



Texas Legislative Study Group

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Part 2 of 2

LSG Floor Report For General State Calendar – Monday, May 22, 2023

<p>SB 2012</p> <p>By: Schwertner King</p> <p>Sponsor: Hunter</p>	<p>Relating to the implementation of a program to meet the reliability needs of the ERCOT power region.</p>	<p>State Affairs</p> <p>11 Ayes, 0 Nays, 0 PNV, 2 Absent</p>	<p>The Public Utility Commission (PUC), along with its consultant E3, evaluated the Electric Reliability Council of Texas (ERCOT) market design during the interim to enhance grid reliability after devastating issues illuminated by Winter Storm Uri. Upon review, PUC adopted the Performance Credit Mechanism (PCM) , one of several options recommended by E3, to improve reliability through augmenting dispatchable energy resources. SB 2012 provides guidance on the implementation of the PCM.</p> <p>The provisions of SB 2012 aim to prevent market manipulation, maintain a fair market environment and protect retail customers and load-serving entities from undue financial burden. As such, SB 2012 mandates an updated assessment on the cost and impact of the PCM be completed by ERCOT and the independent market monitor (IMM). The updated assessment must evaluate various aspects of the PCM, including the cost of entry, consumer costs, and retail market health.</p> <p>SB 2012 prohibits the PUC from implementing the PCM unless the PUC establishes certain essential features of the program, including, limitation of participation to dispatchable resources, a cap on the cost of credits to \$500 million annually, establishment of a penalty structure for non-compliant generators, and central procurement of credits. The IMM is required to evaluate the PCM biennially, weighing the benefits and costs to consumers and report its findings to the Legislature.</p> <p>SB 2012 places guardrails for implementation of the PCM. The bill attempts to maintain a fair market environment and cap the cost of reliability credits, protecting customers from price increases. However, there are concerns that the cost cap could undermine the goals of the PCM. The \$500 million cost cap on the PCM would likely cancel over 4,600 megawatts of new power plant announcements and lead to plant retirements which could mean fewer dispatchable resources when we need them most. ERCOT's analysis shows that the cost cap guardrail under SB 2012 would put us on a pathway of a loss of load event every single year (events in which available generation capacity is inadequate to supply customer demand). The industry standard goal is once every ten years. SB 2012's cost cap could effectively set the PCM redesign up for failure. Additionally, the bill only allows dispatchable generation resources to participate, which could cause renewable projects to stop building in Texas and drive up costs. This would also reduce resource diversity which is vital for lowering wholesale electricity costs</p>	<p><u>Unfavorable</u></p>
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			<p>and maintaining reliability. SB 2012 should be technology neutral to allow for the participation of all energy sources.</p> <p>Although SB 2012’s reporting requirements are necessary, the cost cap undermines the entire PCM program.</p>	
<p>SB 2011</p> <p>By: Schwertner King</p> <p>Sponsor: Slawson</p>	<p>Relating to the authority of the Public Utility Commission of Texas to impose administrative penalties and enter into voluntary mitigation plans; increasing an administrative penalty.</p>	<p>State Affairs</p> <p>10 Ayes, 0 Nay, 0 PNV, 3 Absent</p>	<p>Voluntary mitigation plans (VMP) are voluntary agreements between power generators and the Public Utility Commission (PUC) to ensure compliance with market rules to prevent market abuse in the wholesale energy market. Currently, the maximum penalty for violating market power rules is \$25,000. SB 2011 is designed to make VMPs more adaptable to changing market conditions and strengthen deterrence mechanisms for violating these agreements.</p> <p>SB 2011 increases the penalty for violating market power rules to a maximum of \$1 million. Additionally, the bill introduces a requirement for the PUC to review all VMPs once every two years or within 90 days after the implementation of a wholesale market design change. Finally, SB 2011 removes the absolute defense for VMP violations.</p> <p>While the penalty fee increase and more frequent review of the VMP are positive steps, removing the absolute defense undermines the entire concept of power generators entering into voluntary agreements to outline the parameters of acceptable and unacceptable market behavior. Removing the absolute defense would allow the PUC to penalize a generator for a market power violation, even if it was within the activities covered under the VMP. Currently, generators are to agreed-upon standards outlined in the VMP, which is approved by PUC and ERCOT. Generators are still subject to recourse if they are out of compliance in situations not outlined in the VMP. Removing the absolute defense could ultimately discourage the use of VMPs altogether, especially for older plants, which may lead to earlier retirements and less dispatchable energy.</p>	<p><u>Unfavorable</u></p>
<p>SB 2013</p> <p>By: Schwertner King</p> <p>Sponsor: Hunter</p>	<p>Relating to access to and the security of certain critical infrastructure.</p>	<p>State Affairs</p> <p>12 Ayes, 0 Nays, 0 PNV, 1 Absent</p>	<p>Currently, critical grid equipment can be procured from production lines in potentially hostile countries. As a result, this hardware is vulnerable to remote interference, increasing the risk of grid failure. This is compounded by the fact that sensitive positions within ERCOT do not currently require mandatory background checks. SB 2013 addresses these potential vulnerabilities in the electric grid that hostile actors could exploit.</p> <p>SB 2013 broadens the definition of an "affiliate" for companies with involvement in operational and logistical aspects of electric grid equipment and requires background checks for employees in sensitive positions within these organizations as well as ERCOT. This helps to better vet individuals who have access to critical infrastructure. Additionally, SB 2013 mandates businesses comply with certain security regulations to operate within ERCOT. ERCOT has the authority to suspend or terminate a company’s access if they pose a potential security threat, overriding any contradicting contractual provisions. Furthermore, existing businesses must</p>	<p><u>Favorable</u></p>

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			<p>report past grid-related purchases and take measures to mitigate any residual security threats. This requirement addresses past activities that might have created vulnerabilities. Finally, SB 2013 allows the attorney general to conduct audits to ensure compliance with the bill’s provisions.</p> <p>SB 2013 strengthens the security of Texas’ critical infrastructure by mitigating the risk of remote interference and grid failure, fostering increased resilience and reliability.</p>	
<p>SB 1287 By: Hughes Kolkhorst Sponsor: Slawson</p>	<p>Relating to the cost of interconnecting certain electric generation facilities with the ERCOT transmission system.</p>	<p>State Affairs 8 Ayes, 4 Nays, 0 PNV, 1 Absent</p>	<p>Concerns have been raised regarding current pricing methods and affiliated costs related to the interconnection of electric generation facilities with the ERCOT transmission system. SB 1287 seeks to address this by creating a cap on costs for consumers incurred in order to interconnect generation resources directly with the ERCOT transmission system. The aim of this is to reduce costs for consumers and encourage the placement of generation resources closer to the power demand.</p> <p>SB 1287 mandates the Public Utility Commission (PUC) to establish a per megawatt allowance for costs associated with connecting generation resources to the ERCOT transmission system. The allowance determination should consider the average historical costs of dispatchable generation interconnections and the impact on grid reliability. The bill requires any costs exceeding the allowance for interconnecting generation resources with the ERCOT transmission system, including utility interconnection facilities, to be directly assigned to and collected from the generation resource using those facilities. The bill requires a review process regarding these changes every five years. SB 1287 removes the costs exceeding the established allowance for interconnecting generation resources with the ERCOT transmission system, as well as any adjustments to the allowance due to inflation or supply chain issues, from the total annual costs of transmission used to price wholesale transmission services within ERCOT.</p> <p>While the goal of SB 1287 is ultimately to reduce costs to consumers, some have suggested that the bill would disincentivize generation in rural areas, including wind and solar farms, because of the provisions regarding generation closer to loads. Because the bill generally favors larger plants such as nuclear or coal units, clean energy options may be made more expensive and less likely to make it to the market.</p>	<p><u>Unfavorable</u></p>
<p>SB 1699 By: Johnson</p>	<p>Relating to the participation of aggregated distributed energy</p>	<p>State Affairs 12 Ayes, 0 Nays,</p>	<p>Distributed energy resources or (DERs) are small-scale electricity supply resources that are interconnected to the electric grid. Aggregated DERs, or ADERs, are entities that combine the individual DERs to act as a single larger resource. Consequently, aggregation allows DERs to generate and/or store more electricity.</p>	<p><u>Favorable</u></p>

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<p>Sponsor: Hunter</p>	<p>resources in the ERCOT market.</p>	<p>0 PNV, 1 Absent</p>	<p>A pilot project approved by ERCOT and PUC, in 2022, enabled ADERs to participate in ancillary and wholesale energy markets within ERCOT. The first phase of the pilot enables groups that supply electricity such as municipalities, electric cooperatives, and retail electric providers (REPs) to aggregate their customers’ small, local energy sources– residential and small-business solar panels, batteries, and other devices–that generate less than one megawatt of power. As such, this project allows small, local sources of energy to participate in balancing the electric grid as part of the larger ERCOT market.</p> <p>SB 1699 implements recommendations from PUC and the ADER Task Force to integrate aggregated DERs into the ERCOT market as phase one of the pilot project. It mandates PUC to establish a regulatory framework for aggregation of DERs. As such, SB 1699 amends the definition of a REP to include aggregators of DER and specifies that a REP can not own or operate generation assets. Additionally, SB 1699 stipulates that aggregators of DER are not required to register as power generation companies but must comply with requirements established by PUC. Moreover, entities that generate electricity directly must register as a power generation company including entities that operate facilities to generate electricity as well as those registered with the Federal Energy Regulatory Commission (FERC) unless they are part of an aggregate DER. SB 1699 excludes entities that provide charging services for electric vehicles.</p> <p>SB 1699 promotes the decentralization and diversification of the electric grid. By allowing DERs to aggregate and participate without the need for power generation company registration, SB 1699 modernizes the regulatory framework and enhances market competition. Furthermore, it indirectly supports renewable energy utilization and electric vehicle market growth.</p>	
<p>SB 1094</p> <p>By: Schwertner</p> <p>Sponsor: Price</p>	<p>Relating to purchased power costs incurred by electric utilities.</p>	<p>State Affairs</p> <p>13 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>Currently, the Public Utility Commission (PUC) does not have a clear mandate to pre-approve contracts in which a non-ERCOT (Electric Reliability Council of Texas) utility agrees to purchase a certain amount of electricity from a generator at a set price for a set period of time. Such contracts are known as power purchase agreements (PPAs). For non-ERCOT utilities, the absence of pre-approval for PPAs from PUC exposes non-ERCOT utilities to increased financial risk and uncertainty. This leads to lower credit ratings, higher borrowing costs, and ultimately, higher electricity costs for consumers. SB 1094 addresses this regulatory gap by establishing a pre-approval process that reduces financial risk for non-ERCOT utilities, encourages the use of PPAs, and aims to lower costs for consumers.</p> <p>Under SB 1094, non-ERCOT utilities can request PUC approval before entering into binding PPA agreements with generators, provided that PUC approval is a precondition in the agreement. SB 1094 mandates PUC to implement this process consistent with its other regulatory functions. This process applies only to long-term PPAs of three or more years. The bill also includes a sunset clause, which means the provisions of SB 1094 will expire in ten years unless extended by the legislature.</p>	<p><u>Favorable</u></p>

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			SB 1094 addresses a regulatory gap that reduces risk for non-ERCOT utilities and as a result could lower electricity prices for consumers. In doing so it provides a level of certainty and oversight in the PPA process that promotes transparency and fairness, on the condition that PUC reviews and issues determinations pre-approval requests in a timely and efficient manner.	
SB 947 By: King Sponsor: Hunter	Relating to creating a criminal offense for damaging certain critical infrastructure facilities and providing for the prosecution of that conduct as manslaughter in certain circumstances; increasing a criminal penalty.	Criminal Jurisprudence 8 Ayes, 0 Nays, 0 PNV, 1 Absent	Attacks on US power grids rose by 77% last year alone. These attacks can leave people without power for days and are incredibly dangerous to the public. Currently, there are no specific offenses under Texas law for attacking electric grid infrastructure separated from the offense of criminal mischief, which carries with it a Class A Misdemeanor. SB 947 seeks to deter this behavior by creating a specific offense that addresses attacks on power grid infrastructure. SB 947 establishes the offense of damaging a critical infrastructure facility as a second-degree felony. This offense applies to individuals who intentionally engage in activities such as damaging or destroying a critical infrastructure facility's function, resulting in an extended power outage lasting for at least two hours or affecting 1,000 or more electricity meters. The bill also allows for a first-degree felony enhancement for acts that result in more than \$100,000 in damages or in which certain tools were used. The bill also provides definitions for terms used in the bill, such as "critical infrastructure facility." Lastly, S.B. 947 enhances the penalty for manslaughter to a first-degree felony if the defendant caused an individual's death due to the offense of damaging a critical infrastructure facility.	Favorable
SB 25 By: Kolkhorst Alvarado Bettencourt Blanco Campbell Creighton Eckhardt Gutierrez Hall Hinojosa Huffman Hughes Johnson King	Relating to support for nursing-related postsecondary education, including scholarships to nursing students, loan repayment assistance to nurses and nursing faculty, and grants to nursing education programs.	Higher Education 6 Ayes, 0 Nays, 0 PNV, 5 Absent	Texas is experiencing a significant healthcare workforce crisis, with projected shortages in registered nurses. To address this, the state implemented the Nurse Faculty Loan Repayment Program (NFLRP) and the Nursing Innovation Grant Program (NIGP). The NFLRP incentivizes qualified nurses to become faculty members at eligible Texas higher education institutions by offering loan repayment assistance. The NIGP grants funding to higher education institutions to support the education, recruitment, and retention of nursing students and qualified faculty. SB 25 seeks to dedicate more funds directly to scholarships for nursing students by establishing grant programs supporting nursing education and training and allow part-time nursing faculty to be eligible for loan repayment assistance. SB 25 amends and modifies parts of the current code pertaining to financial aid for professional nursing students, vocational nursing students, and loan repayment program for certain nurses. SB 25 expands the definition of "professional nursing student" to include not just those enrolled in an institution of higher education, but also those enrolled in a nonprofit, tax exempt, regionally accredited college or university operating in accordance with a memorandum of understanding with this state under an executive order issued by the governor. SB 25 also eliminated the "matching fund program" in current code, which required the Texas Higher Education Coordinating Board (THECB) to establish and administer a matching fund program under which a person may sponsor a professional nursing student or a vocational nursing student by contributing to the costs of	Favorable

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<p>LaMantia Menéndez Middleton Miles Parker Paxton Perry Schwertner Springer West Whitmire Zaffirini</p> <p>Sponsor: Klick</p>			<p>the student's education and having that contribution matched in whole or in part by state funds appropriated for that purpose.</p> <p>SB 25 eliminated the requirement for the THECB to appoint the following advisory committees: a 10-member advisory committee to advise the THECB concerning assistance provided to professional nursing students; and an eight-member advisory committee to advise the THECB concerning assistance provided to vocational nursing students. SB 25 adds criteria for eligibility that includes the following: the person must be enrolled in or have outstanding student loans for education from an institution or nonprofit college. The rules must ensure that no more than 10 percent of the total scholarships or repayment assistance awarded in a year under a created program are granted to individuals enrolled in or for the repayment of student loans from non-profit colleges or universities, as applicable to the program.</p> <p><i>Grant Programs Supporting Nursing Education and Training</i></p> <p><u>Clinical Site Nurse Preceptor Grant Program</u> THECB, in collaboration with the nursing advisory committee, is responsible for creating and managing a grant program that supports eligible clinical sites in utilizing nurse preceptors for nursing students' clinical training. To be eligible for a grant, a clinical site must meet the following criteria: provide clinical training with one or more nurse preceptors and comply with any established clinical site or other requirements set by THECB.</p> <p><u>Clinical Site Innovations and Coordination Program</u> THECB is tasked with establishing and managing a grant program that supports eligible clinical sites in implementing innovative pilot programs. These programs aim to enhance nursing services at clinical sites within the state by increasing nurse numbers, improving working conditions, boosting nurse retention, addressing workplace safety, and facilitating collaboration among clinical sites to find solutions for shared nursing challenges.</p> <p><u>Nursing Faculty Grant Program: Part-Time Positions</u> The board will grant funds to eligible institutions of higher education under a nursing faculty grant program. These funds are intended to support qualified nursing staff working at clinical sites who also serve as part-time nursing faculty at the institutions. The grant amount and number of awards depend on the total number of nursing staff serving as part-time faculty statewide in the grant year. Any received grants must be used to support the relevant nursing faculty positions, including the faculty stipend.</p> <p>In the grant application, the institution of higher education must state the number of unfilled faculty positions applicable to the grant. After receiving the grant, the institution must certify which positions have been filled prior to receiving the funds. The board will establish application submission and grant award dates to allow sufficient time for grant recipients to prepare for the effective use of funds before the corresponding academic</p>	
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		<p>period.</p> <p>Under this section, grants are awarded for two consecutive state fiscal years. The board may distribute a grant for nursing faculty only upon receiving certification from the institution of higher education that the relevant nursing faculty position has been filled. If a clinical site receives an initial grant amount for a first-year nursing faculty position in a state fiscal year, the board will provide an equal grant amount for the subsequent state fiscal year, contingent on filling the part-time nursing faculty positions funded by the grant in that second year.</p> <p><u>Nursing Faculty Grant Program: Clinical Training</u> SB 25 mandates that THECB grants funds to eligible clinical sites through a nursing faculty grant program. These funds are intended to support qualified nursing faculty from institutions of higher education seeking additional clinical training by working part-time at a clinical site. The grant amount and number of awards are determined based on the total number of nursing faculty across Texas institutions of higher education in the grant year.</p> <p><u>Funds and Rules</u> SB 25 requires the THECB, in consultation with the nursing advisory committee, to allocate funds appropriated for purposes of the grant programs and any other received funds as the THECB considers appropriate to further the purposes of the programs. The bill authorizes the THECB, in addition to money appropriated by the legislature, to solicit, accept, and spend gifts, grants, and donations from any public or private source for the purposes of the programs.</p> <p>SB 25 requires the THECB to begin to award grants under those programs no later than January 1, 2024. The bill requires the THECB, in consultation with the nursing advisory committee, to adopt rules for the implementation and administration of the programs as soon as practicable after the bill's effective date.</p> <p>SB 25 requires that THECB must initiate grant awards under the programs by January 1, 2024, and, in consultation with the nursing advisory committee, must establish rules for program implementation and administration. The rules must include the following:</p> <ul style="list-style-type: none"> • cover administrative provisions for grant awards, including eligibility criteria, grant application procedures and amounts, evaluation of applicants, and monitoring procedures for grant use • methods to track grant effectiveness using available data from THECB or the Texas Center for Nursing Workforce Studies; and • evaluate transferability and scalability of innovation programs. <p><i>Nursing Faculty Loan Repayment Assistance Program</i> The bill expands eligibility for loan repayment assistance to nurses who have been so employed part-time. SB 25 removes the provision setting a \$7,000 cap on the amount of loan repayment assistance received by a nurse in</p>	
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			<p>any one year and replaces it with a requirement for the THECB to determine the maximum amount of loan repayment assistance a nurse may receive any one year. The bill requires the THECB to base the amount of loan repayment assistance received by a nurse for part-time employment on the proportion of the number of hours worked by the nurse to the number of hours worked by a full-time nurse.</p> <p>Grants From Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs SB 25 postpones the expiration dates for the grants from the permanent fund for higher education nursing, allied health, and other health related programs from September 1, 2023, to September 1, 2027 and the expiration date of the statutory provision specifying that the grants awarded for the 2020-2021 state fiscal biennium and for the 2022-2023 state fiscal biennium are now front he 2024-2025 and the 2026-2027 state fiscal biennium.</p> <p>Conclusion According to the Texas Center for Nursing Workforce Studies at the Department of State Health Services, the projected growth in the supply of registered nurses between 2018 and 2032 is 30.5%, while the demand is expected to grow by 38.8%. SB 25 provides support for nursing-related postsecondary education, including scholarships, loan repayment assistance to nurses and nursing faculty, and grants to nursing education programs. Collectively, these efforts will help to bridge the gap between the supply and demand of registered nurses in Texas.</p>	
<p>SB 26 By: Kolkhorst Alvarado Bettencourt Blanco Campbell Eckhardt Gutierrez Hinojosa Huffman Johnson King LaMantia Menéndez Middleton Parker </p>	<p>Relating to local mental health authority and local behavioral health authority audits and mental and behavioral health reporting, services, and programs.</p>	<p>Public Health 11 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>The Texas Health and Human Services Commission (HHSC) studied "step-down services" designed to divert individuals from state mental health hospitals to community settings. The report highlights the complex needs of these individuals and emphasizes the importance of continuous supportive services during and after their hospital stay. The CDC underscores this need, especially for children struggling with emotional or behavioral disorders, as only about 20% receive care from specialized mental health care providers.</p> <p>SB 26 establishes the Innovation Matching Grant Program for Mental Health Early Intervention and Treatment to address this need. This program supports community-based initiatives, improving early identification and treatment of mental health issues, particularly in children and families. Grant recipients, including hospitals, mental health facilities, child-care facilities, local government entities, and certain non-profit organizations, must match at least 10% of the grant amount. The administration of this program will be undertaken by the HHSC, with up to 5% of program funding allocated for administrative costs.</p> <p>SB 26 mandates HHSC to devise a strategic plan to transition individuals requiring intensive behavioral health support from behavioral health service hospitals to nursing facilities. This transition is subject to available space and contingent on potential increases in available General Revenue. In addition, the Office of Inspector General (OIG) must perform regular performance and financial audits of each local mental health authority (LMHA) and local behavioral health authority (LBHA). Additional reviews may be initiated in cases of adverse findings in</p>	<p><u>Favorable</u></p>

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<p>Paxton Perry Sparks Springer West Whitmire Zaffirini</p> <p>Sponsor: Jetton</p>			<p>previous audits.</p> <p>SB 26 changes provisions relating to DSHS maintaining a public reporting system of performance and outcome measures on mental health and substance use services. Under SB 26, the system would allow external users to view and compare the performance and outcomes of LMHAs, LBHAs, and local intellectual and developmental disability authorities (LIDDA). This system will track various metrics, from service accessibility and adequacy to reasons for service denial. Additionally, the system must document the number of individuals referred to state or community-based hospitals or living centers, their wait times from referral to admission, lengths of stay, and discharge transition times. It will also capture the rate and reasons for denying services or assistance requests from jails and other entities. Notably, LIDDAs are required to report only information related to state-supported living centers.</p> <p>SB 26 aims to enhance Texas's mental health care system by improving service accessibility and quality, particularly for children and adolescents, and ensuring transparency and accountability within the system.</p>	
<p>SB 1057</p> <p>By: Whitmire</p> <p>Sponsor: Harless Thierry</p>	<p>Relating to the authority of certain municipalities and local government corporations to use certain tax revenue for certain qualified projects.</p>	<p>Ways & Means</p> <p>10 Ayes, 0 Nays, 0 PNV, 1 Absent</p>	<p>In 2013, the Legislature allowed the cities of Dallas and Fort Worth to use certain tax revenue to fund convention center facilities, multipurpose arenas or venues, and related infrastructure. SB 1057 proposes extending the existing tax revenue utilization authority to Houston and Houston First Corporation. By including Houston, the city would have the opportunity to expand its convention center and enhance its bid for hosting major events.</p> <p>SB 1057 permits certain municipalities to utilize revenue from municipal hotel occupancy taxes for funding qualified convention center facilities, multipurpose arenas, or sports and community venues. The bill also allows these municipalities to allocate revenue to meet their obligations and receive incremental growth in state sales and use taxes, state hotel occupancy taxes, and state mixed beverage taxes collected by hotels within the project financing zone. SB 1057 extends authorization to municipalities with a population of at least 2 million. Additionally, SB 1057 allows local government corporations to act as municipalities if it is authorized to collect a municipal hotel occupancy tax and is located in a county with a population of 3.3 million or more.</p> <p>SB 1057 would allow the City of Houston to use certain tax revenue to fund convention center facilities, multipurpose arenas or venues, and related infrastructure to encourage large conventions to come to Houston.</p>	<p><u>Favorable</u></p>
<p>SB 627</p> <p>By: Menéndez</p> <p>Sponsor: Allison</p>	<p>Relating to the entitlement of certain municipalities to certain tax revenue related to a hotel and convention center project.</p>	<p>Ways & Means</p> <p>11 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>Hotels and convention centers play a vital role in stimulating the local economy by attracting tourists, business travelers, and conventions. These convention centers lead to more spending and job creation, and generate tax revenue. The allocation of this tax revenue currently varies based on agreements between developers and local governments. In some cases, developers receive the entirety of the tax revenue, while in others, local governments negotiate to receive a portion of it. SB 627 aims to encourage the City of San Antonio to support hotel and convention center projects by granting the city a share of the tax revenue from qualifying establishments.</p>	<p><u>Favorable</u></p>

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			<p>SB 627 allows certain municipalities to receive specific tax revenue from a hotel and convention center project. It also grants these municipalities the authority to allocate a portion of the tax revenue to meet obligations related to the project. SB 627 does this by exempting a municipality that represents over 75% of the population in a county with a population of 1.5 million or more from the requirement of municipal ownership for an otherwise qualified hotel or convention center facility. Furthermore, SB 627 grants the municipality the right to receive sales and use tax, as well as mixed beverage tax revenue, generated by qualifying establishments such as restaurants, bars, spas, retail shops, swimming pools, and swimming facilities located near a qualified hotel or convention center facility within the municipality. To be eligible for this additional entitlement, the bill also qualifies establishments on land owned by a nonprofit corporation, including a public facility corporation (PFC), that acts on behalf of or is controlled by the municipality.</p> <p>SB 627 mandates that on the 20th anniversary of a qualified hotel's opening, the comptroller of public accounts determines the total state tax revenue received by the municipality from the project and any additional revenue from qualifying establishments. If the municipality received more than the state during the 10th to 20th anniversary period, the comptroller notifies the municipality to remit the difference. The municipality must make monthly payments to the comptroller until the amount is settled. The comptroller is required to come up with a procedure for payment remittance and deposit revenue to the general revenue fund.</p> <p>SB 627 encourages investment in hotels and convention centers in the City of San Antonio with the goal of increasing state and local tax revenue, creating jobs, attracting capital investments, and improving tourism in this city.</p>	
<p>SB 1717 By: Zaffrini Sponsor: Moody</p>	<p>Relating to the prosecution of the offense of stalking.</p>	<p>Criminal Jurisprudence 9 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>The crime of stalking often involves the actor striking fear in or making threats toward the victim. Current provisions regarding the offense of stalking in Texas have raised concerns from prosecutors, who have expressed that they are inadequate and leave many victims without protections. SB 1717 seeks to ensure that victims of stalking are protected by law and able to pursue justice.</p> <p>SB 1717 expands the circumstances that constitute threatening behavior, fear, and emotions related to the offense of stalking. The bill dictates that regarding existing provisions that make the feeling of the threat of bodily injury or death part of the offense, the threat of any offense being committed against the victim, their family or household member, or their dating partner should be included. The bill also recognizes feeling terrified or intimidated as among the emotions that may be experienced to constitute the offense. Additionally, it limits the condition of a reasonable person's fear to similar circumstances as the victim's, including the fear of an offense being committed against a family or household member or someone in a dating relationship.</p> <p>SB 1717 will help ensure that victims of stalking can pursue justice and move forward safely.</p>	<p><u>Favorable</u></p>

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<p>SB 1117</p> <p>By: Hancock</p> <p>Sponsor: Geren</p>	<p>Relating to entities that provide video services.</p>	<p>State Affairs</p> <p>7 Ayes, 3 Nays, 0 PNV, 3 Absent</p>	<p>Telecom companies pay fees to cities for using their designated areas, and local governments impose a cable franchise fee on cable TV companies, which is 5% of their revenue. In Texas, over twenty cities sued digital streaming services to pay this fee, even though they don't use cable lines. If successful, customers may face higher bills. SB 1117 clarifies that video programming accessed through internet-based services, including streaming content, should not be treated as cable services and exempted from the franchise fee.</p> <p>SB 1117 amends the state Utilities Code and modifies the definitions of "cable service" and "video service" within the provisions of the Public Utility Regulatory Act that govern state-issued certificates of cable and video franchise. SB 1117 adds an exclusion to the definition of "video service" for direct-to-home satellite services. These services, as defined by the federal Communications Act of 1934, transmit programming directly from a satellite to a customer's premises without utilizing or accessing any portion of the public right-of-way. SB 1117 excludes any video programming accessed through internet-based services from being considered as cable or video services and clarifies that such programming should not be subject to the corresponding regulations and franchise fees associated with cable services.</p> <p>Proponents of SB 1117 contend that it protects consumers from potential cost increases and reduces regulatory burdens on streaming services that don't utilize public rights-of-way like traditional cable services. Conversely, SB 1117 reduces revenue for municipalities, limits local authority, and favors streaming services. Streaming services' resistance to paying franchise fees as cable companies do is understandable, given their different use of infrastructure. They deliver their content over the internet, which eliminates the need for them to install or maintain physical infrastructure in each location, unlike traditional cable providers. Nevertheless, it is also true that streaming services still rely on large-scale physical infrastructure like data centers and transmission lines. Because of the large file sizes for video, 5G virtually always backhauls to a wireline facility in the public right-of-way at some point in the delivery process to a mobile device. 3G often does so too. Even mobile devices within your home using WiFi are still fed to your house via a wireline in the public right-of-way. "Wireless" is not truly wireless.</p>	<p><u>Will of the House</u></p>
<p>SB 1661</p> <p>By: Hughes</p> <p>Sponsor: Smith</p>	<p>Relating to a ballot scan system used in a central counting station.</p>	<p>Elections</p> <p>9 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>SB 1661 aims to increase election security. SB 1661 states that an authority operating a central counting station may only purchase or use a ballot scan system if the system uses a data transfer device that is incapable of being modified without modification detection capabilities and rejection for the cast vote record. The transfer device must also not allow this feature to be overridden or circumvented.</p> <p>While it appears that the devices currently in use comply and this would not require counties to purchase new equipment, some contend that SB 1661 would require counties to purchase new storage devices every single election, which will cost large counties tens of thousands of dollars per election. Approximately \$60 per storage device for two devices per tabulator, time one tabulator per polling place times 350 polling places (early voting and Election Day) in a county like Tarrant equates to approximately \$42,000 per election. SB 1661 may function as an unfunded mandate for counties.</p>	<p><u>Favorable with Concerns</u></p>

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<p>SB 21</p> <p>By: Huffman</p> <p>Sponsor: Leach</p>	<p>Relating to the discipline of judges by the State Commission on Judicial Conduct and the legislature.</p>	<p>Judiciary & Civil Jurisprudence</p> <p>5 Ayes, 1 Nay, 0 PNV, 3 Absent</p>	<p>The State Commission on Judicial Conduct’s (SCJC) purpose is to safeguard the public, foster public trust in the judiciary's integrity, independence, competence, and impartiality, and encourage judges to uphold high standards of behavior at all times. However, there are concerns about inconsistencies in the review timelines for complaints received by the SCJC and that the SCJC is limited in the types of complaints it can investigate and the penalties it can impose for judicial misconduct. SB 21 aims to increase the SCJC's and the legislature's authority to evaluate judicial decisions, change the timelines for addressing complaints filed with the SCJC, and restrict disciplined judges from being assigned as visiting judges.</p> <p>SB 21 removes the requirement for the SCJC to handle complaints 120 days after being filed. Instead, SB 21 requires SCJC staff to conduct a preliminary investigation promptly after receiving a complaint. Within ten business days before an SCJC meeting, staff must prepare and file a report with each SCJC member. This report includes pending complaints, preliminary investigation results, and staff recommendations for SCJC action. The judge involved must be notified in writing of the complaint, preliminary investigation results, recommendations, and their right to attend relevant SCJC meetings. SB 21 extends the deadline for SCJC to determine action on a complaint from 90 days after staff report filing to 120 days after the first SCJC meeting where the complaint is included in the report. SB 21 also mandates the completion of the investigation report by that deadline.</p> <p>SB 21 requires the SCJC to provide the judge involved in a complaint with written notice of the action to be taken within five business days after finalizing the investigation report during the meeting. Additionally, the SCJC must publish notice of the action taken on their website within seven business days after the meeting if determined appropriate by the SCJC.</p> <p>SB 21 changes the provisions regarding extensions for delayed action on a complaint due to extenuating circumstances by eliminating the requirement for SCJC staff to notify the SCJC and propose an extended timeline if they cannot provide an investigation report and recommendation by the specified deadline. SB 21 also removes the authorization for SCJC staff to request an extension of up to 270 days from the complaint filing date, requiring the complaint to be finalized within that 270-day period. Additionally, SB 21 removes the authority of the SCJC's executive director to request an additional 120-day extension for completing the investigation report, recommendations, and finalizing the complaint, as well as the requirement to inform the legislature promptly about any granted extensions by the chairperson. Instead, SB 21 grants the SCJC the authority to request an extension, not exceeding 240 days from the first SCJC meeting, where the complaint is included in the report filed with SCJC members if it cannot complete the investigation report and decide on the required action within the specified deadline. Furthermore, the SCJC is required to inform the legislature of any ordered extensions in a timely manner.</p> <p>Regarding complaints where the SCJC is notified of an ongoing law enforcement agency investigation, SB 21 mandates the SCJC to proceed with an investigation that does not jeopardize the law enforcement inquiry related</p>	<p><u>Unfavorable</u></p>
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to the conduct mentioned in the complaint. Additionally, SB 21 allows the SCJC to issue a censure or sanction based on the complaint. SB 21 also limits judges' ability to mandate a review by changing it to a request to review the SCJC'S decisions to only sanctions or censures under applicable provisions of the Texas Constitution instead of including any other type of sanction.

SB 21 broadens the definition of "wilful or persistent conduct that is inconsistent with the proper performance of a judge's duties" as stated in the Texas Constitution to include the persistent or wilful violation of statutory rules governing bail amount and conditions, making this conduct grounds for removal, discipline, or censure. Furthermore, SB 21 categorizes the persistent or wilful violation of these statutory rules as a form of "incompetency," which can lead to the removal of an individual from public office upon approval from two-thirds of each legislative house. Finally, SB 21 mandates the SCJC to promptly establish rules for implementing this change once the bill takes effect.

SB 21 requires SCJC to send notice of the reprimand to several entities when issuing a public reprimand to a judge for their persistent or wilful violation of statutory rules pertaining to bail amount and conditions. The notice must be sent to the governor, lieutenant government, speaker of the house, presiding officers of each legislative standing committee with jurisdiction over the judiciary, chief justice of the Texas Supreme Court, the Office of Court Administration (OCA), and the presiding judge of the administrative judicial region in which the court the reprimanded judge serves is located. In addition, SB 21 requires the SCJC to recommend to the Supreme Court that the judge be suspended from office within 21 days after the date the SCJC initiates formal proceedings against a judge based on their persistent or willful violation of the rules.

SB 21 removes the certification requirement for judges to declare under oath that they have never been publicly reprimanded or censured by the SCJC if the reprimand or censure was reviewed and rescinded by a special court of review. Instead, SB 21 introduces a new certification requirement for judges to declare under oath that they have not received more than one public sanction of any other type, excluding sanctions that were reviewed and rescinded by a special court of review.

Concerns
 There are significant concerns that the SCJC will not be able to meet the new timelines imposed in SB 21. SB 21 requires judges to be notified of final sanctions within 5 business days. However, the SCJC only meets six times per year. This means that the SCJC would have to draft and provide every fact-specific final sanction that goes through a multi step approval process that includes the Chair, who works for SCJC on a voluntary basis and has a full-time job, within 5 business days. This deadline would be extremely difficult for SCJC to meet. Additionally, posting the final sanction on the website within 7 business days is not enough time for the final sanction process and to notify the judge and give them 10 days before this is posted publicly. SB 21 also requires the SCJC to make decisions based on a preliminary investigation report, taking away due process rights for judges. There are also

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			<p>concerns that staff would have to obtain SCJC approval for all dismissals, which comprise 91% of the complaints received. SB 21 would also require the SCJC to notify all judges of each complaint filed, significantly increasing the workload at the SCJC, delaying complaint resolution, and infringing upon confidentiality. Lastly, cutting down the time the SCJC has to conduct investigations could result in less thorough investigations. SB 21 presents significant issues for judges and the SCJC.</p> <p>There are also concerns that SB 21 might interfere with judge discretion on bail requirements, as SB 21 makes setting bail cause for filing a complaint that could result in removal from office. This could cause judges to be more strict instead of fair when setting bail, ultimately hurting those who do not have enough income to afford bail, due to the concern that a complaint will be filed.</p>	
<p>SB 379</p> <p>By: Huffman</p> <p>Sponsor: Howard</p>	<p>Relating to an exemption from sales and use taxes for certain family care items.</p>	<p>Ways & Means</p> <p>11 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>Texans are facing high inflation rates, making it more difficult to afford essential family and personal care products, like diapers, maternity clothing, breast pumps, and menstrual products. These items are taxed at 6.25% state sales tax, and generally taxed an additional 2% for local sales and use taxes. This additional 8.25% tax on essential items for Texans and their families makes it difficult to afford necessary personal and family care items. Additionally, “wound care dressings” are currently exempt from sales and use tax through the rulemaking process, making it necessary to codify this to ensure this rule is maintained.</p> <p>SB 379 aims to exempt family care, maternity, menstrual, and postpartum products from taxation, including children’s diapers, baby wipes, baby bottles, maternity clothing, breast pumps, tampons, menstrual pads, and other related feminine hygiene products. SB 379 also adds exemptions for adult diapers and wound care dressings, which include bandages, gauze, and medical tape. SB 379 specifies that this exemption does not apply to general-purpose absorption options or devices used to drain bodily fluids like cotton balls, swabs, tissues, or irrigation systems. It also changes language in this section of the Tax code to use person-first language when addressing people who are blind, people who are deaf, or those who have physical disabilities.</p> <p>Family care, maternity, menstrual, and postpartum products are essential and should be exempt from sales tax. SB 379 would make essential items more affordable for Texans to care for themselves and their families.</p>	<p><u>Favorable</u></p>
<p>SB 471</p> <p>By: Springer</p> <p>Sponsor: Harris, Cody</p>	<p>Relating to the investigation by the Texas Commission on Environmental Quality of certain complaints.</p>	<p>Environmental Regulation</p> <p>5 Ayes, 4 Nays, 0 PNV, 0 Absent</p>	<p>Manufacturing and resource usage increase as Texas’ population grows. Proper oversight is crucial to ensure the availability of limited resources for current and future generations. Proponents of SB 471 state that the Texas Commission on Environmental Quality (TCEQ) faces a challenge dealing with invalid complaints that consume their time and resources, taking attention away from genuine violations that require investigation. SB 471 aims to alleviate this by allowing the TCEQ to avoid investigating certain citizen complaints.</p> <p>SB 471 establishes that TCEQ is not required to investigate complaints if a complaint can be appropriately addressed during other TCEQ activities. TCEQ is also not required to investigate complaints when filed complaints do not have a reasonable probability of being substantiated by TCEQ and they either:</p>	<p><u>Unfavorable</u></p>

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			<ul style="list-style-type: none"> • Are considered to be repetitious or redundant of other unsubstantiated complaints made within the preceding 12 months concerning the same site; or, • The complainant has filed at least five unsubstantiated complaints within the preceding seven years. <p>TCEQ is not required to provide individuals who file complaints under these circumstances with copies of its policies and procedures about complaint investigation and resolution. Further, the TCEQ is not required to provide updates or notice about the status of the investigation.</p> <p>Concerns Complaints enhance regulatory efficiency. SB 471 undermines the importance of complaints as a crucial tool for TCEQ and Texas communities impacted by polluting industries. TCEQ's enforcement division struggles to keep up with pollution law violations that protect public health, and a small percentage of their investigations are complaint-based.</p> <p>Three case studies highlight how frequent complaints often reveal significant environmental issues. For instance, the Sam Kane/STX Beef case involved multiple complaints about foul odors, leading to an investigation and fines. Similarly, the Blue Ridge Landfill faced numerous complaints that resulted in lawsuits and an odor control plan. Finally, Gulf Chemical & Metallurgical/Gladieux Metals Recycling's misconduct was exposed through a whistleblower complaint, leading to felony charges and a substantial fine. These cases demonstrate the vital role complaints play in identifying and addressing severe environmental problems in Texas.</p> <p>Critics state there is no evidence to suggest TCEQ struggles with excessive complainants. On the contrary, citizen complaints have been shown to uncover more severe violations compared to standard monitoring methods. SB 471 may discourage reporting potential violations and weaken the enforcement of pollution laws. Texans urge TCEQ to handle complaints as they arise and prioritize the public's right to report environmental concerns.</p>	
<p>SB 401</p> <p>By: Kolkhorst</p> <p>Sponsor: Harless</p>	<p>Relating to prices charged by a medical staffing services agency during certain designated public health disaster periods; providing a civil penalty.</p>	<p>Public Health</p> <p>11 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>The ongoing COVID-19 public health emergency has tested the limits of the healthcare sector, particularly affecting hospitals and long-term care facilities in Texas. Facilities have faced challenges maintaining adequate staffing levels amidst increased demand and existing personnel burnout. Nearly one in five healthcare workers have quit since 2020, contributing to a significant workforce shortage. Many healthcare organizations have turned to contract staffing as a solution. However, this surge in demand has led to increased costs for these services. The Texas Hospital Association and the Health and Human Services Commission estimate that costs for traveling healthcare staff doubled during the pandemic, with rates from medical staffing agencies rising significantly. Current law does not regulate contract staff pricing for healthcare facilities, nor are medical staffing services included in Texas statutes that limit price gouging during a declared disaster or emergency.</p> <p>SB 401 addresses these challenges by prohibiting medical staffing services agencies from charging excessive prices to provide medical staffing services to healthcare organizations during a designated public health disaster period or in an area in a declared state of disaster. This applies to medical staffing agencies providing</p>	<p><u>Favorable</u></p>

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			<p>state-licensed physician assistants, surgical assistants, nurses, and nurse aides. In addition, SB 401 allows for civil penalties of up to \$10,000 for each violation of the bill’s provisions. The consumer protection division of the attorney general's office has the authority to bring such actions and recover reasonable expenses incurred in obtaining a civil penalty, including court costs, attorney's fees, expert witness fees, deposition expenses, and investigatory costs. The bill also allows for flexibility where an action can be brought, like a district court of a county where the defendant resides or where the defendant’s principal place of business is located.</p> <p>By regulating medical staffing services pricing during a public health disaster, SB 401 ensures that healthcare organizations can continue to provide essential services to Texans without being burdened by high costs.</p>	
<p>SB 1173</p> <p>By: Huffman</p> <p>Sponsor: Schofield</p>	<p>Relating to the appointment of criminal law hearing officers and of a special presiding judge and associate judges for certain courts.</p>	<p>Judiciary & Civil Jurisprudence</p> <p>8 Ayes, 1 Nays, 0 PNV, 0 Absent</p>	<p>SB 1173 changes the process for appointing criminal law hearing officers and associate judges for certain courts and specifies that a presiding judge can appoint a special judge if they are absent and meet specific criteria outlined by the presiding judge.</p> <p><i>Criminal Law Hearing Officers</i> SB 1173 modifies the appointment process for Harris County criminal law hearing officers. Instead of requiring consent and approval from the commissioners court, SB 1173 establishes that the appointment board composed of judges in Harris County obtain approval from the presiding judge of the administrative judicial region that encompasses Harris County, as well as certification from the county auditor that the expenses related to the appointment will stay within the allocated budget. SB 1173 also mandates that the appointing board ensures the officers are certified in criminal law by the Texas Board of Legal Specialization and complies with the state open meetings law. Additionally, SB 1179 changes the officers' term, stating that it will continue after one year only if the officer is reappointed, rather than automatically extending their term until a successor is appointed.</p> <p><i>Appointing Judges</i> SB 1173 allows a presiding judge of an administrative judicial region that includes the county to authorize the appointment of a judge, rather than the commissioners court.</p> <p><i>Local Administrative Judges</i> SB 1173 sets the criteria for selecting the local administrative district judge in Harris County. SB 1173 requires the judge to be chosen based on seniority from the district judges of all the judicial districts in Harris County. To be eligible for selection as a presiding judge for a court in Harris County with criminal jurisdiction, SB 1173 specifies that a judge must have completed at least one full term as a judge of a state or county court in Texas.</p> <p><i>Special Judges</i> SB 1173 clarifies that a Harris County criminal court presiding judge can select a special judge when they are absent. The special judge is selected from a list maintained by the presiding judge of each judge who is currently serving a term to which the judge was elected on a court with criminal jurisdiction in Harris County and has</p>	<p><u>Unfavorable</u></p>

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agreed to be subject to appointment under SB 1173. SB 1173 requires the presiding judge to submit the judge’s selection if they meet these requirements to the presiding judge of the administrative judicial region's presiding judge for approval. If approved, the presiding judge of the administrative judicial region must appoint the judge as a special judge to serve as presiding judge. The appointed special judge has the same qualifications, duties, and powers as the regular presiding judge. SB 1173 also removes provisions for the appointment or election of special judges in Harris County.

Criminal Associate Judges

SB 1173 eliminates the requirement for authorization from the county commissioners court to appoint a criminal associate judge. Instead, SB 1173 mandates that the appointment of such a judge is contingent upon approval from the presiding judge of the administrative judicial region that includes the county where the court has jurisdiction. This approval would be necessary for both the creation of an associate judge position and the judge's appointment to specific courts, as applicable.

Concerns

SB 1173 will cause several issues for Harris County courts. SB 1173 requires only Harris County magistrates or criminal law hearing officers to be board certified in criminal law. No magistrates in Harris County are currently board certified, and this is not required to be a judge in any other context. SB 1173 would result in current magistrates being unable to serve, resulting in difficulties hiring and ceasing this essential operation that serves 300 defendants per day in Harris County. These operations would shift to judges that work on felony and misdemeanor cases, and may increase the backlog of court cases by adding this additional responsibility for these judges.

SB 1173 strips away the ability of these courts to self-govern. It requires the regional administrative judge, who is appointed by the governor, to approve all decisions for hearing officers instead of the county commissioners court who funds this position. Additionally, Harris County district courts would no longer be able to elect a local judge to represent them in administrative matters. SB 1173 instead requires this leader to be selected based on seniority. This is a problem because judges who have seniority may not want to serve and the judge who was chosen to serve as an administrative judge is more than qualified to serve in this role. Elected judges in Harris County should be able to decide who can represent them, and SB 1173 takes away the ability for these judges to self-govern.

SB 117 modifies Harris County appointment procedures for unclear reasons and little to no benefit to the public.

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<p>SB 1269 By: Hughes Sponsor: Vasut</p>	<p>Relating to admissibility and disclosure of certain evidence in a suit affecting the parent-child relationship filed by the Department of Family and Protective Services.</p>	<p>Juvenile Justice and Family Issues 6 Ayes 2 Nays 0 PNV 1 Absent</p>	<p>Concerns have been raised about the lack of due process in certain lawsuits filed by the Department of Family Services (DFPS). In these cases, parents facing potential removal of their child may hesitate to fully disclose information during mandated services like substance abuse counseling, fearing that their statements could be used against them in the lawsuit. SB 1269 seeks to address this issue by adding further protections for parents involved in suits filed by DFPS.</p> <p>SB 1269 establishes that statements made by individuals involved in a suit filed by DFPS regarding a child who is alleged to have suffered abuse or neglect will not be admissible against the individual in question. This applies if the statement was made to any person involved in the individual's treatment or evaluation and the individual falls into one of the following categories:</p> <ul style="list-style-type: none"> • An individual receiving voluntary or court-ordered treatment for a substance use disorder, or undergoing an evaluation for admission to such treatment. • An individual receiving voluntary or court-ordered therapeutic treatment for a mental illness, or undergoing a psychological or psychiatric evaluation for that treatment. <p>SB 1269 establishes that in a related suit, any out-of-court statement made to DFPS by a mandated reporter is not admissible as evidence in any legal proceedings unless the statement can be supported by independent corroborating evidence.</p> <p>SB 1269 also modifies the requirements for DFPS in a parent-child relationship lawsuit. Instead of providing certain evidence upon request, DFPS is now obligated to provide the evidence, including witness statements, reports from medical providers, exculpatory evidence, and DFPS's investigative file, to all parties no later than seven days before the full adversary hearing.</p> <p>SB 1269 will provide further protections for parents who are experiencing an incredibly stressful situation, but concerns have been raised regarding some provisions in the bill being too broad, as the protections dictated are far reaching and don't allow for nuance. In some situations, statements made by guardians need to be used in courts, and often cannot be corroborated by any source outside of the child in question, who is unlikely to do so because they may not understand the situation or are in fear of retaliation. The bill may halt the removal process for children who are in crisis and need to move to a more secure place.</p>	<p><u>Will of the House</u></p>
<p>SB 1412 By: Hughes Sponsor: Holland</p>	<p>Relating to regulation of accessory dwelling units by political subdivisions.</p>	<p>Land & Resource Management 6 Ayes, 1 Nay, 0 PNV, 2 Absent</p>	<p>As Texas grapples with population growth and housing affordability, Accessory Dwelling Units (ADUs) – separate living spaces on the same lot as the primary home – present a viable solution. They offer inexpensive housing, support aging family members, and optimize existing property. However, some argue that inconsistent local regulations across Texas limit the full potential of ADUs.</p> <p>SB 1412 aims to address this by preventing local governments from enacting rules that impede ADU development. It restricts municipalities from imposing requirements like owner occupancy in the main home, parking for ADUs on specific lots, or demanding larger minimum lot sizes for ADUs than for primary residences.</p>	<p><u>Favorable</u></p>

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			<p>It also prohibits restrictions on ADUs' size, design, height, and occupancy based on age or relationship with the main house owner. Impact fees are permitted only if ADUs require new or upgraded utility connections. Local governments can still enforce replacement parking if ADU construction eliminates existing parking for the main house.</p> <p>While some critics suggest it limits or removes local control, SB 1412 upholds common residential construction regulations such as height and setback limitations, site plan reviews, and zoning requirements. In addition, it allows for applying short-term rental rules to ADUs and prevents separate sales of ADUs from primary homes unless certain conditions are met. It also respects existing rules on historical preservation, water conservation, deed restrictions, and homeowners association regulations.</p> <p>SB 1412 mandates local governments process ADU permit applications based on building, design, and fire codes without discretionary review or hearing and decide within 60 days. The permit application is considered approved if a decision is not made within 60 days. In case of violations, homeowners can sue the local government and recover attorney fees and costs but cannot claim exemplary damages. Government immunity does not apply to lawsuits brought in these circumstances.</p> <p>SB 1412 aims to stimulate the development of ADUs in Texas to tackle housing challenges, helping more seniors to age near their families and empowering homeowners to maximize their properties' utility and create potential income streams. Critics, however, argue for local governments' authority in these matters.</p>	
<p>SB 1668 By: Hughes Sponsor: Turner</p>	<p>Relating to property owners' associations, including condominium owners' associations.</p>	<p>Business & Industry 9 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>During the 87th Legislature, legislation was passed to improve governing property owners' associations (POAs) that can also benefit condominium owners' associations (COAs). Currently, there are separate requirements for COAs and POAs, and SB 1668 will provide alignment in the treatment of these associations.</p> <p>SB 1668 will revise provisions relating to condominium and property owners' associations. SB 1668 will require COAs with at least 60 units, or if it has a contract with a management company, to make the current version of its dedicatory instrument available on a website accessible to the association's members.</p> <p>SB 1668 specifies the required certificate for a COA to record in each applicable county is a management certificate. In addition, SB 1668 identifies what must be on the certificate including amendments to the declaration that created the COA and any websites on which the association's dedicatory instruments are available. Associations must electronically file the management or amended management certificate with the Texas Real Estate Commission (TREC) within seven days of the association filing the certificate with the applicable county. SB 1668 establishes that the COA and its officers, directors, employees, and agents are not liable to any person for delay or failure to file the certificate electronically unless it was willful or due to gross negligence. Further, unit owners are not liable for attorney's fees incurred by an association relating to the collection of delinquent assessment against the unit owner if the fees were incurred while the management</p>	<p><u>Favorable</u></p>

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			<p>certificate was not filed with a county clerk or electronically filed with TREC.</p> <p>SB 1668 authorizes a COA to charge a fee of up to \$375 to furnish a resale certificate to a unit owner other than a declarant who intends to sell. In addition, SB 1668 clarifies what POAs can regulate regarding fencing and revises provisions relating to an architectural review authority of POAs with more than 40 lots. SB 1668 provides a deadline when associations inform members of people interested in serving on the authority before the association or its governing body elects, appoints, or meets to elect or appoint the person to serve on the authority. SB 1668 provides what must be included in the notice and how the notice is to be provided. A person is prohibited from being appointed or elected to serve on the authority if they fail to notify the association of their interest in serving within the designated time. However, an exception allows the association to appoint any person to fill a vacancy on the authority if eligible candidates have already been appointed or elected.</p> <p>Overall, SB 1668 will provide proper alignment between statutes relating to COAs and POAs.</p>	
<p>SB 1861</p> <p>By: Bettencourt West</p> <p>Sponsor: King, Ken</p>	<p>Relating to the provision of virtual education in public schools and to certain waivers and modifications by the commissioner of education to the method of calculating average daily attendance in an emergency or crisis for purposes of preserving school district funding entitlements under the Foundation School Program during that emergency or crisis; authorizing a fee.</p>	<p>Public Education</p> <p>12 Ayes, 1 Nays, 0 PNV, 0 Absent</p>	<p>In 2019, the 86th Legislature passed HB 3642, which established the Texas Commission on Virtual Education. The commission was tasked with developing recommendations on virtual education delivery in public schools and state funding for virtual education within the Foundation School Program. The commission published a set of recommendations for the legislature to ensure the state's education system is built for the future of learning and work.</p> <p>SB 1861 repeals the Texas Virtual School Network and sunsets Local Remote Learning in 2025, creating a new Chapter 30B to bring multiple pieces of statute under one new unified policy structure. SB 1861 authorizes schools to deliver instruction through virtual courses and establish full-time hybrid campuses and full-time virtual campuses to deliver instruction in person and through virtual courses.</p> <p>"Full-time hybrid campus" means an authorized, full-time educational program in which a student attends in person for less than 90% of instruction time and the content may be delivered over the Internet or in person. "Full-time virtual campus" means an authorized full-time educational program in which a student is in attendance in person minimally or not at all and the instruction and content are delivered primarily over the Internet.</p> <p>The commissioner must consult school districts, open-enrollment charter schools, and parents in adopting rules. The Texas Education Agency (TEA) may form an advisory committee to comply with the outlined provisions. The commissioner may seek and accept a grant from a public or private person and may accept federal funds and shall use those funds in compliance with law. A school district, an open-enrollment charter school, a virtual course provider, or the state is authorized, but not required, to provide a student with home computer equipment or Internet access for a virtual course.</p>	<p><u>Will of the House</u></p>

Virtual Courses

Virtual Course Instruction Permitted in Certain Grades and Quality Requirements

A school district or open-enrollment charter school may deliver instruction through virtual courses. The following entities may deliver instruction through virtual courses in the same manner provided for a school district or open-enrollment charter school: a group of school districts or open-enrollment charter schools; an institution of higher education; or a regional education service center.

A school delivering virtual courses must provide written information about available courses to students and parents during course selection. Enrollment in virtual courses is not permitted for students in prekindergarten through third grade. If a school district or charter school denies a student's request to enroll in a virtual course, they must provide a written explanation of the denial, including information about the appeal process. The final appeal can be made to the board of trustees or governing board of the school.

A school offering a virtual course must certify to the commissioner that it meets the necessary requirements in terms of Texas Essential Knowledge and Skills (TEKS), content, rigor, and alignment with grade-level expectations. If the commissioner has not established standards for virtual courses, the school must follow the National Standards for Quality Online Courses published by the Virtual Learning Leadership Alliance, Quality Matters, and the Digital Learning Collaborative, or any updated version.

Rights Regarding Virtual Courses

Schools may not require a student to enroll in a virtual course. Students enrolled in virtual courses have the same opportunity to participate in school-sponsored extracurricular activities as other students in the school. A virtual course offered to a student receiving special education services or other accommodations must meet the needs of the participating student in a manner consistent with the special education program and federal law, including the federal Individuals with Disabilities Education Act and Section 504 of the federal Rehabilitation Act of 1973.

Schools cannot mandate that a teacher simultaneously provide virtual and in-person instruction for a course in the same class period. The commissioner has the authority to exempt enrichment curriculum courses from this requirement. A classroom teacher can only instruct a virtual course if they have received proper professional development or if the school deems the teacher to have adequate prior experience. A school cannot force classroom teachers hired for in-person instruction to accept assignments for virtual courses or full-time hybrid campus teaching.

Schools may charge tuition and fees for a virtual course provided to a student who is not eligible to enroll in a public school in this state; or is not enrolled in the school.

Assessments and Attendance

Unless specifically allowed by commissioner rule, assessment instruments administered to students enrolled in virtual courses must be administered in the same manner as students enrolled in in-person courses at their respective school. A school shall establish the participation necessary to earn credit or a grade for a virtual course offered by the district or school. A student enrolled in a virtual course is included in the district's or school's average daily attendance (ADA) just like students not enrolled in a virtual course.

Agency Publication of Available Courses

TEA must publish a list of virtual courses offered by schools, including availability to non-enrolled students, course costs, and involvement of third-party providers. Schools must provide the required information to the TEA for publication.

Full-Time Virtual and Full-Time Hybrid Campuses

Full-Time Virtual or Full-Time Hybrid Campus Authorization

A school may operate a full-time virtual campus or a full-time hybrid campus if authorized by the commissioner. The commissioner can authorize a full-time virtual or hybrid campus for a school district or charter school only if it is expected to improve student learning opportunities. If the district or school plans to involve a private or third party, the commissioner will consider their past performance, if available, when making the decision. Once approved, a campus can only seek authorization and operate as either a full-time virtual or full-time hybrid campus. The commissioner shall determine and assign a unique campus designation number to each full-time virtual campus or full-time hybrid campus authorized. Changing the operational designation is not permitted during or after the authorization process. A determination made by the commissioner is final and not subject to appeal.

Revocation of Virtual Status

Unless revoked, the commissioner's authorization of a full-time virtual campus or full-time hybrid campus continues indefinitely. The commissioner will revoke the authorization of a full-time virtual or full-time hybrid campus if, for the past three school years, the campus has received: an unacceptable performance rating, a financial accountability performance rating indicating unsatisfactory financial performance, or a performance evaluation rating of needs improvement or unacceptable on an evaluation approved by the commissioner.

The commissioner has the authority to revoke the authorization of a full-time virtual or full-time hybrid campus based on a special investigation or to implement necessary interventions. If a private or third party is found ineligible, the commissioner must revoke the authorization of a full-time virtual or full-time hybrid campus that relies on them as the virtual instruction provider. However, the commissioner can approve an alternative private or third party upon request by the school operating the campus. An appeal by a school of a revocation of an authorization that results in the closure of a campus must be made under code regarding review of sanctions by the state office of administrative hearings.

Third Party Providers

A school must inform the commissioner when using or changing the affiliation of a private or third party serving as the virtual instruction provider for a full-time virtual or full-time hybrid campus. The commissioner will evaluate the performance of a private or third party as a whole campus virtual instruction provider for a school district or charter school. The commissioner will establish eligibility standards for the providers, and if a provider is deemed ineligible, they will remain ineligible for at least five years.

Student Eligibility and Rights

Eligible students must be between fourth and twelfth grade and meet the following criteria: attended a public school in this state for a minimum of six weeks in the current school year or in the preceding school year or was not required to attend public school in this state due to nonresidency during the preceding school year; is a dependent of a member of the United States military who has been deployed; or has been placed in substitute care in this state.

A student in a school district cannot be forced to enroll in a full-time virtual or full-time hybrid campus. The school district must provide the option for the student's parent to choose in-person instruction. Unless otherwise specified, an open-enrollment charter school may require a student to attend a full-time virtual or full-time hybrid campus.

Funding, State Support, and Alternative to Expulsion

The average daily attendance of students at a full-time virtual or hybrid campus will be calculated by multiplying the number of full-time equivalent students enrolled by the average attendance rate of the offering school district or charter school, excluding full-time virtual or hybrid campus students. If an attendance rate cannot be determined, the statewide average attendance rate will be used. The commissioner shall provide funding to the school district or charter school based on the student's attendance between in-person and virtual/hybrid campuses within the same school year.

The agency will use available funds for the following provisions: to develop professional development courses and materials for educators to provide high-quality virtual education and to provide grants and technical assistance to aid school districts and open-enrollment charter schools in establishing high-quality virtual or hybrid campuses using available funds.

Notwithstanding certain exceptions, before expelling a student, the district or school shall consider the possibility of enrolling the student in a full-time virtual education program as an alternative to expulsion.

Conclusion

Texas Legislative Study Group – An Official Caucus of the Texas House of Representatives

			<p>When it comes to public education policy, educators, legislators and parents always agreed that the most important determinant of education excellence is having a qualified, dedicated teacher in the classroom. That fact is underscored by the impact the pandemic had on teaching and learning, even to the extent that the state did not use STAAR test assessments to measure educational outcomes at that time. Since then, a great deal of effort has been made to get students back in the classroom, working with their teachers to make up for the time and progress lost when teachers had to go the extra mile to locate and educate their students. And, although teaching and learning is best achieved in the classroom, some students need alternatives to have an opportunity to succeed. SB 1861 could be the mechanism that meets the needs of these students. However, there are numerous for-profit online schools that see students as commodities. When asked about intent this session, this bill's authors have said this commission is not intended to be involved with private or for profit education.</p> <p>SB 1861 prohibits a teacher from being required to teach both virtually and in-person at the same time, except for in an enrichment class. However, it was never testified to or deliberated in the virtual commission that it would be acceptable in any course to allow a teacher to teach concurrently, whether core or enrichment, so the bill may be seen as an encroachment of teacher rights.</p> <p>The process for being approved to operate a virtual school is subjective, as the commissioner can approve any private entity of personal preference. Additionally, little detail is given as to how the special education services would be provided as students must have “reasonable access” to in-person services, but this could include a generic “school facility” if the student is enrolled in a private, third-party virtual school.</p>	
<p>SB 2037 By: Bettencourt Sponsor: Oliverson</p>	<p>Relating to the regulation of platting and subdivisions of land by a municipality or county.</p>	<p>Land & Resource Management</p> <p>5 Ayes, 2 Nays, 0 PNV, 2 Absent</p>	<p>Some Texans have raised concerns about overregulation by local authorities, which some argue may restrict property rights and hinder economic growth. SB 2037 aims to limit the regulatory powers of municipalities within their extraterritorial jurisdictions and counties within unincorporated areas over lot size and density.</p> <p>SB 2037 prohibits municipalities in their extraterritorial jurisdictions and county commissioners courts within unincorporated areas from directly or indirectly regulating minimum lot sizes, dimensions, frontage widths, setback distances from a road or property line, and other lot density components. However, an exception exists if state law permits such regulation, applicable only to municipalities. The bill also repeals the stipulation that a tract of land must be located in a county with a population of 2.8 million or more for municipalities to regulate water or wastewater facilities, provided they meet state and federal standards. SB 2037 also eliminates the ability of a commissioners court to adopt rules concerning land plats and subdivisions within the county's unincorporated area to promote public health, safety, general welfare, and orderly development.</p> <p>Critics argue that SB 2037 may jeopardize water quality, aquifer protection, and habitat conservation by removing local control over lot sizes. Moreover, critics maintain that lot density regulations are crucial in balancing housing supply, affordability, and overall community character.</p>	<p><u>Unfavorable</u></p>