and the child's parent were notified of the child's rights, including the right to refuse diversion; and
- (B) the child knowingly and voluntarily consents to participate in the diversion; and
- (7) written acknowledgment and acceptance of the agreement by the child and the child's parent.
- (d) The terms of an agreement may vary depending on the circumstances of the child, including the child's age and ability, the charge being diverted, or the diversion strategy used.
- (e) A charge may not be filed against a child or, if filed, shall be dismissed by the court if the child:
  - (1) does not contest the charge;
  - (2) is eligible for diversion under Article 45A.504; and
  - (3) accepts the terms of the agreement.
- (f) Entering into a diversion agreement under this article extends the court's
- jurisdiction for the term of the agreement.

  (g) On entering into a diversion agreement, a copy of the agreement shall be provided to the child and the child's parent, the clerk of the court, a youth diversion coordinator, and any person specified by the youth diversion plan.
- Art. 45A.509. INTERMEDIATE DIVERSION. (a) If provided by a youth diversion plan, a youth diversion coordinator or juvenile case manager shall advise the child and the child's parent before a case is filed that the case may be diverted under this article for a reasonable period not to exceed 180 days if:
  - (1) the child is eligible for diversion under Article 45A.504;
- (2) diversion is in the best interests of the child and promotes the long-term safety of the community;
- (3) the child and the child's parent consent to diversion with the knowledge that diversion is optional; and
- (4) the child and the child's parent are informed that they may terminate the diversion at any time and, if terminated, the case will be referred to court.
- (b) The terms of a diversion agreement under this article must be in writing and may include any of the diversion strategies under Article 45A.505.
- (c) The case of a child who successfully complies with the terms of a diversion agreement under this article shall be closed and reported as successful to the court.

- (d) A child who does not comply with the terms of a diversion agreement under this article shall be referred to court under Article 45A.511.
- Art. 45A.510. DIVERSION BY JUSTICE OR JUDGE. (a) If a charge involving a child who is eligible for diversion is filed with a court, and the child does not contest the charge, a justice or judge shall divert the case under this article without the child having to enter a plea.
  - (b) A diversion under this article may not exceed 180 days.
- (c) The terms of a diversion agreement under this article must be in writing and may include any of the diversion strategies described by Article 45A.505.
- (d) The case of a child who successfully complies with the terms of a diversion agreement under this article shall be closed and reported as successful to the court.
- (e) A child who does not comply with the terms of a diversion agreement under this article shall be referred to court for a hearing under Article 45A.511.
- Art. 45A.511. REFERRAL TO COURT. (a) A court shall conduct a non-adversarial hearing for a child who does not successfully complete the terms of a diversion under Article 45A.509 or 45A.510 and is referred to the court.
- (b) The hearing is an opportunity for a justice or judge to confer with the child and the child's parent to determine whether a diversion should be declared unsuccessful by the court. The court may also hear from any person who may be of assistance to the child or the court in determining what is in the best interests of the child and the long-term safety of the community.
  - (c) After the hearing, a court may enter an order:
    - (1) amending or setting aside terms in the diversion agreement;
- (2) extending the diversion for a period not to exceed one year from the initial start date of the diversion;
- (3) issuing a continuance for the hearing for a period not to exceed 60 days to allow an opportunity for compliance with the terms of the diversion;
- (4) subject to Subsection (d), requiring the child's parent to perform any act or refrain from performing any act as the court determines will increase the likelihood the child will successfully complete the diversion and comply with any other order of the court that is reasonable and necessary for the welfare of the child;
  - (5) finding the diversion successful on the basis of substantial compliance;
  - (6) finding the diversion unsuccessful and:

or

- (A) transferring the child to juvenile court for alleged conduct indicating a need for supervision under Section 51.08, Family Code; or
  - (B) referring the charge to the prosecutor for consideration of re-filing.
- (d) An order under Subsection (c)(4) may not have the substantive effect of interfering with a parent's fundamental right to determine how to raise the parent's child, unless the court finds that the interference is necessary to prevent significant impairment of the child's physical, mental, or emotional health.
- (e) An order under Subsection (c)(4) is enforceable against the parent by contempt.
- (f) The statute of limitations in Article 12.02 is tolled during the diversion period for purposes of Subsection (c)(6)(B).

- Art. 45A.512. LOCAL YOUTH DIVERSION ADMINISTRATIVE FEE. (a) The clerk of a justice or municipal court may collect from a child's parent an administrative fee not to exceed \$50 to defray the costs of the diversion of the child's case under this subchapter.
- (b) The fee under this article may not be collected unless specified as a term of the diversion agreement accepted by the child's parent. If the fee is not paid after giving the child's parent an opportunity to be heard, the court shall order the parent, if financially able, to pay the fee to the clerk of the court.
- (c) A court shall waive the fee if the child's parent is indigent or does not have sufficient resources or income to pay the fee.
- (d) A court may adopt rules for the waiver of a fee for financial hardship under this article.
  - (e) An order under Subsection (b) is enforceable against the parent by contempt.
- (f) The clerk of the court shall keep a record of the fees collected under this article and shall forward the funds to the county treasurer, municipal treasurer, or person fulfilling the role of a county treasurer or municipal treasurer, as appropriate.
- (g) The fee collected under this article shall be deposited in a special account that can be used only to offset the cost of the operations of youth diversion programs under this subchapter.
- (h) Except for the fee authorized under Subsection (a), a fee may not be assessed for a child diverted under this subchapter.
- (i) The diversion of a child may not be contingent on payment of a fee under this article.
- Art. 45A.513. DIVERSION RECORDS. (a) A justice or municipal court shall maintain statistics for each diversion strategy authorized by this subchapter.
- (b) Other than statistical records, all records generated under this subchapter are confidential under Article 45A.462.
- (c) All records of a diversion pertaining to a child under this subchapter shall be expunged without the requirement of a motion or request, on the child's 18th birthday.
- (b) Section 2, Chapter 525 (H.B. 3186), Acts of the 88th Legislature, Regular Session, 2023, which added Subchapter E, Chapter 45, Code of Criminal Procedure, is repealed.
- (c) Section 4, Chapter 525 (H.B. 3186), Acts of the 88th Legislature, Regular Session, 2023, which amended Article 45.041, Code of Criminal Procedure, is repealed.
- SECTION 9.03. Section 53.01(b-1), Family Code, is amended to read as follows:
- (b-1) The person who is conducting the preliminary investigation shall, as appropriate, refer the child's case to a community resource coordination group, a local-level interagency staffing group, or other community juvenile service provider for services under Section 53.011, if the person determines that:
  - (1) [the child is younger than 12 years of age;
- $\left[\frac{(2)}{2}\right]$  there is probable cause to believe the child engaged in delinquent conduct or conduct indicating a need for supervision;
- $\underline{(2)}$  [ $\underline{(3)}$ ] the child's case does not require referral to the prosecuting attorney under Subsection (d) or (f);

- (3) [(4)] the child is eligible for deferred prosecution under Section 53.03; and
  - (4)  $\left[\frac{5}{1}\right]$  the child:
- (A) is younger than 12 years of age, and the child and the child's family are not currently receiving services under Section 53.011 and would benefit from receiving the services; or
- (B) resides in a general residential operation, as that term is defined by Section 42.002, Human Resources Code.

SECTION 9.04. Section 82.004, Family Code, is amended to read as follows:

- Sec. 82.004. FORM AND CONTENT OF APPLICATION. (a) A person filing an application under this chapter shall use the protective order application form created by the Office of Court Administration of the Texas Judicial System under Section 72.039, Government Code, that is available on the office's Internet website, and shall include in the application:
  - (1) the name [and county of residence] of each applicant;
- (2) the county of residence of each applicant, unless the applicant requests confidentiality pursuant to Section 82.011 or 85.007;
- (3) the name and county of residence of each individual alleged to have committed family violence;
- $\underline{(4)}$  [ $\underline{(3)}$ ] the relationships between the applicants and the individual alleged to have committed family violence;
  - (5) [<del>(4)</del>] a request for one or more protective orders; [and]
- $\overline{(6)}$  [(5)] whether an applicant is receiving services from the Title IV-D agency in connection with a child support case and, if known, the agency case number for each open case; and
- (7) any additional information known by the applicant that may assist in finding the respondent for the purposes of services.
- (b) An applicant may submit an affidavit of confidentiality to the court pursuant to Section 72.039, Government Code, or Section 82.011 or 85.007, Family Code, to omit confidential information from the application and any subsequent protective order. An affidavit of confidentiality is only for the court's use and shall not be transmitted to the respondent.
- (c) A party's failure to use the standardized protective order form as required under Subsection (a) does not affect the validity or enforceability of the application or any subsequent protective order issued.

SECTION 9.05. Section 42.0426(b), Human Resources Code, is amended to read as follows:

- (b) A residential child-care facility shall implement a behavior intervention program approved by the department for the benefit of a child served by the facility who needs assistance in managing the child's conduct. The program must include:
- (1) behavior intervention instruction for staff members who work directly with children served by the facility, including crisis response training for emergency behavior intervention with a goal of limiting law enforcement involvement; and
- (2) training for all employees regarding the risks associated with the use of prone restraints.

SECTION 9.06. Section 152.00145, Human Resources Code, is amended to read as follows:

Sec. 152.00145. DIVERSION AND DETENTION POLICY FOR CERTAIN JUVENILES. (a) In this section, "general residential operation" has the meaning assigned by Section 42.002.

- (b) A juvenile board shall establish policies that prioritize:
- (1) the diversion from referral to a prosecuting attorney under Chapter 53, Family Code, of children who are:
- (A) younger than 12 years of age [from referral to a prosecuting attorney under Chapter 53, Family Code]; or
- (B) residing in a general residential operation, particularly children alleged to have engaged in conduct constituting a misdemeanor involving violence to a person; and
- (2) the limitation of detention, to circumstances of last resort, of children who are:
  - (A) younger than 12 years of age; or
- (B) residing in a general residential operation [to circumstances of last resort].
- (c) To monitor the success of policies implemented under Subsection (b) for children who reside in general residential operations, a juvenile board shall track:
- (1) the number of children referred to the board who reside in a general residential operation;
- (2) the number of children described by Subdivision (1) who receive deferred prosecution or are referred to the juvenile probation department; and
- (3) the general residential operation where a child described by Subdivision (1) resides.

SECTION 9.07. Section 53.01(b-1), Family Code, as amended by this article, applies only to conduct that occurs on or after September 1, 2025. Conduct that occurs before September 1, 2025, 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 the purposes of this section, conduct occurred before September 1, 2025, if any element of the conduct occurred before that date.

#### ARTICLE 10. JUVENILE BOARDS

SECTION 10.01. Section 152.0191(a), Human Resources Code, is amended to read as follows:

(a) The juvenile board of Bee County is composed of the county judge, [and] the district judges in Bee County, and the judge of the 2nd Multicounty Court at Law.

SECTION 10.02. Section 152.0521(a), Human Resources Code, is amended to read as follows:

- (a) The Comal County Juvenile Board is composed of:
  - (1) the county judge;
- (2) the <u>local administrative statutory county court</u> judge [of each county court at law in the county];
- (3) <u>an elected judicial officer of Comal County appointed by the local</u> administrative statutory county court judge;
  - (4) the local administrative district judge [of the 22nd District Court];

- (5) two elected judicial officers of Comal County appointed by the local administrative district judge [(4) the judge of the 207th District Court]; and
  - (5) the judge of the 433rd District Court;
  - (6) [the judge of the 274th District Court; and
  - $\lceil \frac{7}{7} \rceil$  the criminal district attorney of Comal County.

SECTION 10.03. Section 152.1551(a), Human Resources Code, is amended to read as follows:

(a) The juvenile board of Live Oak County is composed of the county judge, [and] the district judges in Live Oak County, and the judge of the 2nd Multicounty Court at Law.

SECTION 10.04. Section 152.1621(a), Human Resources Code, is amended to read as follows:

(a) The juvenile board of McMullen County is composed of the county judge, [and] the district judges in McMullen County, and the judge of the 2nd Multicounty Court at Law.

ARTICLE 11. CIVIL CRIMINAL COURT PROCEDURES AND SECURITY

SECTION 11.01. Section 16.073, Civil Practice and Remedies Code, is amended to read as follows:

- Sec. 16.073. APPLICABILITY OF LIMITATIONS PERIODS TO ARBITRATION. A claim that is sought to be arbitrated is subject to the same limitations period that would apply to the claim if the claim had been brought in court. Commencing an action asserting a claim by filing suit in a court of competent jurisdiction will toll the applicable limitations period for arbitration of the same claim. (a) A party may not assert a claim in an arbitration proceeding if the party could not bring suit for the claim in court due to the expiration of the applicable limitations period.
- [(b) A party may assert a claim in an arbitration proceeding after expiration of the applicable limitations period if:
- [(1) the party brought suit for the claim in court before the expiration of the applicable limitations period; and
- [(2) the parties to the claim agreed to arbitrate the claim or a court ordered the parties to arbitrate the claim.

SECTION 11.02. Sections 30.015(a) and (b), Civil Practice and Remedies Code, are amended to read as follows:

- (a) In a civil action filed in a district court, county court, statutory county court, or statutory probate court, each party or the party's attorney must provide the clerk of the court with written notice of the party's name, the party's [and] current residence or business address, and for a party who is an individual:

  (1) the last three digits of the party's social security number; or

  (2) the last three digits of the party's Texas driver's license.
- (b) Unless the party is the defendant in a tax suit, the [The] notice required by Subsection (a) may not be required from any party or party's attorney if the [such] party has not appeared or answered in the civil action.

SECTION 11.03. Articles 45A.302(b), (c), and (d), Code of Criminal Procedure, are amended to read as follows:

- (b) In issuing the order of deferral, the judge may impose a special expense fee [fine] on the defendant in an amount not to exceed the amount of the fine that could be imposed on the defendant as punishment for the offense.
- (c) The fee [fine] described by Subsection (b) may be collected at any time before the date on which the period of deferral ends. A judge who orders the collection of the fee [fine] must require that the amount of the fee [fine] be credited toward the payment of the amount of any fine imposed by the judge as punishment for the offense.
- (d) The judge may elect not to impose the <u>special expense fee</u> [fine] for good cause shown by the defendant.

SECTION 11.04. Article 102.017, Code of Criminal Procedure, is amended by adding Subsection (e-1) to read as follows:

(e-1) In administering or directing funds under Subsection (e), a commissioners court shall consider the recommendations provided by a court security committee under Section 74.0922, Government Code, and the governing body of a municipality shall consider the recommendations provided by a court security committee under Sections 29.014(d) and 30.00007(c), Government Code.

## ARTICLE 12. MUNICIPAL COURT PROVISIONS

SECTION 12.01. Section 29.014, Government Code, is amended by amending Subsections (c) and (d) and adding Subsection (e) to read as follows:

- (c) The committee shall establish the policies and procedures necessary to provide adequate security to the municipal courts served by the presiding or municipal judge, as applicable, including by developing a court emergency management plan.
- (d) A committee shall [may] recommend to the municipality the uses of resources and expenditures of money for courthouse security, but may not direct the assignment of those resources or the expenditure of those funds.
- (e) Notwithstanding Section 551.001 or 552.003, a court security committee established under this section is not a governmental body for the purposes of Chapter 551 or 552.

SECTION 12.02. Section 30.00007, Government Code, is amended by amending Subsections (b) and (c) and adding Subsection (d) to read as follows:

- (b) The presiding judge shall:
- (1) maintain a central docket for cases filed within the territorial limits of the municipality over which the municipal courts of record have jurisdiction;
- (2) provide for the distribution of cases from the central docket to the individual municipal judges to equalize the distribution of business in the courts;
  - (3) request the jurors needed for cases that are set for trial by jury;
- (4) temporarily assign judges or substitute judges to exchange benches and to act for each other in a proceeding pending in a court if necessary for the expeditious disposition of business in the courts;
- (5) supervise and control the operation and clerical functions of the administrative department of each court, including the court's personnel, during the proceedings of the court; and
- (6) establish a court security committee to adopt security policies and procedures for the courts served by the presiding judge, including by developing a court emergency management plan, that is composed of:

- (A) the presiding judge, or the presiding judge's designee, who serves as presiding officer of the committee;
- (B) a representative of the law enforcement agency or other entity that provides the primary security for the court;
  - (C) a representative of the municipality; and
- (D) any other person the committee determines necessary to assist the committee.
- (c) A court security committee <u>shall</u> [may] recommend to the governing body the uses of resources and expenditures of money for courthouse security, but may not direct the assignment of those resources or the expenditure of those funds.
- (d) Notwithstanding Section 551.001 or 552.003, a court security committee established under this section is not a governmental body for the purposes of Chapter 551 or 552.

SECTION 12.03. Section 30.01014(d), Government Code, is amended to read as follows:

(d) [In addition to satisfying the requirements of Section 30.00006(e), a municipal judge must maintain residence in the city during the tenure of office and must be a resident of the city at the time of appointment or election.] The judge shall devote as much time to the office as it requires.

SECTION 12.04. Chapter 30, Government Code, is amended by adding Subchapter AAA to read as follows:

## SUBCHAPTER AAA. CANYON

Sec. 30.01911. APPLICABILITY. This subchapter applies to the city of Canyon.

Sec. 30.01912. JUDGE. A municipal judge for the city of Canyon is not required to be a resident of the city.

SECTION 12.05. As soon as practicable after September 1, 2025, a court security committee shall develop a court emergency management plan as required by Section 29.014 or 30.00007, Government Code, as amended by this article.

ARTICLE 13. MISCELLANEOUS COURT AND RECORD PROVISIONS

SECTION 13.01. Articles 43.09(a) and (k), Code of Criminal Procedure, are amended to read as follows:

(a) When a defendant is convicted of a misdemeanor and the defendant's punishment is assessed at a pecuniary fine or is confined in a jail after conviction of a felony for which a fine is imposed, if the defendant is unable to pay the fine and costs adjudged against the defendant, the defendant may for such time as will satisfy the judgment be put to work in the county jail industries program, in the workhouse, or on the county farm, or public improvements and maintenance projects of the county or a political subdivision located in whole or in part in the county, as provided in Article 43.10; or if there is no such county jail industries program, workhouse, farm, or improvements and maintenance projects, the defendant shall be confined in jail for a sufficient length of time to discharge the full amount of fine and costs adjudged against the defendant; rating such confinement at \$150 [\$100] for each day and rating such labor at \$150 [\$100] for each day; provided, however, that the defendant may pay the pecuniary fine assessed against the defendant at any time while the defendant is serving at work in the county jail industries program, in the workhouse, or on the

county farm, or on the public improvements and maintenance projects of the county or a political subdivision located in whole or in part in the county, or while the defendant is serving the defendant's jail sentence, and in such instances the defendant is entitled to the credit earned under this subsection during the time that the defendant has served and the defendant shall only be required to pay the balance of the pecuniary fine assessed against the defendant. A defendant who performs labor under this article during a day in which the defendant is confined is entitled to both the credit for confinement and the credit for labor provided by this article.

(k) A defendant is considered to have discharged \$150 [\$100] of fines or costs for each eight hours of community service performed under Subsection (f) of this article.

SECTION 13.02. Article 45A.251(e), Code of Criminal Procedure, is amended to read as follows:

(e) In addition to credit under Subsection (d), in imposing a fine and costs in a case involving a misdemeanor punishable by fine only, the justice or judge shall credit the defendant for any period the defendant was confined in jail or prison while awaiting trial or serving a sentence for another offense if that confinement occurred after the commission of the misdemeanor. The credit under this subsection shall be applied to the amount of the fine and costs at the rate of not less than \$150 for each day of confinement.

SECTION 13.03. Article 45A.254(e), Code of Criminal Procedure, is amended to read as follows:

(e) A defendant is considered to have discharged not less than \$150 [\$100] of fines or costs for each eight hours of community service performed under this article.

SECTION 13.04. Article 45A.459(i), Code of Criminal Procedure, is amended to read as follows:

(i) A defendant is considered to have discharged not less than \$150 [\$100] of fines or costs for each eight hours of community service performed under this article.

SECTION 13.05. Article 45A.460(i), Code of Criminal Procedure, is amended to read as follows:

(i) A defendant is considered to have discharged not less than \$150 [\$100] of fines or costs for each eight hours of community service performed under this article.

SECTION 13.06. The heading to Section 13.0021, Election Code, is amended to read as follows:

Sec. 13.0021. ADDITIONAL REGISTRATION INFORMATION FROM CERTAIN FEDERAL AND STATE JUDGES, FEDERAL OFFICIALS, CLERKS, GOVERNMENTAL EMPLOYEES, INCLUDING MUNICIPAL COURT PERSONNEL, AND FAMILY MEMBERS.

SECTION 13.07. Section 13.0021(b), Election Code, is amended to read as follows:

- (b) The registrar of the county shall omit from the registration list the residence address for a [If the] registration applicant who is:
  - (1) a federal judge, including a federal bankruptcy judge;
  - $\overline{(2)}$  [;] a state judge;
  - (3) [,] a marshal of the United States Marshals Service;
  - (4) [-] a United States attorney;

- (5) a current or former county clerk, district clerk, or county and district clerk, or a current or former employee of the office of a county clerk, district clerk, or county and district clerk or municipal court personnel;
- (6) a current or former employee whose duties relate to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney;
- (7) a current or former employee of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office; [, or]
- (8) a current or former employee or commissioner of the State Commission on Judicial Conduct; or
- (9) a family member of a person listed in Subdivisions (1)-(8) [state judge, a federal judge, including a federal bankruptey judge, a marshal of the United States Marshals Service, or a United States attorney, the registrar of the county shall omit the applicant's residence address from the registration list].

SECTION 13.08. Subchapter A, Chapter 58, Family Code, is amended by adding Section 58.010 to read as follows:

- Sec. 58.010. CONFIDENTIALITY OF WARRANTS OF ARREST. Notwithstanding Article 15.26, Code of Criminal Procedure, an arrest warrant issued for a child and a complaint or affidavit on which an arrest warrant issued for a child is based are confidential and may be disclosed only to the following:
- (1) the judge, probation officer, and professional staff or consultants of the juvenile court;
  - (2) a juvenile justice agency, as defined by Section 58.101;
  - (3) a criminal justice agency, as defined by Section 411.082;
- (4) an attorney representing the child's parent in a proceeding under this title;
  - (5) an attorney representing the child;
  - (6) a prosecuting attorney; or
- (7) with permission from the juvenile court, another individual, agency, or institution with a legitimate interest in the information or court.

SECTION 13.09. Section 301.052(a), Family Code, is amended to read as follows:

- (a) A party may request disclosure under Section 301.051 of any or all of the following:
  - (1) the correct names of the parties to the action;
  - (2) the name, address, and telephone number of any potential parties;
- (3) the legal theories and, in general, the factual bases of the responding party's claims or defenses;
  - (4) the amount and any method of calculating economic damages;
- (5) the name, address, and telephone number of any person having knowledge of relevant facts and a brief statement of each identified person's connection with the action;
  - (6) for any testifying expert:
    - (A) the expert's name, address, and telephone number;
    - (B) the subject matter on which the expert will testify;

- (C) the general substance of the expert's mental impressions and opinions and a brief summary of the basis for those impressions and opinions, or if the expert is not retained by, employed by, or otherwise subject to the control of the responding party, documents reflecting that information; and
- (D) if the expert is retained by, employed by, or otherwise subject to the control of the responding party:
- (i) all documents, tangible things, reports, models, or data compilations that have been provided to, reviewed by, or prepared by or for the expert in anticipation of the expert's testimony; and
  - (ii) the expert's current resume and biography;
- (7) any discoverable settlement agreement described by Rule 192.3(g), Texas Rules of Civil Procedure;
- (8) any discoverable witness <u>statement</u> [settlement] described by Rule 192.3(h), Texas Rules of Civil Procedure;
- (9) in an action alleging physical or mental injury and damages from the occurrence that is the subject of the action:
- (A) all medical records and bills that are reasonably related to the injuries or damages asserted; or
- (B) an authorization permitting the disclosure of the information described by Paragraph (A);
- (10) in an action alleging physical or mental injury and damages from the occurrence that is the subject of the action, all medical records and bills obtained by the responding party through an authorization provided by the requesting party; and
- (11) the name, address, and telephone number of any person who may be designated as a responsible third party.

SECTION 13.10. (a) Section 81.113(a), Government Code, is amended to read as follows:

- (a) Except as provided by Subsection (b), the state bar shall credit an attorney licensed in this state with meeting the minimum continuing legal education requirements of the state bar for a reporting year if during the reporting year the attorney is:
  - $(\overline{1})$  employed full-time as an attorney by:

(A) (H) the senate;

 $\overline{\text{(B)}}$  [(2)] the house of representatives;

 $\overline{(C)}$   $\overline{(3)}$  a committee, division, department, or office of the senate or

house;

(D) [<del>(4)</del>] the Texas Legislative Council;

 $\overline{\text{(E)}}$  [(5)] the Legislative Budget Board;

 $\overline{(F)}$  [(6)] the Legislative Reference Library;

 $\overline{(G)}$  [(7)] the office of the state auditor; or

(H) [(8)] the Sunset Advisory Commission; or

- (2) serving as a state official appointed by the governor and confirmed by the senate.
- (b) Section 81.113, Government Code, as amended by this article, applies only to the minimum requirements for a continuing legal education compliance year that ends on or after September 1, 2025. The minimum requirements for continuing legal

education for a compliance year that ends before September 1, 2025, are covered by the law and rules in effect when the compliance year ended, and that law and those rules are continued in effect for that purpose.

SECTION 13.11. Section 552.117, Government Code, is amended by amending Subsections (a) and (b) and adding Subsection (b-1) to read as follows:

- (a) Information is excepted from the requirements of Section 552.021 if it is information that relates to the home address, home telephone number, emergency contact information, or social security number of the following person or that reveals whether the person has family members:
- (1) a current or former official or employee of a governmental body, except as otherwise provided by Section 552.024;
- (2) a current or honorably retired peace officer as defined by Article 2A.001, Code of Criminal Procedure, or a current or honorably retired security officer commissioned under Section 51.212, Education Code, regardless of whether the officer complies with Section 552.024 or 552.1175, as applicable;
- (3) a current or former employee of the Texas Department of Criminal Justice or of the predecessor in function of the department or any division of the department, regardless of whether the current or former employee complies with Section 552.1175;
- (4) a peace officer as defined by Article 2A.001, Code of Criminal Procedure, or other law, a reserve law enforcement officer, a commissioned deputy game warden, or a corrections officer in a municipal, county, or state penal institution in this state who was killed in the line of duty, regardless of whether the deceased complied with Section 552.024 or 552.1175;
- (5) a commissioned security officer as defined by Section 1702.002, Occupations Code, regardless of whether the officer complies with Section 552.024 or 552.1175, as applicable;
- (6) an officer or employee of a community supervision and corrections department established under Chapter 76 who performs a duty described by Section 76.004(b), regardless of whether the officer or employee complies with Section 552.024 or 552.1175;
- (7) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement or are performed under Chapter 231, Family Code, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;
- (8) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;
- (9) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code, regardless of whether the current or former officer complies with Section 552.024 or 552.1175;
- (10) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

- (11) a current or former member of the United States Army, Navy, Air Force, Coast Guard, or Marine Corps, an auxiliary service of one of those branches of the armed forces, or the Texas military forces, as that term is defined by Section 437.001;
- (12) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters, regardless of whether the current or former attorney complies with Section 552.024 or 552.1175;
- (13) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;
- (14) a current or former employee of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;
- (15) a current or former federal judge or state judge, as those terms are defined by Section 1.005, Election Code, a federal bankruptcy judge, a marshal of the United States Marshals Service, a United States attorney, or a family member of a current or former federal judge, including a federal bankruptcy judge, a marshal of the United States Marshals Service, a United States attorney, or a state judge;
- (16) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services, regardless of whether the caseworker or investigator complies with Section 552.024 or 552.1175, or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department;
- (17) an elected public officer, regardless of whether the officer complies with Section 552.024 or 552.1175;
- (18) a current or former United States attorney, assistant United States attorney, federal public defender, deputy federal public defender, or assistant federal public defender and the spouse or child of the current or former attorney or public defender, regardless of whether the person complies with Section 552.024 or 552.1175; [or]
- (19) a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code, regardless of whether the firefighter or volunteer firefighter or emergency medical services personnel comply with Section 552.024 or 552.1175, as applicable;
- (20) a current or former county clerk, district clerk, or county and district clerk, or a current or former employee of the office of a county clerk, district clerk, or county and district clerk, regardless of whether the current or former clerk or employee complies with Section 552.024 or 552.1175;
- (21) a current or former employee whose duties relate to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney, regardless of whether the employee complies with Section 552.024 or 552.1175;

- (22) a current or former employee of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office, regardless of whether the employee complies with Section 552.024 or 552.1175; or
- (23) a current or former employee or commissioner of the State Commission on Judicial Conduct, regardless of whether the employee or commissioner complies with Section 552.024 or 552.1175.
- (b) Except as provided by Subsection (b-1), all [All] documents filed with a county clerk and all documents filed with a district clerk are exempt from this section.
- (b-1) A county clerk or district clerk on request of a person to whom this section applies shall redact information described by Subsection (a) that relates to the person posted on an Internet website by:
  - (1) the clerk; or
- (2) an entity with which the county contracts for the provision or maintenance of the Internet website.
- SECTION 13.12. Section 552.1175, Government Code, is amended by amending Subsections (a) and (e) and adding Subsection (e-1) to read as follows:
  - (a) This section applies only to:
- (1) current or honorably retired peace officers as defined by Article 2A.001, Code of Criminal Procedure, or special investigators as described by Article 2A.002, Code of Criminal Procedure;
- (2) current or honorably retired county jailers as defined by Section 1701.001, Occupations Code;
- (3) current or former employees of the Texas Department of Criminal Justice or of the predecessor in function of the department or any division of the department;
- (4) commissioned security officers as defined by Section 1702.002, Occupations Code;
- (5) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;
- (5-a) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;
- (6) officers and employees of a community supervision and corrections department established under Chapter 76 who perform a duty described by Section 76.004(b);
- (7) criminal investigators of the United States as described by Article 2A.002(a), Code of Criminal Procedure;
- (8) current or honorably retired police officers and inspectors of the United States Federal Protective Service;
- (9) current and former employees of the office of the attorney general who are or were assigned to a division of that office the duties of which involve law enforcement or are performed under Chapter 231, Family Code;
- (10) current or former juvenile probation and detention officers certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

- (11) current or former employees of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;
- (12) current or former employees of the Texas Juvenile Justice Department or the predecessors in function of the department;
- (13) federal judges and state judges as defined by Section 1.005, Election Code;
- (14) current or former employees of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office;
- (15) a current or former member of the United States Army, Navy, Air Force, Coast Guard, or Marine Corps, an auxiliary service of one of those branches of the armed forces, or the Texas military forces, as that term is defined by Section 437.001;
- (16) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department;
  - (17) an elected public officer;
- (18) a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code; [and]
- (19) a current or former United States attorney, assistant United States attorney, federal public defender, deputy federal public defender, or assistant federal public defender;
- (20) a current or former county clerk, district clerk, or county and district clerk, or a current or former employee of the office of a county clerk, district clerk, or county and district clerk;
- (21) a current or former employee whose duties relate to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney;
- (22) a current or former employee of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office; and
- (23) a current or former employee or commissioner of the State Commission on Judicial Conduct.
- (e) Except as provided by Subsection (e-1), all [All] documents filed with a county clerk and all documents filed with a district clerk are exempt from this section.
- (e-1) A county clerk or district clerk on request of a person to whom this section applies shall redact information described by Subsection (b) that relates to the person from any document the clerk posts on an Internet website.
- SECTION 13.13. Section 42.07(b), Penal Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:
- (1) "Court employee" means an employee whose duties relate to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney. The term does not include a judge.

- (1-a) "Electronic communication" means a transfer of signs, signals, writing, images, sounds, data, or intelligence of any nature transmitted in whole or in part by a wire, radio, electromagnetic, photoelectronic, or photo-optical system. The term includes:
- (A) a communication initiated through the use of electronic mail, instant message, network call, a cellular or other type of telephone, a computer, a camera, text message, a social media platform or application, an Internet website, any other Internet-based communication tool, or facsimile machine; and
  - (B) a communication made to a pager.
  - SECTION 13.14. Section 42.07(c), Penal Code, is amended to read as follows:
- (c) An offense under this section is a Class B misdemeanor, except that the offense is:
  - $\overline{(1)}$  a Class A misdemeanor if:
    - $\underline{(A)}$  [(1)] the actor has previously been convicted under this section;

[<del>or</del>]

- (B)  $[\frac{(2)}{(2)}]$  the offense was committed under Subsection (a)(7) or (8) and: (i)  $[\frac{(A)}{(2)}]$  the offense was committed against a child under 18 years of age with the intent that the child:
  - (a) [(i)] commit suicide; or
  - (b) [(ii)] engage in conduct causing serious bodily injury to the

child; or

- (ii) [<del>(B)</del>] the actor has previously violated a temporary restraining order or injunction issued under Chapter 129A, Civil Practice and Remedies Code; or
- (C) the offense was committed against a person the actor knows is a court employee;
- (2) a state jail felony if the offense was committed against a person the actor knows is:
- (A) a court employee and the actor has previously been convicted under this section; or
  - (B) a judge; and
- (3) a felony of the third degree if the offense was committed against a person the actor knows is a judge and the actor has previously been convicted under this section.
- SECTION 13.15. Section 21.049, Property Code, is amended to read as follows: Sec. 21.049. NOTICE OF DECISION OF SPECIAL COMMISSIONERS. The judge of a court hearing a proceeding under this chapter shall inform the clerk of the court as to a decision by the special commissioners on the day the decision is filed or on the next working day after the day the decision is filed. Not later than the next working day after the day the decision is filed, the clerk shall send notice of the decision by a delivery method described under Rule 21a, Texas Rules of Civil Procedure [certified or registered United States mail, return receipt requested], to the parties in the proceeding, or to their attorneys of record, at their addresses of record.

SECTION 13.16. Section 25.025(a), Tax Code, as amended by Chapters 76 (S.B. 617), 152 (S.B. 870), 430 (H.B. 1911), 765 (H.B. 4504), and 937 (S.B. 1525), Acts of the 88th Legislature, Regular Session, 2023, is reenacted and further amended to read as follows:

- (a) This section applies only to:
- (1) a current or former peace officer as defined by Article 2A.001, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;
- (2) the adult child of a current peace officer as defined by Article 2A.001, Code of Criminal Procedure;
- (3) a current or honorably retired county jailer as defined by Section 1701.001, Occupations Code;
  - (4) an employee of the Texas Department of Criminal Justice;
- (5) a commissioned security officer as defined by Section 1702.002, Occupations Code;
- (6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:
- (A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or
- (B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of family violence;
- (7) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons by providing:
- (A) a copy of a protective order issued under Subchapter A or B, Chapter 7B, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or
- (B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;
- (8) a participant in the address confidentiality program administered by the attorney general under Subchapter B, Chapter 58, Code of Criminal Procedure, who provides proof of certification under Article 58.059, Code of Criminal Procedure;
- (9) a federal judge, a federal bankruptcy judge, a marshal of the United States Marshals Service, a state judge, or a family member of a federal judge, a federal bankruptcy judge, a marshal of the United States Marshals Service, or a state judge;
- (10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;
- (11) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;
- (12) an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;
- (13) a criminal investigator of the United States as described by Article 2A.002(a), Code of Criminal Procedure;

- (14) a current or honorably retired police officer or inspector of the United States Federal Protective Service;
- (15) a current or former United States attorney, assistant United States attorney, federal public defender, deputy federal public defender, or assistant federal public defender and the spouse and child of the attorney or public defender;
- (16) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement or are performed under Chapter 231, Family Code;
- (17) a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;
- (18) a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;
- (19) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;
- (20) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;
- (21) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;
- (22) a current or former employee of the Texas Civil Commitment Office or the predecessor in function of the office or a division of the office;
  - (23) a current or former employee of a federal judge or state judge;
- (24) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department;
  - (25) an elected public officer;
- (26) a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code;
- (27) a customs and border protection officer or border patrol agent of United States Customs and Border Protection or the spouse, surviving spouse, or adult child of a customs and border protection officer or border patrol agent;
- (28) [(27) a current or former attorney for the Department of Family and Protective Services
- $\left[\frac{(27)}{2}\right]$  a current or former employee or contract staff member of a university health care provider at a corrections facility operated by the Texas Department of Criminal Justice or the Texas Juvenile Justice Department;
  - (29) [and
- $\left[\frac{(28)}{(28)}\right]$  a current or former attorney for the Department of Family and Protective Services;
- (30) a current or former county clerk, district clerk, or county and district clerk, or a current or former employee of the office of a county clerk, district clerk, or county and district clerk;

- (31) a current or former employee whose duties relate to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney;
- (32) a current or former employee of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office; and
- (33) a current or former employee or commissioner of the State Commission on Judicial Conduct.

SECTION 13.17. Section 34.03(a), Tax Code, is amended to read as follows:

- (a) The clerk of the court shall:
- (1) if the amount of excess proceeds is more than \$25, before the 31st day after the date the excess proceeds are received by the clerk, send by a delivery method described by Rule 21a, Texas Rules of Civil Procedure [certified mail, return receipt requested], a written notice to the former owner of the property, at the former owner's last known address according to the records of the court or any other source reasonably available to the court, that:
  - (A) states the amount of the excess proceeds;
- (B) informs the former owner of that owner's rights to claim the excess proceeds under Section 34.04; and
- (C) includes a copy or the complete text of this section and Section 34.04;
- (2) regardless of the amount, keep the excess proceeds paid into court as provided by Section 34.02(d) for a period of two years after the date of the sale unless otherwise ordered by the court; and
- (3) regardless of the amount, send to the attorney general notice of the deposit and amount of excess proceeds if the attorney general or a state agency represented by the attorney general is named as an in rem defendant in the underlying suit for seizure of the property or foreclosure of a tax lien on the property.

SECTION 13.18. Section 521.121, Transportation Code, is amended by amending Subsections (a) and (c) and adding Subsection (c-1) to read as follows:

- (a) The driver's license must include:
- (1) a distinguishing number assigned by the department to the license holder;
  - (2) a photograph of the entire face of the holder;
  - (3) the full name and date of birth of the holder;
  - (4) a brief description of the holder; and
- (5) the license holder's residence address or, for a license holder using the procedure under Subsection (c):
- (A) [,] the street address of the courthouse in which the license holder or license holder's spouse or parent:
- (i) serves as a federal judge, including a federal bankruptcy judge, a marshal of the United States Marshals Service, a United States attorney, or a state judge; or
- (ii) performs duties related to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney; or

- (B) the office address of the office in which the license holder or the license holder's spouse or parent performs duties as an employee of the office of a county clerk, district clerk, or county and district clerk, or of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office, or as an employee or commissioner of the State Commission on Judicial Conduct.
- (c) The department shall establish a procedure, on a license holder's qualification for or appointment to office as a federal or state judge as defined by Section 1.005, Election Code, or as a county clerk, district clerk, or county and district clerk, or as a federal bankruptcy judge, a marshal of the United States Marshals Service, [er] a United States attorney, or for a license holder whose duties relate to court administration, including a court clerk, court coordinator, court administrator, juvenile case manager, law clerk, or staff attorney, or as an employee of the office of a county clerk, district clerk, or county and district clerk, or of the Office of Court Administration of the Texas Judicial System and entities administratively attached to the office, or as an employee or commissioner of the State Commission on Judicial Conduct, to omit the residence address of the judge, [ex] official, employee, or commissioner and any family member of the judge, [or] official, employee, or commissioner on the license holder's license and to print [include], in lieu of that address, the street address of the courthouse or office building in which the license holder or license holder's spouse or parent serves as a federal or state judge, [or] official, employee, or commissioner.
- (c-1) The residence address of a license holder whose residence address is omitted using the procedure under Subsection (c) is confidential and is available only for the official use of the department or a law enforcement agency.

SECTION 13.19. Section 521.243(a), Transportation Code, is amended to read as follows:

- (a) Unless the petition is dismissed under Section 521.2421(f), the clerk of the court shall send electronically or by a delivery method described by Rule 21a, Texas Rules of Civil Procedure, [by certified mail] to the attorney representing the state a copy of the petition and notice of the hearing if the petitioner's license was suspended, revoked, or canceled following a conviction for:
  - (1) an offense under Section 19.05 or Sections 49.04-49.08, Penal Code; or
  - (2) an offense to which Section 521.342 applies.

SECTION 13.20. Article 43.09(a), Code of Criminal Procedure, as amended by this article, applies to a defendant who is confined or performs labor to discharge fines or costs on or after September 1, 2025, regardless of whether the offense for which the fines or costs were imposed occurred before, on, or after September 1, 2025.

SECTION 13.21. The changes in law made by this article to Articles 43.09(k), 45A.254(e), 45A.459(i), and 45A.460(i), Code of Criminal Procedure, apply to a defendant who performs community service to discharge fines or costs on or after September 1, 2025, regardless of whether the offense for which the fines or costs were imposed occurred before, on, or after September 1, 2025.

SECTION 13.22. Article 45A.251(e), Code of Criminal Procedure, as amended by this article, applies to a defendant who is sentenced for an offense on or after September 1, 2025, regardless of whether the offense was committed before, on, or after that date.

SECTION 13.23. Section 301.052(a), Family Code, as amended by this article, applies to an action that is pending in a trial court on September 1, 2025, or that is filed on or after that date.

SECTION 13.24. Section 42.07, Penal Code, as amended by this article, applies 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 13.25. Not later than November 1, 2026, the Department of Public Safety shall:

- (1) review the department's processes for implementation of and compliance with Section 521.121, Transportation Code, as amended by this Act; and
- (2) submit to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, and the Texas Judicial Council a written report containing the results of the review, a description of the methods used to prepare the review, and any recommendations for legislative or other action.

# ARTICLE 14. MANDATORY EXPUNCTION FOR CERTAIN PERSONS; RETENTION OF CERTAIN RECORDS

SECTION 14.01. Article 55A.203, Code of Criminal Procedure, is amended by amending Subsections (a) and (b) and adding Subsections (b-1) and (d) to read as follows:

- (a) A trial court that is a district court or a district court in the county in which the trial court is located shall [may, with the consent of the attorney representing the state,] enter an expunction order for a person entitled to expunction under Article 55A.053(a)(2)(A) not later than the 30th day after the date the court, as applicable:
- (1) dismisses the case following the person's successful completion of a veterans treatment court program created under Chapter 124, Government Code, or former law; or
  - (2) receives the information regarding the dismissal.
- (b) A trial court that is a district court or a district court in the county in which the trial court is located shall [may, with the consent of the attorney representing the state,] enter an expunction order for a person entitled to expunction under Article 55A.053(a)(2)(B) not later than the 30th day after the date the court, as applicable:
- (1) dismisses the case following the person's successful completion of a mental health court program created under Chapter 125, Government Code, or former law; or
  - (2) receives the information regarding the dismissal.
- (b-1) A trial court that is a district court or a district court in the county in which the trial court is located shall enter an expunction order for a person entitled to expunction under Article 55A.053(a)(2)(C) not later than the 30th day after the date the court, as applicable:

- (1) dismisses the case following the person's successful completion of a pretrial intervention program authorized under Section 76.011, Government Code, other than a program described by Subsection (a)(1) or (b)(1) of this section; or
  - (2) receives the information regarding the dismissal.
- (d) The person for whom a court is required to enter an expunction order under Subsection (a), (b), or (b-1), as applicable, shall provide to the attorney representing the state all of the information required in a petition for expunction under Article 55A.253 and any affidavit required under Article 55A.053(b) or (c). The attorney representing the state shall prepare an expunction order under this article for the court's signature.

SECTION 14.02. Subchapter E, Chapter 55A, Code of Criminal Procedure, is amended by adding Article 55A.2035 to read as follows:

- Art. 55A.2035. ATTORNEY REPRESENTING STATE CERTIFIES RECORDS AND FILES NOT NEEDED. (a) A trial court that is a district court or a district court in the county in which the trial court is located shall enter an expunction order for a person entitled to expunction under Article 55A.052(a)(4) not later than the 30th day after the date the court receives the certification described by that subdivision.
- (b) The attorney representing the state who certified under Article 55A.052(a)(4) that the applicable arrest records and files are not needed for use in any criminal investigation or prosecution shall prepare an expunction order under this article for the court's signature. The person for whom a court is required to enter an expunction order under Subsection (a) shall provide to the attorney representing the state all of the information required in a petition for expunction under Article 55A.253.
- (c) Notwithstanding any other law, a court that enters an expunction order under this article may not charge any fee or assess any cost for the expunction.

SECTION 14.03. Subchapter H, Chapter 55A, Code of Criminal Procedure, is amended by adding Article 55A.358 to read as follows:

Art. 55A.358. RETENTION OF RECORDS FOR DEVELOPMENT AND OPERATION OF PRETRIAL INTERVENTION PROGRAMS. Notwithstanding Articles 55A.353, 55A.354, 55A.355, and 55A.356, a community supervision and corrections department established under Chapter 76, Government Code, or an office of an attorney representing the state, in possession of records and files subject to an expunction order based on an entitlement under Article 55A.053(a)(2)(A), (B), or (C) may retain and use those records and files only for the purpose of developing and operating pretrial intervention programs in a judicial district served by the department or office.

#### ARTICLE 15. CONFLICT; EFFECTIVE DATE

SECTION 15.01. 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 15.02. Except as otherwise provided by a provision of this Act, this Act takes effect September 1, 2025.

The Conference Committee Report on SB 2878 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3372

Senator Middleton submitted the following Conference Committee Report:

Austin, Texas May 30, 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 3372** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

MIDDLETON METCALF
BETTENCOURT K. BELL
CREIGHTON LEACH
KING LEO WILSON
MENÉNDEZ VASUT

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 3372** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 1566

Senator Bettencourt 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 1566 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.

BETTENCOURT DARBY
GUTIERREZ ANCHÍA
MIDDLETON C. BELL
NICHOLS KING
PAXTON SMITHEE

On the part of the Senate

On the part of the House

### A BILL TO BE ENTITLED AN ACT

relating to connection of utilities by certain entities in certain subdivisions formerly located in a municipality's extraterritorial jurisdiction.

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

SECTION 1. Section 212.012(c), Local Government Code, is amended to read as follows:

- (c) An entity described by Subsection (b) may serve or connect land with water, sewer, electricity, gas, or other utility service regardless of whether the entity is presented with or otherwise holds a certificate applicable to the land issued under Section 212.0115 if:
- (1) the land is covered by a development plat approved under Subchapter B or under an ordinance or rule relating to the development plat;
- (2) the land was first served or connected with service by an entity described by Subsection (b)(1), (b)(2), or (b)(3) before September 1, 1987; [or]
- (3) the land was first served or connected with service by an entity described by Subsection (b)(4), (b)(5), or (b)(6) before September 1, 1989; or
- (4) the land was removed from a municipality's extraterritorial jurisdiction under Subchapter D or E, Chapter 42, and the entity holds a certificate of convenience and necessity to serve the land.

SECTION 2. 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.

The Conference Committee Report on SB 1566 was filed with the Secretary of the Senate.

#### CONFERENCE COMMITTEE REPORT ON **SENATE BILL 2337**

Senator Hughes 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 2337 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.

HUGHES BETTENCOURT LEACH CAPRIGLIONE BIRDWELL A. HINOJOSA HARRIS DAVILA LONGORIA LUTHER

On the part of the Senate

On the part of the House

#### A BILL TO BE ENTITLED AN ACT

relating to the regulation of the provision of proxy advisory services.

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

SECTION 1. The legislature finds that:

- (1) when shareholders in this state hire professionals to provide advice in the exercise of their rights as shareholders, the shareholders expect that service to be performed in their financial interest as shareholders, and professionals who are hired by shareholders to provide that service and who deviate from that expectation must clearly disclose that fact;
- (2) there is a particular need for disclosures for proxy voting advice because that advice is often:
- (A) provided for hundreds or thousands of shareholder votes each year;
   and
- (B) based on lengthy policies that contain general statements but do not explain whether or how the policy provisions will maximize returns for investors for any particular company or shareholder vote;
  - (3) proxy advisors:
- (A) have recommended votes based on environmental, social, or governance (ESG) investing, diversity, equity, or inclusion (DEI), and social credit or sustainability scores; and
- (B) have not conducted financial analyses before making the recommendations described by Paragraph (A) of this subdivision despite having proxy voting policies claiming that the purpose of the recommendation is maximizing and protecting shareholder value;
- (4) requiring proxy advisors to provide clear, factual disclosures when the advisors recommend casting a vote for nonfinancial reasons or provide conflicting advice to multiple clients who seek to maximize financial returns is necessary in order to prevent fraudulent or deceptive acts and practices in this state; and
- (5) a company that is the subject of a shareholder proposal may have information regarding whether the proposal is in the shareholder's financial interests or regarding the costs of the proposal, and notice would allow the company to provide relevant information to shareholders that may prevent fraudulent or deceptive practices associated with proxy advisors making recommendations for nonfinancial reasons.
- SECTION 2. Title 1, Business Organizations Code, is amended by adding Chapter 6A to read as follows:

CHAPTER 6A. PROXY ADVISORY SERVICES SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6A.001. DEFINITIONS. In this chapter:

- (1) "Company" means a publicly traded, for-profit corporation, limited liability company, partnership, or other business entity that is organized or created under the laws of this state, 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) "Company proposal" means a proposal made by a company that is included in the company's proxy statement, including a proposal regarding director nominations or elections, executive compensation, corporate transactions and structure, auditor selection, or similar measures.
- (3) "Proxy advisor" means a person who, for compensation, provides a proxy advisory service to shareholders of a company or to other persons with authority to vote on behalf of shareholders of a company.
- authority to vote on behalf of shareholders of a company.

  (4) "Proxy advisory service" means any of the following services that are provided in connection with or in relation to a company:
- (A) advice or a recommendation on how to vote on a proxy proposal or company proposal;
- (B) proxy statement research and analysis regarding a proxy proposal or company proposal;
  - (C) a rating or research regarding corporate governance; or
- (D) development of proxy voting recommendations or policies, including establishing default recommendations or policies.
- (5) "Proxy proposal" means a proposal made by a company's shareholder that is included in the company's proxy statement, including the nomination of a director.
- (6) "Shareholder" includes a shareholder, unitholder, limited partner, or other equity owner of a company.

# SUBCHAPTER B. DISCLOSURE REQUIREMENTS FOR PROXY ADVISORS

- Sec. 6A.101. DISCLOSURE OF NONFINANCIAL PROXY VOTING SERVICES TO PREVENT FRAUD OR DECEIT. (a) For purposes of this section, a proxy advisory service is not provided solely in the financial interest of the shareholders of a company if the service:
- (1) is wholly or partly based on, or otherwise takes into account, one or more nonfinancial factors, including a commitment, initiative, policy, target, or subjective or value-based standard based on:
- (A) an environmental, social, or governance (ESG) goal, factor, or investment principle;
- (B) diversity, equity, or inclusion (DEI), including any attempt to provide preferential treatment based on characteristics protected under Section 21.051, Labor Code;
  - (C) a social credit or sustainability factor or score; or
- (D) membership in or commitment to an organization or group that wholly or partly bases its evaluation or assessment of a company's value over any period on nonfinancial factors;
- (2) involves providing a voting recommendation with respect to a shareholder-sponsored proposal that:

- (A) is inconsistent with the voting recommendation of the board of directors or a board committee composed of a majority of independent directors; and
- (B) subject to Subsection (c), does not include a written economic analysis of the financial impact on shareholders of the proposal;
- (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.
- (b) If a proxy advisor provides a proxy advisory service that is not provided solely in the financial interest of the shareholders of a company, the advisor shall:
- (1) include a disclosure to each shareholder or entity or other person acting on behalf of a shareholder receiving the service that:
- (A) conspicuously states that the service is not being provided solely in the financial interest of the company's shareholders because it is based wholly or partly on one or more nonfinancial factors; and
- (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;
- (2) immediately provide a copy of the notice under Subdivision (1) to the company that is the subject of the service; and
- (3) publicly and conspicuously disclose on the home or front page of the proxy advisor's publicly accessible Internet website that the advisor's proxy advisory services include advice and recommendations that are not based solely on the financial interest of shareholders.
- (c) A written economic analysis provided under Subsection (a)(2)(B) must include:
- (1) the short-term and long-term economic benefits and costs of implementing any shareholder-sponsored proposal, as written;
- (2) an analysis of whether the proposal is consistent with the investment objectives and policies of the client;
- (3) the projected quantifiable impact of the proposal, if adopted, on the investment returns of the client; and
- (4) an explanation of the methods and processes used to prepare the economic analysis.
- Sec. 6A.102. DISCLOSURES IF PROVIDING CONFLICTING VOTER ADVICE OR RECOMMENDATIONS. (a) For purposes of this section, "materially different," with respect to advice or a recommendation on how to vote on a company proposal or proxy proposal, means simultaneously advising or recommending that:
- (1) one or more clients vote for the proposal and one or more clients vote against the proposal;

and

- (2) one or more clients vote for a nominee for a company's governing authority and one or more clients vote against or abstain from voting for the same nominee; or
- (3) one or more clients vote for or against the proposal in opposition to the recommendation of the company's management.
- (b) If a proxy advisor provides to different clients who have not expressly requested services for a nonfinancial purpose either advice or a recommendation on how to vote on a proxy or company proposal that is materially different, the advisor shall:
- (1) if applicable, comply with disclosure requirements for nonfinancial proxy advisory services under Section 6A.101(b);
- (2) notify the following persons, in writing or by electronic means, of the conflicting advice or recommendation:
  - (A) each shareholder receiving the advice or recommendation;
- (B) each entity or other person receiving the advice or recommendation on behalf of a shareholder;
  - (C) the company that is the subject of the company or proxy proposal;
    - (D) the attorney general; and
  - (3) disclose which of the conflicting advice or recommendations is:
    - (A) provided solely in the financial interest of the shareholders; and
- (B) supported by any specific financial analysis performed or relied on by the advisor.

### SUBCHAPTER C. ENFORCEMENT

Sec. 6A.201. DECEPTIVE TRADE PRACTICE. A violation of this chapter is a deceptive trade practice under Subchapter E, Chapter 17, Business & Commerce Code, and is actionable under Section 17.47 of that code.

Sec. 6A.202. DECLARATORY JUDGMENT OR INJUNCTIVE RELIEF. (a) In this section, "affected party" includes:

- (1) the recipient of proxy advisory services provided by the proxy advisor;
- (2) the company that is the subject of the proxy advisory services; or
- (3) any shareholder of the company described by Subdivision (2).
- (b) An affected party may bring an action seeking a declaratory judgment or injunctive relief under Chapter 37, Civil Practice and Remedies Code, against a proxy advisor who violates this chapter. Not later than the seventh day after the date on which an action is brought under this subsection, the plaintiff shall provide notice to the attorney general, who may intervene in the action.

SECTION 3. The changes in law made by this Act apply only to a proxy advisory service provided on or after the effective date of this Act.

SECTION 4. This Act takes effect July 1, 2025, 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 effect on that date, this Act takes effect September 1, 2025.

The Conference Committee Report on SB 2337 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 763

Senator Alvarado 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 763** 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.

ALVARADO K. BELL
BIRDWELL LANDGRAF
FLORES WALLE
KING HARLESS
MILES BARRY
On the part of the Senate On the part of the House

### 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 eight 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 Conference Committee Report on **SB 763** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 379

Senator Middleton submitted the following Conference Committee Report:

Austin, Texas May 30, 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 379** 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.

MIDDLETON GERDES
HALL FAIRLY
KOLKHORST HULL
SCHWERTNER E. MORALES

SPARKS

On the part of the Senate On the part of the House

# A BILL TO BE ENTITLED

AN ACT

relating to prohibiting the purchase of sweetened drinks and candy under the supplemental nutrition assistance program.

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

SECTION 1. Subchapter A, Chapter 33, Human Resources Code, is amended by adding Section 33.031 to read as follows:

# Sec. 33.031. PURCHASE OF SWEETENED DRINKS AND CANDY PROHIBITED UNDER SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM. (a) In this section, "sweetened drink" means a nonalcoholic beverage made with water that contains five grams or more of added sugar or any amount of artificial sweeteners. The term does not include a beverage that contains:

- (1) milk or milk products;
- (2) soy, rice, or similar milk substitutes; or
- (3) more than 50 percent of vegetable or fruit juice by volume.
- (b) A recipient of supplemental nutrition assistance program benefits may not use those benefits to purchase:
  - (1) a sweetened drink; or
- (2) candy ordinarily packaged and sold for consumption without further preparation.

SECTION 2. 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 3. This Act takes effect September 1, 2025.

The Conference Committee Report on **SB 379** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 447

Senator J. Hinojosa 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 447** 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.

J. HINOJOSA E. MORALES
BIRDWELL GUILLEN
PERRY FAIRLY
JOHNSON ANCHÍA
HUGHES

On the part of the Senate On the part of the House

#### A BILL TO BE ENTITLED AN ACT

relating to authorizing certain municipalities to change the date on which their general election for officers is held.

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

SECTION 1. Section 41.0052, Election Code, is amended by adding Subsection (a-3) to read as follows:

(a-3) Notwithstanding Subsection (a), a municipality on the Texas-Mexico border with a population of more than 85,000 that hosts the annual Texas Citrus Fiesta and holds its general election for officers on a date other than the November uniform election date may change the date on which it holds its general election for officers to the November uniform election date. A municipality described by this subsection that changes the date of its election under this subsection may not change the date on which it holds its general election for officers to a date other than the November uniform election date.

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

The Conference Committee Report on SB 447 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 441

Senator J. Hinojosa submitted the following Conference Committee Report:

Austin, Texas May 30, 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 441** 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.

J. HINOJOSA LALANI
CREIGHTON CAPRIGLIONE
FLORES M. PEREZ
PARKER MARTINEZ
WEST FAIRLY

On the part of the Senate On the part of the House

## A BILL TO BE ENTITLED

AN ACT

relating to criminal and civil liability related to sexually explicit media and artificial intimate visual material; creating a criminal offense; increasing a criminal penalty.

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

SECTION 1. The heading to Section 21.165, Penal Code, is amended to read as follows:

Sec. 21.165. UNLAWFUL PRODUCTION OR DISTRIBUTION OF CERTAIN SEXUALLY EXPLICIT MEDIA [VIDEOS].

SECTION 2. Section 21.165(a), Penal Code, is amended by amending Subdivision (1) and adding Subdivision (3) to read as follows:

- (1) "Deep fake media [wideo]" means a visual depiction [a video,] created or altered through [with] the use of software, machine learning, artificial intelligence, or any other computer-generated or technological means, including by adapting, modifying, manipulating, or altering an authentic visual depiction manually or through an automated process [intent to deceive], that appears to a reasonable person to depict a real person, indistinguishable from an authentic visual depiction of the real person, performing an action that did not occur in reality.
- (3) "Visual depiction" means a photograph, motion picture film, videotape, digital image or video, or other visual recording.

SECTION 3. Section 21.165, Penal Code, is amended by amending Subsections (b) and (c) and adding Subsections (b-1), (b-2), (c-1), (c-2), (c-3), (c-4), (c-5), and (e) to read as follows:

- (b) A person commits an offense if, without the effective consent of the person appearing to be depicted, the person knowingly produces or distributes by electronic means [a] deep fake media [video] that appears to depict the person:
- (1) with visible computer-generated intimate parts or with the visible intimate parts of another human being as the intimate parts of the person; or
- (2) engaging in sexual conduct in which the person did not engage [with the person's intimate parts exposed or engaged in sexual conduct].
- (b-1) A person commits an offense if the person intentionally threatens to produce or distribute deep fake media with the intent to coerce, extort, harass, or intimidate another person.
- (b-2) Consent required by Subsection (b) is valid only if the person appearing to be depicted knowingly and voluntarily signed a written agreement that was drafted in plain language. The agreement must include:
  - (1) a general description of the deep fake media; and
- (2) if applicable, the audiovisual work into which the deep fake media will be incorporated.
- (c) An offense under Subsection (b) [this section] is a Class A misdemeanor, except that the offense is a felony of the third degree if it is shown on the trial of the offense that:
- (1) the actor has been previously convicted of an offense under this section; or
  - (2) the person appearing to be depicted is younger than 18 years of age.
- (c-1) An offense under Subsection (b-1) is a Class B misdemeanor, except that the offense is a Class A misdemeanor if it is shown on the trial of the offense that:
  - (1) the actor has been previously convicted of an offense under this section;
- or (2) the actor threatened to produce or distribute deep fake media appearing to depict a person younger than 18 years of age.

- (c-2) It is not a defense to prosecution under this section that the deep fake media:
- (1) contains a disclaimer stating that the media was unauthorized or that the person appearing to be depicted did not participate in the creation or development of the deep fake media; or
- (2) indicates, through a label or otherwise, that the depiction is not authentic.
- (c-3) It is an affirmative defense to prosecution under this section that the production or distribution of the deep fake media occurs in the course of:
  - (1) lawful and common practices of law enforcement;
  - (2) reporting unlawful activity; or
- (3) a legal proceeding, if the production or distribution is permitted or required by law.
- (c-4) It is an affirmative defense to prosecution under Subsection (b) that the actor:
- (1) is an Internet service provider, cloud service provider, cybersecurity service provider, communication service provider, or telecommunications network that transmits data; and
  - (2) acted solely in a technical, automatic, or intermediate nature.
- (c-5) It is an affirmative defense to prosecution under Subsection (b) that the actor:
- (1) is a provider or developer of a publicly accessible artificial intelligence application or software that was used in the creation of the deep fake media;
- (2) included a prohibition against the creation of deep fake media prohibited by this section in the actor's terms and conditions or user policies that are required to be acknowledged by a user before the user is granted access to the artificial intelligence application or software; and
- (3) took affirmative steps to prevent the creation of deep fake media prohibited by this section through technological tools, such as:
- (A) training the artificial intelligence application or software to identify deep fake media prohibited by this section;
- (B) providing effective reporting tools for deep fake media prohibited by this section;
- (C) filtering deep fake media prohibited by this section created by the artificial intelligence application or software before the media is shown to a user; and
- (D) filtering deep fake media prohibited by this section from the artificial intelligence application or software data set before the data set is used to train the application or software.
- (e) The court shall order a defendant convicted of an offense under this section to make restitution to the victim of the offense for any psychological, financial, or reputational harm incurred by the victim as a result of the offense.
- SECTION 4. The heading to Chapter 98B, Civil Practice and Remedies Code, is amended to read as follows:

# CHAPTER 98B. UNLAWFUL PRODUCTION, SOLICITATION, DISCLOSURE, OR PROMOTION OF INTIMATE VISUAL MATERIAL

SECTION 5. Section 98B.001, Civil Practice and Remedies Code, is amended by amending Subdivision (1) and adding Subdivisions (1-a), (1-b), (3), and (4) to read as follows:

- (1) "Artificial intimate visual material" means computer-generated intimate visual material that was produced, adapted, or modified using an artificial intelligence application or other computer software in which the person is recognizable as an actual person by a person's face, likeness, voice, or other distinguishing characteristic, such as a unique birthmark or other recognizable feature which, when viewed by a reasonable person, is indistinguishable from the person depicted.
- (1-a) "Consent" means affirmative, conscious, and voluntary agreement, made by a person freely and without coercion, fraud, or misrepresentation.
- (1-b) "Intimate parts," "promote," "sexual conduct," and "visual material" have the meanings assigned by Section 21.16, Penal Code.
- (3) "Nudification application" means an artificial intelligence application that is primarily designed and marketed for the purpose of producing artificial intimate visual material.
- (4) "Social media platform" has the meaning assigned by Section 120.001, Business & Commerce Code.

SECTION 6. Chapter 98B, Civil Practice and Remedies Code, is amended by adding Sections 98B.0021, 98B.0022, 98B.008, and 98B.009 to read as follows:

- Sec. 98B.0021. LIABILITY FOR UNLAWFUL PRODUCTION, SOLICITATION, DISCLOSURE, OR PROMOTION OF CERTAIN ARTIFICIAL INTIMATE VISUAL MATERIAL. A defendant is liable, as provided by this chapter, to a person depicted in artificial intimate visual material for damages arising from the production, solicitation, disclosure, or promotion of the material if:
- (1) the defendant produces, solicits, discloses, or promotes the artificial intimate visual material without the effective consent of the depicted person and with the intent to harm that person;
- (2) the production, solicitation, disclosure, or promotion of the artificial intimate visual material causes harm to the depicted person; and
- (3) the production, solicitation, disclosure, or promotion of the artificial intimate visual material reveals the identity of the depicted person in any manner, including through any accompanying or subsequent information or material related to the artificial intimate visual material.

Sec. 98B.0022. LIABILITY OF OWNERS OF INTERNET WEBSITES AND ARTIFICIAL INTELLIGENCE APPLICATIONS AND PAYMENT PROCESSORS.

(a) A person who owns an Internet website or application, including a social media platform, and who recklessly facilitates the production or disclosure of artificial intimate visual material in exchange for payment, who owns a publicly accessible nudification application from which the material is produced, or who recklessly processes or facilitates payment for the production or disclosure of the material through the website or application, is liable, as provided by this chapter, to a person

depicted in the material for damages arising from the production or disclosure of the material if the person knows or recklessly disregards that the depicted person did not consent to the production or disclosure of the material.

- (b) A person who owns an Internet website or application, including a social media platform, on which artificial intimate visual material is disclosed is liable, as provided by this chapter, to the person depicted in the material for damages arising from the disclosure of the material if the person depicted requests the website or application to remove the material and the person who owns the website or application fails to remove the material within 72 hours of receiving the request and make reasonable efforts to identify and remove any known identical copies of such material.
- (c) A person who owns an Internet website or application, including a social media platform, shall make available on the website or application an easily accessible system that allows a person to submit a request for the removal of artificial intimate visual material.
- (d) A person who owns an Internet website or application, including a social media platform, shall make available on the website or application a clear and conspicuous notice, which may be provided through a clear and conspicuous link to another web page or disclosure, of the removal process established under Subsection (c), that:

(1) is written in plain language that is easy to read; and

- (2) provides information regarding the responsibilities of the person who owns the website or application under this section, including a description of how a person can submit a request for the removal of artificial intimate visual material and how to track the status of the request.
- (e) A violation of Subsection (b), (c), or (d) is a deceptive trade practice actionable under Subchapter E, Chapter 17, Business & Commerce Code.
- (f) The attorney general may investigate and bring an action for injunctive relief against a person who repeatedly violates Subsection (b), (c), or (d). If the attorney general prevails in the action, the attorney general may recover costs and attorney's fees.

Sec. 98B.008. CONFIDENTIAL IDENTITY IN CERTAIN ACTIONS. (a) In this section, "confidential identity" means:

- (1) the use of a pseudonym; and
- (2) the absence of any other identifying information, including address, telephone number, and social security number.
- (b) Except as otherwise provided by this section, in a suit brought under this chapter, the court shall:
- (1) make it known to the claimant as early as possible in the proceedings of the suit that the claimant may use a confidential identity in relation to the suit;
- (2) allow a claimant to use a confidential identity in all petitions, filings, and other documents presented to the court;
- (3) use the confidential identity in all of the court's proceedings and records relating to the suit, including any appellate proceedings; and
- (4) maintain the records relating to the suit in a manner that protects the confidentiality of the claimant.

- (c) In a suit brought under this chapter, only the following persons are entitled to know the true identifying information about the claimant:
  - (1) the judge;
  - (2) a party to the suit;
  - (3) the attorney representing a party to the suit; and
  - (4) a person authorized by a written order of a court specific to that person.
- (d) The court shall order that a person entitled to know the true identifying information under Subsection (c) may not divulge that information to anyone without a written order of the court. A court shall hold a person who violates the order in contempt.
- (e) Notwithstanding Section 22.004, Government Code, the supreme court may not amend or adopt rules in conflict with this section.
- (f) A claimant is not required to use a confidential identity as provided by this section.

Sec. 98B.009. STATUTE OF LIMITATIONS. A person must bring suit under this chapter not later than 10 years after the later of the date on which:

- (1) the person depicted in the intimate visual material that is the basis for the suit reasonably discovers the intimate visual material; or
- (2) the person depicted in the intimate visual material that is the basis for the suit turns 18 years of age.

SECTION 7. Chapter 98B, Civil Practice and Remedies Code, as amended by this Act, applies only to a cause of action that accrues on or after the effective date of this Act.

SECTION 8. Section 21.165, Penal Code, as amended 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 9. This Act takes effect September 1, 2025.

The Conference Committee Report on **SB 441** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 13

Senator Paxton submitted the following Conference Committee Report:

Austin, Texas May 30, 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 13** 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.

PAXTON BUCKLEY
BETTENCOURT FRANK
BLANCO LEACH
CREIGHTON SCHATZLINE

**PARKER** 

On the part of the Senate On the part of the House

#### 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 Sections 33.020 and 33.0205 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.
- Sec. 33.0205. CONSTRUCTION OF SUBCHAPTER. Nothing in this subchapter may be construed as limiting the acquisition of instructional material, as defined by Section 31.002, necessary for the teaching of, instruction in, or demonstration of knowledge of the essential knowledge and skills adopted under Section 28.002.

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 [\hbox{\scriptsize $\frac{}{,}$ as defined by Section 43.24, Penal Code}];$
- (ii) library material rated sexually explicit material by the selling library material vendor;  $[ \underline{\mathbf{or}} ]$
- (iii) library material that is pervasively vulgar or educationally unsuitable as referenced in <u>Board of Education v.</u> Pico [<del>v. Board of Education</del>], 457 U.S. 853 (1982);
  - (iv) library material containing indecent content or profane content;

or

- (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;
- (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).
- (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.
- 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. A school district that does not establish a local school library advisory council must ensure that the district's procedures for adding or removing library materials to or from a school library catalog comply with:
  - (1) the library standards approved under Section 33.021; and
  - (2) the meeting requirements under Subsections (g) and (h).

- (b) The board of trustees of a school district shall establish a local school library advisory council if the parents of at least 10 percent of the students enrolled in the district or 50 or more parents of students enrolled in the district, whichever is fewer, 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 harmful material or material containing indecent content or profane content that is inconsistent with local community values or age appropriateness;
- (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 subchapter. 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 not described by Subsection (f) 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 (e); 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) If the procedures recommended by the local school library advisory council, if applicable, and adopted by the board of trustees permit the appointment of library material review committees that consist of persons who are not members of the council to review library materials challenged under Subsection (a)(1), the council may base the council's recommendation for action to be taken by the district under Subsection (b) on the recommendation of a library material review committee if the committee consists of at least five persons appointed by the board of trustees, a

majority of whom are parents of students enrolled in the school district and are not employed by the district. Sections 33.025(g) and (h) apply to a library material review committee authorized by this subsection in the same manner as a local school library advisory council.

- (d) 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.
- (e) 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.
- (f) 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.
- (g) 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.
- (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, 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.
- (i) 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.

The Conference Committee Report on **SB 13** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 2018

Senator Paxton submitted the following Conference Committee Report:

Austin, Texas May 30, 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 2018** 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.

PAXTON
J. HINOJOSA
BUCKLEY
A. HINOJOSA
CAPRIGLIONE
HUGHES
HUNTER
SPARKS
VASUT
On the part of the Senate
On the part of the House

### A BILL TO BE ENTITLED

#### AN ACT

relating to the strong families credit against certain taxes for entities that contribute to certain organizations.

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

SECTION 1. Chapter 171, Tax Code, is amended by adding Subchapter P to read as follows:

### SUBCHAPTER P. STRONG FAMILIES TAX CREDIT

Sec. 171.801. DEFINITIONS. In this subchapter:

- (1) "At-risk family" has the meaning assigned by Section 137.002, Human Resources Code.
- (2) "Designated contribution" means a monetary contribution to an eligible organization that the contributor designates at the time of contribution as being made for the purpose of the strong families credit.
- (3) "Eligible organization" means an organization determined to be an eligible organization under this subchapter.
  - (4) "Foundation" means the OneStar Foundation.
- (5) "Strong families credit" means the tax credit established under this subchapter.
- Sec. 171.802. ELIGIBILITY FOR CREDIT. A taxable entity that makes a designated contribution that meets the requirements of this subchapter is eligible to apply for a strong families credit in the amount and under the conditions provided by this subchapter against the tax imposed under this chapter.
- Sec. 171.803. CERTIFICATION AS ELIGIBLE ORGANIZATION. (a) The foundation shall certify an organization as an eligible organization under this subchapter if the organization:
- (1) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code;
  - (2) is authorized to transact business in this state;
- (3) has provided the following in this state for at least three years preceding the organization's receipt of the organization's initial designated contribution:

- (A) comprehensive case management services for at-risk families based on an assessment of family strengths and needs, including assisting families in achieving self-sufficiency and stability and encouraging workforce participation; or
- (B) services and resources to assist fathers in learning and improving parenting skills and being more engaged in their children's lives through in-school programs and online resources;
- (4) does not directly or indirectly provide abortion services, or offer information related to abortion services; and
- (5) has not received, either directly or indirectly through a contractor, more than 50 percent of its total annual revenue from this state or a political subdivision of this state in the preceding state fiscal year.
- (b) To remain an eligible organization, an organization must submit each calendar year the following information to the foundation in the manner prescribed by the comptroller:
- (1) a description of the qualifying services and resources provided by the organization;
- (2) the total number of individuals served through the services and resources described by Subdivision (1) during the previous calendar year and the number of those individuals served and provided with resources that year using designated contributions;
  - (3) outcomes for services and resources described by Subdivision (1);
  - (4) the organization's financial information;
  - (5) the organization's contact information;
- (6) a statement, signed under penalty of perjury by an officer of the organization, that the organization meets all criteria to qualify as an eligible organization under this section, has complied with the requirements under Section 171.804 for the previous calendar year, and intends to comply with those requirements for the next calendar year; and
- (7) any other documentation necessary to verify eligibility or compliance with this section.
- (c) The comptroller may consult with the foundation to determine the manner in which an organization must demonstrate that the organization is an eligible organization for purposes of this subchapter.
- Sec. 171.804. DUTIES OF ELIGIBLE ORGANIZATION. (a) An eligible organization shall:
- (1) conduct a local, state, and national criminal background check for all individuals working directly with children in a program funded by designated contributions that includes the use of:
- (A) a commercial multistate and multijurisdiction criminal records locator or other similar commercial nationwide database; and
- (B) the national sex offender registry database maintained by the United States Department of Justice or a successor agency;
- (2) spend all designated contributions, other than the amount described by Subdivision (3), to provide services or resources for residents of this state;
- (3) spend no more than five percent of the total dollar amount of designated contributions on administrative expenses; and

- (4) annually submit to the comptroller a copy of the eligible organization's most recent Form 990 filed with the Internal Revenue Service.
- (b) On receipt of a designated contribution, an eligible organization shall provide the entity making the contribution with a certificate of contribution that includes:
  - (1) the entity's name;
  - (2) the eligible organization's name;
  - (3) the entity's federal employer identification number, if applicable;
  - (4) the entity's state taxpayer identification number, if applicable;
  - (5) the amount of the designated contribution; and
  - (6) the date the designated contribution was made.
- (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.
- Sec. 171.805. AMOUNT OF CREDIT; LIMITATION ON TOTAL 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
- (2) the amount of franchise tax due for the report after applying all other applicable credits.
- (b) The total amount of strong families credits awarded may not exceed \$5 million each year.
- Sec. 171.806. CARRYFORWARD. (a) If a taxable entity is awarded a credit that exceeds the limitation under Section 171.805(a), the entity may carry the unused credit forward for not more than five consecutive reports.
- (b) A carryforward is considered the remaining portion of a credit awarded to a taxable entity that cannot be claimed on a report because of the limitation under Section 171.805(a).
- Sec. 171.807. APPLICATION FOR CREDIT. (a) The comptroller may award a credit to a taxable entity that applies for the credit under this subchapter if the taxable entity is eligible for the credit and the credit is available under Section 171.805(b).
- (b) A taxable entity must apply for the credit in the manner prescribed by the comptroller and include with the application any information requested by the comptroller to determine whether the entity is eligible for the credit under this subchapter. The comptroller may adopt rules prescribing the application process for the credit, including rules prescribing:
- (1) a process by which the credit is awarded on a first-come, first-served basis;
- (2) an enrollment period with application deadlines to submit an application for the credit;
- (3) a requirement that a taxable entity must apply for the credit using an electronic application; and
- (4) the information required to be submitted with the application for the credit, including the certificate of contribution described by Section 171.804(b).

- (c) A taxable entity may not apply for an amount of credit greater than the lesser of:
- (1) the taxable entity's designated contributions made to eligible organizations during the relevant period; or

(2) \$1 million.

- (d) A taxable entity may be awarded an amount of credit less than the total amount of credit to which the entity would otherwise be entitled if awarding the entity the total amount of credit would exceed the limitation under Section 171.805(b).
- (e) The comptroller shall notify a taxable entity in writing of the amount of credit, if any, awarded to the entity.
- (f) The award or denial of a credit under this subchapter and the amount of any credit awarded is not a contested case under Chapter 2001, Government Code.
- (g) Subject to the limitations prescribed by this subchapter, a taxable entity may claim the amount of credit awarded by the comptroller on the report originally due after the entity receives the notice described by Subsection (e).
- Sec. 171.808. CREDIT FOR DESIGNATED CONTRIBUTION MADE BY MEMBER OF COMBINED GROUP OR TIERED PARTNERSHIP AGREEMENT.

  (a) A credit under this subchapter for designated contributions made by a member of an affiliated group that files a combined report under Section 171.1015 must be claimed on the combined report required by Section 171.1014 for the group, and the combined group is considered the taxable entity making the designated contribution for purposes of this subchapter.
- (b) An upper tier entity that includes the total revenue of a lower tier entity for purposes of computing its taxable margin as authorized by Section 171.1015 may claim the credit under this subchapter for designated contributions made by the lower tier entity to the extent of the upper tier entity's ownership interest in the lower tier entity. No more than \$1 million in credit awarded for designated contributions made during the period on which a report is based may be claimed on the report.
- Sec. 171.809. ASSIGNMENT PROHIBITED; EXCEPTION. A taxable entity may not convey, assign, or transfer a strong families credit awarded under this subchapter to another taxable entity unless substantially all of the assets of the taxable entity are conveyed, assigned, or transferred in the same transaction.
- 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.
- Sec. 171.811. RULES. The comptroller may adopt rules and procedures necessary to implement, administer, and enforce this subchapter.
  - Sec. 171.812. EXPIRATION. (a) This subchapter expires January 1, 2029.
- (b) The expiration of this subchapter does not affect the carryforward of a credit under Section 171.806 or those credits for which a taxable entity is eligible after the date this subchapter expires based on designated contributions made before that date.
- SECTION 2. (a) A taxable entity may apply for a credit under Subchapter P, Chapter 171, Tax Code, as added by this Act, only for a designated contribution made on or after June 1, 2026.
- (b) Subchapter P, Chapter 171, Tax Code, as added by this Act, applies only to a report originally due on or after June 1, 2026.

SECTION 3. This Act takes effect June 1, 2026.

The Conference Committee Report on SB 2018 was filed with the Secretary of the Senate.

#### CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3556

Senator Middleton submitted the following Conference Committee Report:

Austin, Texas May 30, 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 3556** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

MIDDLETON VASUT
HUGHES DARBY
SPARKS HOWARD
CREIGHTON METCALF
KOLKHORST ZWIENER
On the part of the Senate On the part of the House

ı

The Conference Committee Report on **HB 3556** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 331

Senator Kolkhorst 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 331 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.

KOLKHORST

**FRANK** 

**BLANCO ORDAZ** HALL PIERSON HANCOCK HARRIS DAVILA

**PERRY BUCY** 

On the part of the Senate On the part of the House

#### 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;

or

- (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 \$10 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;
- (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;
- $[\frac{(2)}{2}]$  \$100 for each violation of [day the facility violated] this chapter, if the facility's total gross revenue is \$10,000,000 or more and less than \$100,000,000; and
- $\underline{(2)}$  [ $\underline{(3)}$ ] \$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.

The Conference Committee Report on SB 331 was filed with the Secretary of the Senate.

#### CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3909

Senator Zaffirini submitted the following Conference Committee Report:

Austin, Texas May 30, 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 3909** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

ZAFFIRINI HICKLAND HUGHES DYSON HALL SHAHEEN ALVARADO SIMMONS BIRDWELL ZWIENER

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 3909** was filed with the Secretary of the Senate.

### CONFERENCE COMMITTEE REPORT ON SENATE BILL 2308

Senator Parker submitted the following Conference Committee Report:

Austin, Texas May 25, 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 2308** 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.

PARKER HARRIS
BLANCO GÁMEZ
CREIGHTON PHELAN
KING TINDERHOLT

KOLKHORST

On the part of the Senate

On the part of the House

#### A BILL TO BE ENTITLED AN ACT

relating to the establishment of a consortium to conduct United States Food and Drug Administration's drug development clinical trials with ibogaine to secure the administration's approval of the medication's use for treatment of opioid use disorder, co-occurring substance use disorder, and any other neurological or mental health conditions for which ibogaine demonstrates efficacy and to the administration of that treatment.

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

SECTION 1. Subtitle C, Title 6, Health and Safety Code, is amended by adding Chapter 491 to read as follows:

# CHAPTER 491. IBOGAINE TREATMENT SUBCHAPTER A. GENERAL PROVISIONS

Sec. 491.001. DEFINITIONS. In this chapter:

- (1) "Commission" means the Health and Human Services Commission.
- (2) "Comptroller" means the comptroller of public accounts.
- (3) "Drug developer" means a pharmaceutical company, biotechnology company, or contract development and manufacturing organization engaged in drug development and manufacturing.
  - (4) "Hospital" has the meaning assigned by Section 241.003.
- (5) "Ibogaine" means ibogaine and ibogaine-based therapeutics, including ibogaine analogs.

(6) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

### SUBCHAPTER B. DRUG DEVELOPMENT OF IBOGAINE TREATMENT

- Sec. 491.051. ESTABLISHMENT OF CONSORTIUM. (a) A consortium may be established under this section and apply for commission selection under this subchapter to conduct drug development clinical trials with ibogaine and secure the United States Food and Drug Administration's approval of ibogaine as a medication for the treatment of:
  - (1) opioid use disorder;
  - (2) co-occurring substance use disorder; and
- (3) any other neurological or mental health condition for which ibogaine demonstrates efficacy.
- (b) A consortium established under this section must include one or more of each of the following entities:
  - (1) a drug developer;
  - (2) an institution of higher education; and
  - (3) a hospital.
- Sec. 491.052. LEAD INSTITUTION; ADMINISTRATION; PERSONNEL. (a) A consortium established under this subchapter shall select a lead institution of higher education from among the consortium's members to represent the consortium and perform administrative functions under this subchapter, including contracting with and reporting to the commission as required by this subchapter.

  (b) A consortium selected by the commission under this subchapter may employ
- (b) A consortium selected by the commission under this subchapter may employ personnel, including clinical, administrative, and data management personnel, necessary to support any consortium member's activities related to drug development clinical trials conducted under this subchapter.
- Sec. 491.053. CONSORTIUM PROPOSAL. (a) The lead institution of higher education of a consortium shall submit to the commission a proposal and request for funding on behalf of the consortium for purposes of conducting ibogaine drug development clinical trials in accordance with this subchapter.
  - (b) A proposal submitted under Subsection (a) must provide:
    - (1) the identity of all consortium members;
- (2) a detailed description of the planned strategy for obtaining approval for the drug development clinical trials from the United States Food and Drug Administration;
  - (3) a detailed drug development clinical trial design that includes:
- (A) a description of the composition of the consortium's drug development clinical trial team and the expertise of the team members;
  - (B) a drug development clinical trial participant recruitment plan;
  - (C) patient screening criteria and cardiac safety protocols;
  - (D) administration protocols;
  - (E) an aftercare and post-acute treatment support plan; and
  - (F) a data integrity plan;
- (4) a detailed plan to seek a breakthrough therapy designation for ibogaine from the United States Food and Drug Administration under 21 U.S.C. Section 356;

- (5) a proposal to recognize this state's commercial interest in all intellectual property that may be generated over the course of the drug development clinical trials, including:
  - (A) the treatment that is the subject of the trials;
  - (B) administration protocols;
  - (C) treatment models or techniques; and
  - (D) technology used in the trials;
- (6) a plan to establish a corporate presence in this state and to promote and maintain ibogaine-related biomedical research, development, treatment, manufacturing, and distribution in this state;
- (7) a plan to secure third-party payor approval for ibogaine treatment following approval by the United States Food and Drug Administration through:
  - (A) private insurers;
  - (B) Medicare;
  - (C) Medicaid; and
  - (D) the TRICARE program of the United States Department of

#### Defense;

- (8) a plan to ensure ibogaine treatment access to uninsured individuals following approval by the United States Food and Drug Administration;
- (9) a plan to train and credential medical providers to administer ibogaine treatment according to developed clinical standards; and
- (10) financial disclosures that verify the consortium's capacity to fully match state funding with funds received from non-state sources.
- Sec. 491.054. COMMISSION SELECTION. The commission, in the commission's sole discretion, shall select a consortium established in accordance with Section 491.051 for the purpose of conducting ibogaine drug development clinical trials under this subchapter.
- Sec. 491.055. CONTRACT WITH LEAD INSTITUTION. (a) As soon as practicable after selecting a consortium to conduct ibogaine drug development clinical trials under Section 491.054, the commission shall enter into an interagency contract, as provided by Chapter 771, Government Code, with the lead institution of higher education of the selected consortium to provide funding to implement the consortium's proposed ibogaine drug development clinical trials.
  - (b) The interagency contract described by Subsection (a) must specify:
- (1) the goals and objectives of the proposed ibogaine drug development clinical trials;
  - (2) the proposed budget;
  - (3) the timeline for completing the proposed objectives;
- (4) the for-profit, nonprofit, or public benefit corporate entities collaborating with the consortium in the drug development clinical trials under this subchapter;
- (5) the percentage of the revenue arising from the drug development clinical trials to be paid to the state; and
  - (6) any other information required by the commission.

- (c) As soon as practicable after entering into an interagency contract under Subsection (a), the commission shall report the existence of the contract to the legislature.
- (d) The commission may not disburse funds to or for a selected consortium under the interagency contract described by Subsection (a) until the consortium receives and the commission verifies the receipt of matching funds from sources other than the state.
- Sec. 491.056. INVESTIGATIONAL NEW DRUG APPLICATION. On the commission's notification that a consortium is selected to conduct the drug development clinical trials under this subchapter, a drug developer or hospital member of the selected consortium or the lead institution of higher education of the consortium, as specified by written agreement of the consortium members, shall, as soon as practicable:
- (1) submit an investigational new drug (IND) application to the United States Food and Drug Administration in accordance with 21 C.F.R. Part 312; and
- (2) seek a breakthrough therapy designation for ibogaine from the United States Food and Drug Administration under 21 U.S.C. Section 356.
- Sec. 491.057. DRUG DEVELOPMENT CLINICAL TRIAL SITES. For purposes of conducting a drug development clinical trial under this subchapter, only an institution of higher education or a hospital may serve as a trial site.
- Sec. 491.058. FUNDING; DISBURSEMENT BY COMMISSION. (a) The commission and consortium members may solicit and accept gifts, grants, and donations of any kind received from sources other than the state for purposes of funding drug development clinical trials under this subchapter.
- (b) Disbursements of funds by the commission may be made incrementally based on the completion of clearly defined objectives as negotiated in the contract described by Section 491.055, including verifiable documentation demonstrating the efficient expenditure of both state and matching funds.
- Sec. 491.059. REPORTING REQUIREMENTS. (a) A consortium selected to conduct ibogaine drug development clinical trials shall quarterly prepare and submit to the commission:
- (1) a report on the progress of the drug development clinical trials conducted under this subchapter; and
- (2) a financial status report, including information to verify expenditures of state funds and required matching funds.
- (b) The commission shall submit a report to the legislature on the progress of the drug development clinical trials conducted under this subchapter not later than December 1 of each year.
- Sec. 491.060. ALLOCATION OF REVENUE ATTRIBUTABLE TO INTELLECTUAL PROPERTY AND OTHER RIGHTS. (a) The revenue attributable to all intellectual property rights and other commercial rights arising from drug development clinical trials conducted by a consortium under this subchapter during the period for which the trials are funded and any following period of commercialization shall be allocated as follows:
- (1) not less than 20 percent to the state as specified in the contract under Section 491.055; and

- (2) the remainder to the members of the consortium in the amounts specified by written agreement of the members.
- (b) For purposes of this section, intellectual property rights and other commercial rights arising from the drug development clinical trials conducted under this subchapter include any of the following as related to the trials:
  - (1) intellectual property, technology, and inventions;
  - (2) patents, trademarks, and licenses;
  - (3) proprietary and confidential information;
  - (4) trade secrets, data, and databases;
  - (5) tools, methods, and processes;
  - (6) treatment models or techniques;
  - (7) administration protocols; and
  - (8) works of authorship.
- Sec. 491.061. USE OF STATE REVENUE. (a) The comptroller shall deposit the revenue received under Section 491.060 to the credit of the general revenue fund.
- (b) Of the amount deposited under Subsection (a), 25 percent may be appropriated only to programs that assist veterans in this state.
- (c) The comptroller shall develop accounting procedures for the purpose of implementing this section.

### SUBCHAPTER C. IBOGAINE TREATMENT ADMINISTRATION

Sec. 491.101. APPLICABILITY. This subchapter applies only if ibogaine is approved by the United States Food and Drug Administration to treat a medical condition.

Sec. 491.102. MEDICAL SUPERVISION. A physician licensed under Subtitle B, Title 3, Occupations Code, who has prescribed ibogaine for a patient shall supervise the administration of ibogaine at a hospital or other licensed health care facility to ensure the patient's safety while the patient is under the influence of ibogaine.

Sec. 491.103. ADMINISTRATION UNDER FEDERAL LAW. This subchapter does not preclude a physician from administering ibogaine in accordance with federal law.

- SECTION 2. (a) 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.
- (b) The Health and Human Services Commission shall begin accepting proposals from consortiums under Chapter 491, Health and Safety Code, as added by this Act, not later than the 60th day after the effective date of this Act.

SECTION 3. 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.

The Conference Committee Report on SB 2308 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3071

Senator Hancock submitted the following Conference Committee Report:

Austin, Texas May 30, 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 3071** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HANCOCK GEREN BIRDWELL KING FLORES WALLE

ALVARADO

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 3071** was filed with the Secretary of the Senate.

### CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2885

Senator Schwertner submitted the following Conference Committee Report:

Austin, Texas May 30, 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 2885** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

SCHWERTNER GERDES
CAMPBELL HARRIS
A. HINOJOSA LONGORIA
HUGHES PHELAN

PARKER

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 2885** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON HOUSE BILL 5246

Senator Huffman submitted the following Conference Committee Report:

Austin, Texas May 30, 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 5246** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HUFFMAN BONNEN
BETTENCOURT CAPRIGLIONE
CAMPBELL L. GARCIA
SCHWERTNER HARRIS
ORDAZ

On the part of the Senate On the part of the House

The Conference Committee Report on **HB 5246** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2017

Senator Hagenbuch submitted the following Conference Committee Report:

Austin, Texas May 30, 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 2017** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HAGENBUCH GERDES
FLORES LEACH
KING MOODY
PARKER SCHATZLINE

On the part of the Senate

On the part of the House

The Conference Committee Report on **HB 2017** was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 8

Senator Schwertner submitted the following Conference Committee Report:

Austin, Texas May 30, 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 8** 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.

SCHWERTNER SPILLER

HUFFMAN LOUDERBACK

CAMPBELL TEPPER PERRY K. BELL

KOLKHORST

On the part of the Senate On the part of the House

# A BILL TO BE ENTITLED AN ACT

relating to agreements between certain sheriffs and the United States Immigration and Customs Enforcement to enforce federal immigration law and a grant program to cover the costs of implementing those agreements.

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

SECTION 1. Title 7, Government Code, is amended by adding Chapter 753 to read as follows:

# CHAPTER 753. IMMIGRATION LAW ENFORCEMENT AGREEMENTS BETWEEN CERTAIN SHERIFFS AND FEDERAL GOVERNMENT SUBCHAPTER A. GENERAL PROVISIONS

Sec. 753.001. DEFINITIONS. In this chapter:

- (1) "Immigration enforcement agency" means the United States Immigration and Customs Enforcement.
- (2) "Immigration law enforcement agreement" means a written agreement between a state or local law enforcement official and the immigration enforcement agency under Section 287(g), Immigration and Nationality Act (8 U.S.C. Section 1357(g)), or a similar federal program, that authorizes the official and the official's officers, employees, and contractors to enforce federal immigration law.

- (3) "Grant" means a grant under the grant program established under Subchapter C.
- Sec. 753.002. GIFTS, GRANTS, AND DONATIONS. (a) The comptroller may accept gifts, grants, and donations to establish and administer the grant program established under Subchapter C.
- (b) The comptroller shall make publicly available on the comptroller's Internet website the source of any gifts, grants, and donations that were given to the comptroller specifically for the implementation of the grant program established under Subchapter C.

# SUBCHAPTER B. IMMIGRATION LAW ENFORCEMENT AGREEMENTS REQUIRED

- Sec. 753.051. IMMIGRATION LAW ENFORCEMENT AGREEMENTS. (a) The sheriff of each county that operates a jail or contracts with a private vendor to operate a jail shall request and enter into an immigration law enforcement agreement to authorize the sheriff and officers, employees, and, as applicable, contractors of the sheriff's department to enforce federal immigration law.
- (b) A sheriff who requested but did not enter into an immigration law enforcement agreement under this section shall make additional requests to enter into an agreement under this section at least once annually after each request is made.
- Sec. 753.052. IMMIGRATION LAW ENFORCEMENT AGREEMENT REQUIREMENTS. An agreement entered into under Section 753.051 must include the scope, duration, and limitations of the authority to enforce federal immigration law.
- Sec. 753.053. ALLOCATION OF RESOURCES. A sheriff who enters into an agreement under Section 753.051 shall allocate the necessary resources, including personnel and funding, to ensure the proper implementation of the agreement, including the resources necessary to meet any reasonable objectives for enforcement set forth in the agreement.

#### SUBCHAPTER C. GRANT PROGRAM

- Sec. 753.101. ESTABLISHMENT AND ADMINISTRATION. From any money appropriated or otherwise available for this purpose, the comptroller shall establish and administer a grant program to support the state purpose of assisting sheriffs participating in immigration law enforcement agreements under Section 753.051.
- Sec. 753.102. ELIGIBILITY AND APPLICATION. (a) A sheriff is eligible to apply for a grant under this subchapter if the sheriff has entered into an immigration law enforcement agreement under Section 753.051.
- (b) The comptroller by rule may require an applicant to submit information or documentation with respect to a grant application submitted under this section.
- Sec. 753.103. AWARD; LIMITATIONS ON USE. (a) On approval of an application submitted under Section 753.102 and using money appropriated to the comptroller or otherwise available for this purpose, the comptroller shall award a grant to an eligible sheriff who applies for the grant as provided by Subsection (b).
- (b) The amount of grant money awarded to a sheriff must be determined based on the population of the county the sheriff serves according to the following tiers:
  - (1) \$80,000 for a county with a population of 99,999 or less;

- (2) \$100,000 for a county with a population of at least 100,000 but not more than 499.999:
- $\overline{(3)}$  \$120,000 for a county with a population of at least 500,000 but not more than 999, 999; and
  - $\overline{(4)}$  \$140,000 for a county with a population of at least one million.
- (c) A sheriff who is awarded a grant under this section must use the grant money to pay the costs associated with participating in the agreement that is the subject of the grant that are not reimbursed by the federal government. Grant money may be spent over a two-year period only on the following:
- (1) compensation for persons performing duties under the agreement;
  (2) generating and delivering reports required by the agreement, including administrative duties required by this subchapter;
- (3) equipment and related services for peace officers and other persons related to the agreement, including the cost of repairing or replacing equipment required, but not provided, under the agreement;
- (4) attendance by a person at any training or other event required under the agreement;
- $\overline{(5)}$  costs to the county for confining inmates under the authority granted under the agreement; and
- (6) other expenses associated with participating in the agreement as determined by the comptroller.
- Sec. 753.104. COMPTROLLER POWERS AND DUTIES. The comptroller shall adopt rules necessary to implement the grant program established under this subchapter, including rules that establish:
- (1) a standardized application process, including the form to be used to apply for a grant and the manner of submitting the form;
  - (2) deadlines for:
    - (A) applying for the grant;
- (B) submitting detailed documentation necessary to demonstrate the sheriff's costs in participating in the agreement that is the subject of the grant at least annually;
  - (C) distributing grant money; and (D) spending grant money; and

  - (3) procedures for:
- (A) monitoring the distribution of grant money to ensure compliance with this subchapter; and
- (B) returning grant money that was not used by a sheriff for a purpose authorized by this subchapter.
- Sec. 753.105. EFFECT ON COUNTY APPROPRIATIONS. In relation to money received from a grant awarded to a sheriff under this subchapter, the commissioners court of the county the sheriff serves may not reduce the appropriation to the sheriff's department in response to the sheriff receiving the grant.

SUBCHAPTER D. REPORTING AND ENFORCEMENT

Sec. 753.151. REPORTING AND ACCOUNTABILITY. Not later than April 1 of each even-numbered year, the comptroller shall prepare a written report on sheriffs participating in immigration law enforcement agreements under Section 753.051 using information provided to the comptroller under Subchapter C and Section 753.152 and submit the report to the governor, lieutenant governor, and speaker of the house of representatives. The report must include:

- (1) details on the grant program established under Subchapter C, including the number of sheriffs participating and total amount of money distributed; and
- (2) a summary of any enforcement actions taken by the attorney general under Section 753.154.

Sec. 753.152. COMMISSION ON JAIL STANDARDS REPORT. The Commission on Jail Standards shall annually submit to the comptroller a copy of the reports received under Section 511.0101.

Sec. 753.153. SHERIFF REPORT ON ATTEMPT TO ENTER INTO AGREEMENT. The sheriff of a county that operates a jail or contracts with a private vendor to operate a jail who has not entered into an agreement under Section 753.051 shall annually provide proof to the attorney general of the sheriff's attempt to enter into the agreement.

Sec. 753.154. ENFORCEMENT BY ATTORNEY GENERAL. (a) The attorney general may bring an action against a sheriff who fails to comply with this chapter in a district court for appropriate equitable relief.

- (b) The attorney general may recover reasonable expenses incurred in obtaining relief under Subsection (a), including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs.
- (c) An action brought against a sheriff under this section must be brought in a district court for the county served by the sheriff.

SECTION 2. Not later than December 1, 2026, the sheriff of each county shall comply with Section 753.051(a), Government Code, as added by this Act.

SECTION 3. A grant awarded to a sheriff under Subchapter C, Chapter 753, Government Code, as added by this Act, may cover any costs associated with participating in an agreement described by Section 753.051, Government Code, as added by this Act, that were incurred by the sheriff between September 30, 2025, and January 1, 2026.

SECTION 4. Except as otherwise provided by this Act, this Act takes effect January 1, 2026.

The Conference Committee Report on SB 8 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 1405

Senator Nichols submitted the following Conference Committee Report:

Austin, Texas May 30, 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 1405 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.

NICHOLS ASHBY CAMPBELL MEYER

HANCOCK MARTINEZ FISCHER

JOHNSON BERNAL

**PERRY** 

On the part of the Senate On the part of the House

### A BILL TO BE ENTITLED

AN ACT

relating to increasing access to and reducing taxation of Internet services.

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

SECTION 1. Sections 403.553(a)(3) and (4), Government Code, are amended to read as follows:

(3) "Qualifying broadband service" means broadband service as defined by Section 490I.0101 [retail wireline or wireless broadband service capable of providing:

(A) a download speed of 25 megabits per second or faster; and

[(B) an upload speed of 3 megabits per second or faster].

(4) "Unserved area" means a location that lacks access to [a] retail fixed, terrestrial, wireline, or wireless <u>qualifying broadband service</u> [Internet service capable of providing:

[(A) a download speed of 25 megabits per second or faster; and [(B) an upload speed of 3 megabits per second or faster].

SECTION 2. Section 403.553(o), Government Code, is amended to read as follows:

- (o) Not later than November 1 of each year [the 60th day after the date the pole replacement fund receives money for the pole replacement program], the comptroller shall [maintain and] publish on the comptroller's Internet website:
- (1) statistics on the number of applications received, processed, and rejected by the program in the preceding state fiscal year;
- (2) statistics on the size, number, and status of reimbursements awarded by the program in the preceding state fiscal year, including the retail broadband service providers and pole owners receiving reimbursements; and
- (3) the estimated amount of money available for grants from the program as of the last day of the preceding state fiscal year [remaining in the pole replacement fund].

SECTION 3. Section 490I.0101(a), Government Code, is amended to read as follows:

(a) For purposes of this chapter, subject to Subsection (b), "broadband service" means Internet service with the capability of providing a:

- (1) speed of not less than 100 [25] megabits per second for a download;
- (2) speed of not less than  $\overline{20}$  [three] megabits per second for an upload; and
- (3) network round-trip latency of less than or equal to 100 milliseconds based on the 95th percentile of speed measurements.

SECTION 4. Sections 490I.0105(a), (c), (f), and (q), Government Code, are amended to read as follows:

- (a) The broadband development office shall create, update annually, and publish on the comptroller's Internet website a map classifying each broadband serviceable location in this state as:
  - (1) an unserved location if the location:
- (A) does not have access to reliable broadband service capable of providing:
- (i) [the] speeds matching standards adopted by the Federal Communications Commission if required by the comptroller under Section 490I.0101(b); or
- (ii) if the comptroller has not exercised the comptroller's authority under Section 490I.0101(b), speeds described by Section 490I.0101(a); or
- (B) is a public school or community anchor institution and does not have access to reliable gigabit-level broadband service;
- (2) an underserved location if the location is not an unserved location but does not have access to reliable broadband service with the capability of providing:
  - (A) a speed of not less than 100 megabits per second for a download;
  - (B) a speed of not less than 20 megabits per second for an upload; and
- (C) a network round-trip latency of less than or equal to 100 milliseconds based on the 95th percentile of speed measurements; or
- (3) a served location if the location is neither an unserved nor an underserved location.
- (c) The [After ereation of the initial map described in Subsection (a), the] office may evaluate the usefulness of the standards for unserved and underserved locations outlined in Subsection (a) and, if appropriate, make a recommendation to the legislature to revise the standards.
- (f) The [Except as provided by Subsection (g), the] office shall use the best available data, including information available from the Federal Communications Commission, to create or update the map.
- (q) The office is not required to create, update, or publish a map under this section if the office adopts a map produced by the Federal Communications Commission [produces a map] that[:
- [(1)] enables the office to identify unserved, underserved, and served locations [eligible and ineligible areas,] as described by Subsection (a)[; and
  - [(2) meets the requirements of Subsection (d)].
- SECTION 5. Section 490I.0106, Government Code, is amended by amending Subsections (a), (a-1), (a-2), (a-3), (b), (d), (f), and (h) and adding Subsections (h-1) and (j) to read as follows:
- (a) The broadband development office shall establish a program to award contracts, grants, low-interest loans, and other financial incentives [to applicants] for the purpose of expanding access to and adoption of broadband service.

- (a-1) The office may award contracts, grants, low-interest loans, and other financial incentives [to applicants] for eligible broadband infrastructure projects designed to provide qualifying broadband service to unserved and underserved locations. For the purposes of this subsection, an eligible broadband infrastructure project includes a project in which not less than 80 percent of the broadband serviceable locations to be served by the project are unserved and underserved locations.
- (a-2) The office may award <u>contracts</u>, grants, low-interest loans, and other financial incentives [to applicants] for middle-mile broadband infrastructure projects.
- (a-3) The office may award <u>contracts</u>, grants, low-interest loans, and other financial incentives [to applicants] for projects not involving the deployment of broadband infrastructure that expand the accessibility, affordability, or adoption of broadband service, including education, training, community outreach, remote learning or telehealth facilities, equipment purchases, or any other use permitted by the applicable funding source.
- (b) In making an award under this section, the office shall, to the extent applicable [The office shall establish eligibility and award criteria for making awards under this chapter for each applicable notice of funds availability. The comptroller by rule may prescribe the manner in which the office shall provide notice to applicants of the applicable criteria. In establishing eligibility and award criteria, the office shall]:
- (1) take into consideration grants and other financial incentives awarded by the federal government for the deployment of broadband service;
- (2) prioritize [the] applications [of applicants] that will expand access to and adoption of broadband service in designated areas in which the highest percentage of broadband serviceable locations are unserved or underserved locations;
- (3) prioritize [the] applications [of applicants] that will expand access to broadband service in public and private primary and secondary schools and institutions of higher education;
- (4) give preference to an applicant that provided the information requested by the office under Section [490I.0105 or] 490I.01061; and
- (5) take into consideration whether an applicant has forfeited federal funding for defaulting on a project to deploy qualifying broadband service.
  - (d) The office may not:
- (1) except as provided by Section 490I.01062, favor a particular broadband technology in awarding contracts, grants, loans, or other financial incentives;
- (2) award a contract, grant, loan, or other financial incentive for the deployment of last-mile broadband service to a noncommercial provider of broadband service for a broadband serviceable location if an eligible commercial provider of broadband service has submitted an application for the same location;
- (3) take into consideration distributions from the state universal service fund established under Section 56.021, Utilities Code, when deciding to award contracts, grants, loans, or other financial incentives; or

- (4) except as provided by Section 490I.01061, award a <u>contract</u>, grant, loan, or other financial incentive for deployment of last-mile broadband service for a location that is subject to <u>an existing</u> [a] federal commitment to deploy qualifying broadband service on the date the application is submitted or during the application process.
- (f) During the 30-day posting period described by Subsection (e) for an application, the office shall accept from any interested party, other than a broadband service provider that does not report information requested by the office under Section [490I.0105 or] 490I.01061, a written protest of an [the] application submitted for a contract, grant, loan, or other financial incentive under Subsection (a-1) relating to whether the broadband serviceable locations contained in the application are eligible to receive funding [applicant or project is eligible for an award or should not receive an award based on the criteria prescribed by the office].
- (h) The office shall establish and publish criteria for award recipients. The criteria must include requirements that:
- (1) contracts, grants, loans, and other financial incentives awarded through the program for the deployment of broadband infrastructure may be used only for capital expenses, purchase or lease of property, and other expenses, including backhaul and transport, that will facilitate the provision or adoption of broadband service; and
- (2) an award recipient must make a reasonable effort to restore private property affected by a broadband infrastructure project funded under Subsection (a-1) to the condition the property was in before the beginning of the project.
- (h-1) The office may revoke or reduce an award made under this section if the office determines the award recipient made a material misrepresentation related to compliance with a requirement established under Subsection (h).
- (j) The office shall publish on the comptroller's Internet website information regarding each grant awarded under Subsection (a-1), including the grant recipient's name, the area targeted for expanded broadband service access, the amount of the grant award, the status of the grant award, including incremental completion status, and any other information the office considers relevant.

SECTION 6. Section 490I.0110(i), Government Code, is amended to read as follows:

(i) A person who is professionally affiliated with a person serving as a member of the board of advisors is not eligible for funding from the broadband development program under Section 490I.0106 if the member is involved in decisions regarding the award of contracts, grants, loans, or other financial incentives under that section.

SECTION 7. Sections 151.00394(b) and (c), Tax Code, are amended to read as follows:

- (b) "Internet access service" does not include [and the exemption under Section 151.325 does not apply to] any [other] taxable service listed in Section 151.0101(a), unless the taxable service is provided in conjunction with and is merely incidental to the provision of Internet access service.
- (c) [On and after October 1, 1999,] "Internet access service" is not included in the definitions of "data processing service" and "information service."

SECTION 8. Section 151.0101(a), Tax Code, is amended to read as follows:

- (a) "Taxable services" means:
  - (1) amusement services;
  - (2) cable television services;
  - (3) personal services;
  - (4) motor vehicle parking and storage services;
- (5) the repair, remodeling, maintenance, and restoration of tangible personal property, except:
  - (A) aircraft;
  - (B) a ship, boat, or other vessel, other than:
    - (i) a taxable boat or motor as defined by Section 160.001;
    - (ii) a sports fishing boat; or
    - (iii) any other vessel used for pleasure;
  - (C) the repair, maintenance, and restoration of a motor vehicle; and
- (D) the repair, maintenance, creation, and restoration of a computer program, including its development and modification, not sold by the person performing the repair, maintenance, creation, or restoration service;
  - (6) telecommunications services;
  - (7) credit reporting services;
  - (8) debt collection services;
  - (9) insurance services;
  - (10) information services;
  - (11) real property services;
  - (12) data processing services;
  - (13) real property repair and remodeling;
  - (14) security services;
  - (15) telephone answering services; and
  - (16) [Internet access service; and
- [(17)] a sale by a transmission and distribution utility, as defined in Section 31.002, Utilities Code, of transmission or delivery of service directly to an electricity end-use customer whose consumption of electricity is subject to taxation under this chapter.
- SECTION 9. Section 171.10132, Tax Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:
- (a) In this section, "qualifying broadband grant" means a grant for broadband deployment in this state received by a taxable entity:
- (1) under the Broadband Equity, Access, and Deployment Program established under 47 U.S.C. Section 1702;
- (2) under the State Digital Equity Capacity Grant Program established under 47 U.S.C. Section 1723;
- (3) under the Digital Equity Competitive Grant Program established under 47 U.S.C. Section 1724;
- (4) under the provisions of 47 U.S.C. Section 1741 providing for middle mile grants;
- (5) under the broadband loan and grant pilot program authorized under Section 779, Title VII, Div. A, Consolidated Appropriations Act, 2018 (Pub. L. No. 115-141, 132 Stat. 399), from funds made available for that program under the

heading "Distance Learning, Telemedicine, and Broadband Program," "Rural Utilities Service," "Rural Development Programs" in Title I, Infrastructure Investments and Jobs Appropriations Act (Title I, Div. J, Pub. L. No. 117-58, 135 Stat. 1351);

- (6) under Section 905, Division N, Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260, 134 Stat. 2136); [or]
- (7) from a state, territory, tribal government, or unit of local government to the extent the grant was:
- (A) funded by amounts provided under 42 U.S.C. Section 802, 803, or 804; and
- (B) provided for the stated purposes of making investments in broadband infrastructure; or
- (8) from the comptroller under Subchapter S, Chapter 403, Government Code, or Chapter 490I of that code.
- (a-1) For purposes of Subsection (a)(8), a reimbursement award received by a taxable entity under Subchapter S, Chapter 403, Government Code, is considered a grant for broadband development in this state.

SECTION 10. The following provisions are repealed:

- (1) Chapter 490H, Government Code;
- (2) Sections 490I.0105(g), (h), (i), (j), (k), (l), (n), (o), and (p), Government Code; and
  - (3) Section 151.325, Tax Code.

SECTION 11. The changes in law made by this Act do not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 12. Section 171.10132, Tax Code, as amended by this Act, applies only to a report originally due on or after January 1, 2026.

SECTION 13. This Act takes effect July 1, 2025, 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 effect on that date, this Act takes effect September 1, 2025.

The Conference Committee Report on SB 1405 was filed with the Secretary of the Senate.

# CONFERENCE COMMITTEE REPORT ON SENATE BILL 15

Senator Bettencourt submitted the following Conference Committee Report:

Austin, Texas May 30, 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 15** 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.

BETTENCOURT GATES
CREIGHTON HUNTER
MIDDLETON HICKLAND
PAXTON VASUT

WEST

On the part of the Senate

On the part of the House

#### 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 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 3,000 square feet;
  - (B) wider than 30 feet; or
  - (C) deeper than 75 feet; or
- (2) if regulating the density of dwelling units 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.
- Sec. 211.055. SMALL LOTS. (a) Except as provided by this section, a municipality may not adopt or enforce an ordinance, rule, or other measure that requires a small lot to have:
  - (1) a building plane or other setback greater than:
    - (A) 15 feet from the front or 10 feet from the 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.
- (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.
  - (b) A municipality may require with respect to a small lot:

- (1) the sharing of a driveway with another lot;
- (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; or
  - (3) impact fees, to the extent authorized by Chapter 395.
- (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. Except as expressly provided by this subchapter, 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.

The Conference Committee Report on **SB 15** was filed with the Secretary of the Senate.

#### RECESS

On motion of Senator Zaffirini, the Senate at 9:59 p.m. recessed until 12:00 p.m. tomorrow.

#### **APPENDIX**

#### BILLS AND RESOLUTIONS ENROLLED

#### May 30, 2025

SB 4, SB 6, SB 9, SB 21, SB 23, SB 40, SB 57, SB 140, SB 467, SB 509, SB 512, SB 785, SB 850, SB 968, SB 1084, SB 1198, SB 1281, SB 1760, SB 1833, SB 1838, SB 1923, SB 2167, SB 2366, SB 2367, SB 2398, SB 2407, SB 2778, SB 2790, SB 3052, SCR 54, SJR 5, SR 695

#### SENT TO SECRETARY OF STATE

May 30, 2025

**SCR 52** 

#### SENT TO GOVERNOR

#### May 30, 2025

SB 127, SB 401, SB 546, SB 1021, SB 1032, SB 1242, SB 1343, SB 1346, SB 1534, SB 1663, SB 2055, SB 2075, SB 2835

#### SIGNED BY GOVERNOR

### May 30, 2025

SB 207, SB 402, SB 529, SB 541, SB 651, SB 664, SB 687, SB 745, SB 920, SB 927, SB 958, SB 1239, SB 1247, SB 1248, SB 1321, SB 1332, SB 1497, SB 1537, SB 1620, SB 1646, SB 1662, SB 1734, SB 1901, SB 2053, SB 2112, SB 2124, SB 2145, SB 2180, SB 2332, SB 2448, SB 2662, SCR 19, SCR 25

#### FILED WITHOUT SIGNATURE OF GOVERNOR

May 30, 2025

SB 693, SB 2938