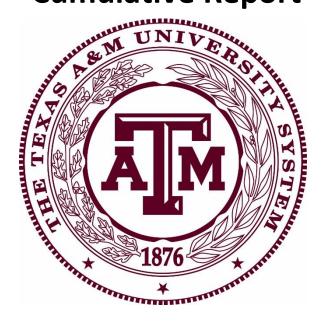
The 88th Legislature 1st & 2nd Called Special Sessions Cumulative Report



The Texas A&M University System

August 2023



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Overview of the 88th Legislature, Regular Session

Every session of the legislature takes on its own personality and priorities, borne of the budget outlook, the overall economic health of the state, and the social/cultural/political views of the electorate. Those realities give rise to the central themes and priorities of each session and together frame the context within which issues of The Texas A&M University System and higher education are decided.

The purpose of this Overview section is to provide an overview of the highest priority issues of the session. Three higher education issues were among the session's highest priorities and are covered in the 'Overview of Higher Education Legislation' section. These three issues are Diversity, Equity, and Inclusion (DEI), Tenure, and the Texas University Fund. The first three issues below (property taxes, border security, and school vouchers) remained unresolved at the regular session's end but were overriding issues the entire regular session and are in the governor's call-in special sessions one and two as of this writing.

Revenue and Property Tax Relief

At the opening of the 88th Regular Session, Comptroller Glenn Hegar estimated that the state was projected in fiscal year 2024-2025 to have available \$188.2 billion in general revenue, including a historic \$32.7 billion surplus balance from the fiscal year 2022-2023 biennium.

Despite the record level of available funding and property tax cuts being the top priority of Governor Greg Abbott, Lieutenant Governor Dan Patrick, and Speaker Dade Phelan, when the regular session adjourned 'sine die,' they had not agreed over how to meet their shared goal.

The differences centered around which taxpayers would be the beneficiaries of relief and to what extent. Overly simplified, the Senate proposal focused largely on property tax relief for homeowners; the House plan proposed to spread the relief more widely across all property taxpayers. The House proposed to tighten, i.e., "compress," the allowable appraisal increase from the current 10% per year to 5% which would deliver more than \$12 billion to school districts so they could lower their tax rates. Its plan would have spread out tax relief across all property taxpayers, including renters and businesses, as well as homeowners. The Senate proposed to provide more targeted relief directly to homeowners in its tax-cut package. Its proposal would have sent a smaller amount, about \$5.38 billion, to school districts. It also would have raised the state's homestead exemption from its current \$40,000 to at least \$70,000, as initially proposed, or to as much as \$100,000 in its final proposal made in the last days of the regular session. On the last day of the regular session, the House dropped the appraisal cap element from its proposal.

"The big difference is, where do they want to target the relief?" said Lynn Krebs, a research economist at the Texas Real Estate Research Center at Texas A&M University. "Do they want to provide it to all taxpayers — businesses and individuals alike — which would be more like the House plan? Or do they

want to give everybody [businesses and individuals] some relief, but target the maximum relief for homeowners — which is the Senate plan?"

Even though in the waning days of the session the House dropped its appraisal cap element and the Senate proposed to increase the homestead exemption to \$100,000, property tax relief remained unaddressed at 'sine die' of the regular session. The property tax relief issue was not resolved in the1st called Session and is again on the call for the 2nd called Session.

Border Security

Another top priority of the session was strengthening the state's southern border. The state spent \$4.4 billion for border security in the 2022-2023 biennium. That funding supported the governor's "Operation Lone Star" which included sending thousands of state troopers and National Guard members to the Texas-Mexico border. For 2024-25 the Legislature appropriated to spend \$5.1 billion for border security efforts coordinated through thirteen state agencies. The additional funding was intended to increase per diem pay for troopers, add 650 more state troopers, fund transportation of migrants, upgrade processing centers and pay for a state-funded border wall and fencing. Border security funding was not agreed to by the end of the regular session.

Parental Rights/Vouchers

All three of the state's top elected leaders included expansion of parental rights among their priorities for the session. **Parental rights** include an increase in the transparency of school curricula, limiting sexually explicit materials in schools (or public-school libraries), and defining "age-appropriate" limits to instruction/discussion of race, gender, and critical race theory in public school classrooms.

School choice, or vouchers, was cited as a top priority of the Governor and Lieutenant Governor. School choice refers to policies such as saving accounts and vouchers that would allow tax dollars to be used to support students who opt out of public schools to attend private or religiously affiliated/sponsored schools, online schools, charter schools and homeschooling. Governor Abbott placed school choice among his emergency items for the session, thus allowing it to be considered in advance of other legislation. Since vouchers historically have been less favorably regarded by many rural-serving Republican House members and most Democrats, school choice/vouchers were not as high priority in the House.

Reflective of the Lt. Governor's strong stance, the Senate passed Senate Bill 8 by Chairman Brandon Creighton (R-Conroe) in early April. SB 8 proposed up to \$8,000 in taxpayer funds per student to pay for private school funding via an educational savings account. The bill expanded parents' right to review instructional materials and applied new rules so that gender and sexual orientation would be only taught to "age-appropriate or developmentally appropriate" school children. To address the concerns of rural serving members, for the first two years for districts with fewer than 20,000 students SB 8 would have provided \$10,000 each year for each student from that district who elected to use education savings. For context, all school districts receive a base allotment of \$6,160/student each year. Larger districts in urban areas, where more private school options exist, would have lost state funding since their average daily student attendance would have been reduced. The House Public Education committee heard SB 8 in mid-May and left it pending without taking a vote. Parental Rights/School Choice remained unresolved at the conclusion of the regular session.

LGBTQ+ Issues

The Legislature passed bills restricting sexually-oriented performances, gender-affirming/changing medical procedures, and athletic competition by transgender students in higher education. Senate Bill 14 by Senator Donna Campbell (R-New Braunfels) and Representative Tom Oliverson (R-Cypress) will ban transgender individuals younger than eighteen from getting certain transition-related care; those already accessing treatments will have to be "weaned off" in a "medically appropriate" manner. It also will ban transition-related surgeries for children under eighteen. Senate Bill 15, also by Senator Campbell and Representative Oliverson, will not allow a student competing in intercollegiate athletic competition to compete on a team that is designated for the biological sex opposite to the student's biological sex. An exception is allowed for a female student to compete on a team designated for male students if there is no corresponding team for female students.

Maternal Care

Extending Medicaid coverage to women for up to 12 months postpartum was a policy priority of Speaker Phelan for the 88th Session. While not listed among Lt. Governor Patrick's priorities, **House Bill 12 by Representative Toni Rose (D-Balch Springs) and Senator Lois Kolkhorst (R-Brenham)** had bi-cameral and bi-partisan support and passed overwhelmingly in both the House and Senate.

Medicaid covers approximately half of all births in the state and currently coverage ends two months after giving birth. Extending this coverage was a recommendation by the state's Maternal Mortality and Morbidity Review Committee, and efforts to do so have spanned multiple sessions prior to the 88th.

Business Tax Break

The business tax break known as "Chapter 313" expired, leading to a major push by business organizations, economic development councils, and chambers of commerce for its replacement. The replacement bill, House Bill 5 by Representative Todd Hunter (R-Corpus Christi) and Senator Charles Schwertner (R-Georgetown), was one of the most hotly contested issues of the session. A compromise was reached between the House and Senate on the next to last day, the 139th day of the regular session, and both the House and Senate had to muster two-thirds support to suspend the rules and pass the bill.

Chapter 313 had been widely criticized for years and was allowed to expire in 2021. Critics claimed it was flawed by too lax oversight. The law required businesses that were granted tax breaks to locate in Texas to create a certain number of jobs and generate a specified level of economic growth, but they were rarely held accountable. A further point of concern was over tying tax abatements to school funding, since such tax breaks for businesses mean less local property taxes for schools with the state then having to fill in the gap with state tax dollars.

Although the finally-passed bill is similar to the law it replaced, it contains key changes to overcome some of the most objectionable aspects of the old law. The compromise program will subsidize only one-half of a new project's maintenance and operations school property tax, rather than the full amount, and will no longer allow companies to share their tax savings with the school districts that grant them tax relief. Significantly, it also eliminates wind and solar projects from the program, which had been the largest beneficiaries under the old law. To bring along some Democratic supporters, it includes a provision that grants up to 75% subsidy in federally designated opportunity zones to help incentivize development in low-income areas. Although the new program increases the eligible types of businesses for projects to

qualify for the tax break, the Comptroller will now be required to determine that they would not come to Texas without it.

Retired Teachers

In the last two days of the session, the Senate and House gave final approval to the conference committee report for Senate Bill 10 by Senator Joan Huffman (R-Houston) and Chairman Greg Bonnen (R-Friendswood), a bill that will give retired teachers over age 70 a one-time supplemental payment in September. Subject to voter approval of a constitutional amendment in November that would allow the state to move \$1.9 billion from the general revenue fund to the Teachers Retirement System (TRS), it also authorizes a cost-of-living adjustment (COLA) of 2%, 4% or 6% to eligible retired teachers' annuity, depending on the date on which a teacher retired. A retiree/annuitant aged 70-74 in the month before the payment is made will receive a one-time supplemental payment of \$2,400; a retiree aged seventy-five or older in the month before payment is made will receive a one-time payment of \$7,500. Retirees/annuitants who retired September 1, 2013, through August 31, 2020, will receive a 2% COLA; if retired September 1, 2001, through August 31, 2013, a 4% COLA and if retired before August 31, 2001, a 6% COLA. The COLA is subject to voter approval of the associated constitutional amendment. House Joint Resolution 2 by Chairman Bonnen and Senator Huffman would be funded by a lump sum payment to the TRS Pension Trust Fund.

Water Infrastructure

On the last day to pass bills, the Senate and House came to agreement on Senate Joint Resolution 75 by Senator Charles Perry (R-Lubbock) and Representative Tracy King (D-Laredo), a constitutional proposition to dedicate \$1 billion to capitalize the Texas Water Fund, subject to voter approval on November 1. The SJR along with Senate Bill 28 by Senator Perry and Representative King will authorize the use of \$1 billion for water projects. Included in the funding is \$125 million designated to be used as match funding to qualify for up to \$750 million federal Infrastructure and Jobs Act funds. These funds are prioritized, but not exclusively, to be used for projects in small and rural communities. Together the new funding will be used to construct new water projects and repair aging infrastructure to help protect the state against droughts and keep up with its rapid population growth. The goal for new water projects calls for creating an additional seven million acre-feet of water by 2033, about 30 years sooner than previously set for that goal. The state's water plan has relied historically on building new reservoirs, but water planners have concerns about their reliability owing to their being slow to build and fill and vulnerable to extreme drought and evaporation under the state's high temperatures.

Broadband Expansion

An estimated seven million people in Texas do not have broadband access. The COVID-19 pandemic drew attention to that, and the Broadband Development Office, established in 2021, produced a map prior to the session showing that most rural areas have slow or no service. On the next to last day of the session, the Legislature passed House Bill 9 by Representative Trent Ashby (R- Lufkin) and Senator Phil King (R-Weatherford) creating the *Texas Broadband Infrastructure Fund* and House Joint Resolution 125 by Representative Trent Ashby (R-Lufkin) and Senator Huffman which proposes a constitutional amendment to provide \$1.5 billion for the Fund, subject to voter approval in November. Even so, \$10 billion is the amount estimated to be needed for the state to be fully connected.

Overview of the 88th Legislature, Special Sessions

First Special Session:

Governor Abbott included only two issues in his call for the 1st Called Session: tax relief and enhancing penalties for human smuggling and operation of a stash house.

On the first day of the 1st Called Session, convened one day after the regular session ended, the Governor announced his support of the House tax relief plan: "It [the House plan] provides more cuts to property tax rates than any other proposal at this time," Abbott said in a statement. "It is supported by the most respected tax think tank in the state, as well as more than thirty homeowner, consumer, and business groups across the state. I look forward to signing it when it reaches my desk."

The House passed its tax relief bill without any increase in the homestead exemption. The Senate rejected the House bill and passed its own, providing for an even higher homestead exemption of \$100,000, which, if enacted, would require \$12.1 billion to pay for, thus using almost all of the \$12.3 billion that was agreed to be used for tax relief for homeowners.

The House, having in short order passed its property tax relief and anti-smuggling bills, promptly adjourned 'sine die', meaning the House could not meet again in the 1st Called Session.

Second Special Session:

The 1st Called Session ended without resolution, and Governor Abbott immediately announced the 2nd Called Session. This began on June 28th, with only one topic on call: tax relief.

The 2nd Called opened with each of the top three leaders holding to their respective positions (see above **Revenue and Property Tax)**; however, following several days of "time-out" for face-to-face discussions, an agreed compromise was struck on July 11th.

The \$18 billion compromise contains elements of the priorities of each leader, resulting in a spread of benefits between homeowners (but not renters) and businesses. **SB 2 by Senator Bettencourt and Representative Metcalf** outlines the specific elements of the proposed property tax cuts; **SB 3** by the same author/sponsor increases the franchise tax exemptions for small businesses; **and HJR 2 by Representative Metcalf** proposes a constitutional amendment for voters' consideration in November to authorize and pay for the tax cuts. Together, the measures propose \$18 billion in tax cuts, including \$12.6 billion from the historic surplus of the 2022-2023 biennium (\$5+ billion of which maintains the 2019 property tax cut) to replace, i.e., "backfill" with state funds, the 10.7 cents/\$100 valuation cuts to be made in school taxes, and \$5.3 billion to pay for increasing the homestead exemption from \$40,000 to \$100,000.

According to Senator Bettencourt, these measures will save the owner of a \$331,000 home, which is approximately the statewide average home value, more than \$2,500 over the next two years on property taxes for schools. The exact savings will vary by school district.

Another element of the plan, dubbed a "circuit breaker", provides for a three-year pilot program that limits annual appraisal values to not more than 20 percent for commercial and non-homestead residential properties valued at less than \$5 million.

And as footnote to the 2nd Called Session: since it did not provide new funding to schools nor provide for a teacher pay raise, another special session could be called to address one or both issues.

Priority Higher Education Issues

The following summarizes significant higher education issues impacting the 88th Texas Legislative Session.

Diversity, Equity, and Inclusion

Going into the 88th Legislature, Governor Greg Abbott and Lieutenant Governor Dan Patrick made Diversity, Equity, and Inclusion (DEI) reform a priority of the legislative session. Opponents of DEI programs and offices stated that the priority should be to create everyone equal and base employment on their own merit. Opponents of DEI programs also stated that DEI programs are creating divisiveness on campuses. While proponents of DEI programs and offices stated that DEI helps build a diverse and welcoming place on campuses around the state.

Chairman Brandon Creighton (R-Conroe) filed Senate Bill 17, that would prohibit the establishment or maintaining of a DEI office, division, or unit. The legislation would also prohibit a public university in Texas from hiring or assigning an employee, or contracting with a third party, to perform the duties of a DEI office. It also further prohibits the preference of race, sex, color, ethnicity, or national origin to an applicant for employment, a candidate for promotion and tenure, or a participant in any function by the institution. Finally, an institution of higher learning cannot require or make mandatory trainings for diversity, equity, and inclusion.

After hours of testimony in the Senate Sub Committee on Higher Education, Senate Committee on Education and floor debate in the Senate Chamber, the senate passed out the bill along party lines on April 19, 2023, by a vote of 19 to 12.

Chairman John Kuempel (R- Seguin) carried the legislation in the House. After 8 hours of testimony in the House Committee of Higher Education, the bill was passed to House floor out of committee on May 12.

The House debated what would happen if DEI programs were to be eliminated on college campuses and would that create the possibility of losing minority enrollment and employees. Democrats voiced their concerns on how eliminating these DEI programs would also alienate minority students, while proponents for the bill said that this would allow for a wider scope of candidates by eliminating DEI requirements.

In the final bill agreed upon by the House and the Senate, along with prohibiting DEI offices, employees, and mandatory training, an Institution of Higher Education (IHE) may not spend money appropriated to the institution for a fiscal year until the institution submits to the Legislature, and the Texas Higher Education Coordinating Board (THCEB), a report certifying that they are in compliance with SB 17. The state auditor will also perform periodic audits to make sure campuses comply and have not spent state money on DEI offices.

The House also voted out the bill along party lines 83 to 67. Governor Abbott signed Senate Bill 17 on June 17, and the bill takes effect on January 1, 2024.

Tenure

Another top priority of state leadership was to rectify and establish guidelines in which the state would follow regarding tenure of faculty members at public universities. **Chairman Creighton** filed **Senate Bill 18** that would have prevented public institutions of higher education (IHE) from granting tenure or any type of permanent employment status starting on September 1, 2023. Those tenured faculty members that received tenure before September 1, 2023, would be allowed to keep their tenure status.

The Senate Subcommittee on Higher Education discussed at length what tenure does and how it would affect IHEs moving forward. The bill passed out of the senate on April 20, 2023, with an amendment from **Senator César Blanco (D-El Paso)** that changed the tenure status effective date to January 1, 2024 to allow more faculty members to gain tenure status by a vote of 18-11.

House Higher Education **Chairman Kuempel** carried **Senate Bill 18** in the House and substituted the bill in the committee to allow for tenure to continue being granted at Texas public IHEs across the state and returned the effective date back to September 1, 2023. **Senate Bill 18** as substituted, defined, for all universities and university systems across the state, what tenure is, how tenure is granted to faculty members, how tenured faculty members are reviewed, and when and how tenured faculty can be dismissed.

After a lengthy debate in the House Committee of Higher Education, the bill was heard and voted on by the full House of Representatives on May 22, 2023. There was some opposition to the bill stating that this bill as substituted didn't do enough to protect tenured faculty and their freedom of speech. **Senate Bill 18** as substituted passed out of the House by a vote of 85 to 59. The Senate concurred with the changes that the House made to the bill, and it was sent to the Governor on May 29, 2023. Governor Abbott signed **Senate Bill 18** on June 17, 2023, and the bill takes effect on September 1, 2023.

Affordability

One of the primary budget issues for the general academic institutions was the affordability initiative. Beginning in February 2022, the Texas A&M Board of Regents began delving into the issue of higher education affordability, including the Committee on Academic and Student Affairs holding a workshop session in February 2022. Over the following months, various groups throughout the A&M System brainstormed to understand the problems associated with affordability and develop ideas to address the issue. The board then considered reports at their next two regular board meetings in May and August that identified the problem and the root causes and presented a broad range of potential actions to help address the problem. State support for higher education throughout the nation and in Texas was declining, while at the same time financial aid at both the state and federal level was stagnant or declining. In exploring the issues, it became clear that there was no silver bullet to address affordability for students and that actions were needed both internally and externally to make improvements, including investment by the Texas Legislature.

In the summer of 2022, the Texas A&M System State Government Relations team led discussions with other higher education systems to explore pursing a joint legislative initiative for the upcoming 88th Legislature. The group settled on pursing a broad range of base funding streams that had been either stagnant or declining in state support; these included formula and research funding, performance funding

for graduating at-risk students at the comprehensive regional institutions (CRU), Higher Education Group Insurance equity funding, and Hazlewood Legacy relief.

On September 9, 2022, the House Appropriations Committee held a hearing in which the Chancellors from the six major university systems testified in front of the committee regarding affordability and submitted joint written testimony. The committee and chancellors discussed what was needed to hold "costs" flat for students, and the chancellors were asked to come up with more detailed numbers on what was needed. Throughout the fall the major higher education systems' governmental relations staff worked together to develop a proposed amount needed to hold "costs" flat with the commitment that, in turn, higher education would hold resident undergraduate tuition, and all mandatory academic fees, flat for the next two academic years.

On December 14, 2022, six higher education system chancellors sent a Joint Letter on Affordability, including the funding needs, to the Governor's Office, Lt. Governor's Office, Senate Finance Committee, Speaker's Office, House Appropriations Committee, Legislative Budget Board staff, and the THECB. The letter stated that in order to ensure that higher education remained affordable and accessible to all Texans, higher education was requesting \$1 billion in state investment in the following areas:

- General Academic Formulas including the research formulas (est. \$352 million) to invest in the classroom at the universities and ease the pressure on tuition and fees for students and families.
- Comprehensive Regional University (CRU) Funding (\$80 million) to provide ongoing performance-based funding for at-risk students graduating from CRUs.
- Hazlewood Legacy (est. \$277.5 million) to fund 100% of the Hazlewood Legacy program.
- Higher Education Group Insurance (HEGI) (est. \$281.5 million) to fund higher education employees at the same rate as general state employees.

Beginning with the Legislative Appropriations Requests and joint budget hearings in the fall and throughout the legislative session, institutions made this affordability request a top priority in testimony and meetings with members. As a result, the House Appropriations Committee fully funded the request in their version of the appropriations bill. The Senate did not include the proposal, instead signaling they would support the request with the passage of tenure and DEI reform legislation.

Ultimately, the 88th Legislature invested \$698.5 million in funding for the affordability initiative. As a result of this historic legislative investment, the general academic institutions are required and will be able to hold resident undergraduate tuition and mandatory academic fees flat for the upcoming biennium. As laid out in Article III, Special Provisions, Section 58, Higher Education Affordability, these funds are contingent on passage of tenure reform (SB18) and DEI reform (SB17). The investments by the Legislature include funding in the following areas:

- General Academic Formulas, \$263.8 million
- Research formulas, \$18.7 million
- Comprehensive Regional University (CRU) Funding, \$71.5 million
- Hazlewood Legacy, \$187.9 million established to fund approximately 72% of the Hazlewood Legacy program. Higher Education Group Insurance, \$159.7 to fund higher education employees at 88.6 percent of the rate provided to general state employees, up from less than 80 percent last biennium.

Research Funds

Beginning in the summer following the 87th Legislature, discussions regarding investment in the emerging research institutions, in particular the University of Houston and Texas Tech University, took on new energy with the announcement of the University of Texas at Austin's and University of Oklahoma's future move to the Southeastern Conference for athletics. Discussions ranged from modifying the existing Permanent University Fund (PUF) structure to creating a new fund for these institutions. During the special called sessions of the 87th Legislature, a variety of bills were filed, but no action was taken. However, University of Houston and Texas Tech University each received \$50 million in Institutional Enhancement funding from the federal COVID relief funding during the 87th Legislature, 3rd called Session.

During the fall leading up to the 88th Legislature, interim hearings were held regarding research investments. The four Higher Education Fund-eligible (HEF) emerging research institutions worked with the THECB to develop a proposal to bring to the 88th Legislature. This work became the basis for **House Bill 1595 by Bonnen/Huffman** and **House Joint Resolution 3 by Bonnen/Huffman**. The A&M System position on the research funds was contingent on two imperatives: 1) that the change did not impact the PUF/AUF funding, and 2) that there remained a path forward for our regional institutions to move to the next tier of research funding.

The proposed legislation completely restructured research funding for the emerging research institutions and made minor changes in the metric used for the research fund for the comprehensive regional institutions. The bill established separate research funding pathways for HEF-eligible institutions, the newly created Texas University Fund (TUF) and for PUF-eligible institutions, the reworked CORE Research Fund or the National Research Support Fund (NRSF).

While the proposed legislation did not affect the first imperative, to not impact the PUF/AUF funding directly, it became clear during the hearing process— based on questions and comments made by members and staff— that there was not a clear path forward for our HEF-eligible institutions. There was a widely held misunderstanding that *all* A&M system members can receive resources from the PUF. The Government Relations team, worked to clarify that in the A&M System there are six HEF-eligible institutions with the remaining institutions eligible for the PUF. This misunderstanding put the future pathway for the A&M System HEF-eligible institutions in jeopardy because 1) some members understood the legislation to not allow *any* A&M System institutions into the TUF when eligibility metrics were met, and 2) the HEF-eligible institutions, by the definitions laid out in the legislation, were excluded from the pathway for PUF institutions, NRSF.

The second pathway issue that developed was getting clarification on the buy-in requirement once an institution met the eligibility metrics for the TUF. The legislation required that an institution get legislative appropriations to invest in the TUF corpus so that any future payout to the newly eligible institution would not result in any decrease in payout to any of the currently eligible institutions.

Getting clarity on the two pathway issues for the A&M HEF institutions, including the required future legislative investment, resulted in a delay in hearing the bill on the Senate side, and an intense hearing when it finally occurred. Ultimately the bill that passed allows for the A&M System HEF-eligible institutions to grow into the TUF; however, the prospect of getting the required legislative investment remains an issue because the level of appropriations needed will be significant.

Details on the appropriation impacts of the legislation can be found in the appropriations section.

Community College Finance

The Texas Commission of Community College Finance (TxCCCF) was established during the 87th Legislature by Senate Bill 1230 by Taylor/Pacheco to re-evaluate how the state of Texas funds community colleges. The 12 appointed commissioners held seven public hearings, with the final hearing on Tuesday, October 18, 2022, where they unanimously approved a set of final recommendations to the Legislature.

These recommendations were ultimately adopted by the 88th Legislature in **House Bill 8 by Representative Gary VanDeaver and Senator Brandon Creighton** creating a new model to fund community colleges in the state. Additionally, the Legislature allocated approximately \$683 million through a contingency rider in the General Appropriations Act. Highlights include:

- Establishment of the Financial Aid for Swift Transfer (FAST) scholarship program for low-income dual credit students,
- Increased funding for Texas Educational Opportunity Grants for students attending two-year institutions, and
- Expanded partnerships with private employers for paid work-based learning opportunities.

The THECB is tasked with implementing the legislation and also received specific appropriations to implement changes and for administration.

Keeping Texas Prepared

Over the last decade, and particularly in response to Hurricane Harvey and the COVID-19 pandemic, the Texas A&M System emergency response agencies have been tapped to help supply emergency preparedness and response to hurricanes, tornados, flooding, wildfires, ice storms, the pandemic, and other events – responding and aiding in recovery from east to west and Red River to Rio Grande.

To address this pressing and ever-present issue in a rapidly growing state, The Texas A&M University System made "Keeping Texas Prepared" a legislative priority this session, requesting additional dollars for its statewide emergency management team to ensure they have the appropriate people and equipment in place. The team is led by the Texas Division of Emergency Management and four service agencies: Texas A&M AgriLife Extension Service, Texas A&M Forest Service, Texas A&M Veterinary Medical Diagnostic Laboratory, and the Texas A&M Engineering Extension Service.

Representative Cody Harris (R – Palestine), along with 40+ co-authors, authored and supported an amendment to HB 1 that funded this priority with an appropriation to each of the five agencies. The supplemental appropriation bill, SB 30, provided \$96.7 million across the five agencies to maintain their level of service to Texans in the areas of training and workforce development, testing and disease surveillance, extension education and emergency response.

Appropriations & Riders

In January 2023, the Comptroller of Public Accounts (CPA) issued the constitutionally mandated (Art. III, Section 49a of the Texas Constitution) Biennial Revenue Estimate (BRE). For 2024-25, the CPA estimated that the state would have \$188.2 billion in funds available for general purpose spending, a 26.3 percent increase from the corresponding amount for the 2022-23 biennium. The projected ending balance for the 2022-23 biennium is a historical \$32.7 billion due to strong economic growth since the end of the COVID 19 pandemic, high energy prices and record-breaking inflation. The balance reported in January did not anticipate any supplemental expenditures for this biennium that were authorized by the 88th Legislature.

During the Regular Session, the Legislature passed two key pieces of appropriation legislation: House Bill 1, the General Appropriations Act (GAA), and SB 30, the supplemental appropriations bill.

House Bill 1 by Bonnen/Huffman appropriates \$144.1 billion in General Revenue Funds (GR) for the 2024-25 biennium, an increase of \$13.7 billion compared to the 2022-23 biennium, a 10.53 percent increase. See the table at the end of this section. The All-Funds budget totals \$321.3 billion, an increase of \$18.0 billion, or 5.95 percent. These totals include contingency funding for legislation that did not pass during the regular session; however, many of these items are likely to be addressed in special session and these appropriations will still be available for the named purposes.

Major funding items include:

- \$17.6 billion for property tax relief, including \$12.3 billion over amounts currently required by law. These additional amounts are contingent on enactment of legislation and passage of a constitutional amendment. As of the end of the regular session, property tax legislation was not passed by the Legislature. The Governor immediately called two special sessions on property tax relief, and legislation was adopted during the 2nd Called Session.
- Fully funds the Foundation School Program (FSP) under current law, including increases of \$3.2 billion to fund projected enrollment growth, \$2.4 billion for increases in the golden penny yield, and \$60.0 million for the New Instructional Facilities Allotment. HB1 also increases funding to districts and charter schools for technology and instructional materials by \$307 million.
- Includes \$5.0 billion in additional funding for Public Education, contingent on enactment of legislation. As of the end of the regular legislative session, this legislation did not pass.
- \$1.6 billion for a one-time annuity payment for certain TRS retirees and \$3.4 billion for a cost-of-living adjustment for eligible TRS retirees, contingent on enactment of legislation.
- \$1.8 billion in All Funds, including \$1.3 billion in GR and GR-Dedicated Funds, for a five percent pay increase to state employee salaries, with a minimum of \$3,000 per year in fiscal year 2024, followed by another 5.0 percent increase with a minimum of \$3,000 per year in fiscal year 2025. The Texas A&M System Agencies were included and will receive \$62.3 million to implement the pay raise for our first responders and all other agency personnel.
- \$1.05 billion for the Permanent Instruction in Manufacturing and Technical Workforce Operations Funds for the Texas State Technical College System and the Lamar State Colleges, contingent on

enactment of legislation. As of the end of the regular legislative session, this legislation did not pass, and the **Governor vetoed the contingency rider**.

- \$3.8 billion over 2022-23 levels for health and human services agencies.
- \$0.7 billion in new funding for public safety and criminal justice.
- \$1.5 billion for broadband development and telecommunications services.
- \$5 billion for the Texas Energy Fund to support the construction, maintenance, and modernization of dispatchable electric generating facilities, contingent on passage of a constitutional amendment.
- \$1 billion to the Parks and Wildlife Department in GR to capitalize the Centennial Parks Conservation Fund for the purpose of establishing state parks, contingent on enactment of legislation.
- \$931 million to the Employees Retirement System to address unfunded liabilities and other costs. There was an additional \$900 million provided in the supplemental appropriations bill detailed below for a one-time payment toward the unfunded liabilities.

Senate Bill 30 by Huffman/Bonnen totals \$7.36 billion in General Revenue Funds and \$13.21 billion in All Funds. After adjusting the 2022-23 biennial spending level based on SB30, there is a remaining \$368.1 in General Revenue capacity under the tax spending limit. Higher Education accounts for \$4.27 billion in All Funds and \$4.1 billion in General Revenue Funds (GR).

Significant items and items that impact higher education include:

- Reduction of \$8.4 billion in GR appropriations to the Foundation School Program due to updated projections of property values, lower average daily attendance, and increases in non-GR funds. (Sec. 4.01)
- \$2.5 billion in GR and \$4.7 billion in federal funds to cover additional costs related to Medicaid.
 (Sec. 3.01)
- \$2.2 billion in GR for construction of state hospitals and additional inpatient capacity. (Sec. 3.02)
- \$99.2 million in All Funds, including \$63.9 million in GR, to implement a 5.0 percent salary increase (or \$250 per month if greater) to state employees, including the Texas A&M System Agencies for the final two months of fiscal year 2023. (Sec. 9.01)
- \$1.4 billion in All Funds, including a transfer of \$0.7 billion from GR to the Texas Semiconductor Innovation Fund and appropriations out of the fund to the Trusteed Programs at the Office of the Governor, contingent upon enactment of legislation (House Bill 5174 by Bonnen/Huffman). This will provide \$440.0 million to the University of Texas at Austin for the Institute of Electronics (Sec. 4.33) and \$226.4 million to the Texas A&M University System, including \$200 million for quantum and artificial and chip fabrication and \$26.4 million for the Center for Microdevices and Systems. (Sec. 4.34)
- \$1.1 billion in GR to TEA for public school safety initiatives. (Sec. 4.02)
- \$1 billion in GR to the CPA to be deposited in the Texas Water Fund for financing water projects, contingent upon passage of legislation. (Sec. 6.08)
- \$0.9 billion to the Employees Retirement System for a one-time payment to the system's unfunded actuarial liabilities to reduce long-term interest costs. (Sec. 2.02)
- \$625 million in GR to recapitalize the Flood Infrastructure Fund and \$125 million in matching funds for federal Infrastructure Investment and Job Acts funds. (Sec. 6.04)

- \$379 million in GR to Texas Department of Criminal Justice for agency operations (Sec. 5.01) and correctional managed health care. (Sec. 5.02)
- \$313.9 million, including \$227.4 million in GR for vehicle replacement for various state agencies. This includes \$2.1 million for the **Texas A&M Forest Service** and \$13.3 million for **Texas Division of Emergency Management**. (Sec. 9.02)
- \$155 million in GR for the Moving Image Industry Incentive Program in the Trusteed Programs in the Office of the Governor (Sec. 2.28) and \$150 for the Texas Enterprise Fund (Sec. 2.32)
- \$243.8 million in GR to the CPA to fund obligations in the Texas Guaranteed Tuition Plan and Texas Tomorrow Fund. (Sec. 2.04)

Higher Education accounts for \$4.27 billion in All Funds and \$4.1 billion in General Revenue Funds (GR). Items funded specifically for institutions of higher education include:

- \$3 billion in GR to the CPA for the newly created Texas University Fund, contingent upon enactment of legislation (House Bill 1595 by Bonnen/Huffman) and passage of the constitutional amendment authorized by House Joint Resolution 3 by Bonnen/Huffman. (Sec. 4.24)
- \$146.1 million in GR to the **Texas A&M Forest Service** for reimbursement for emergency response to natural disasters, including use of firefighting aircraft. (Sec. 4.12)
- \$141.5 million in GR Dedicated Funds to the Texas Higher Education Coordinating Board for closing out the B-On-Time loan program. (Sec. 4.07)
- \$15 million in GR for **Texas A&M AgriLife Research** for The Texas A&M AgriLife Research and Extension Center at Vernon and the Texas A&M AgriLife Foundation Seed facility which was severely damaged by a tornado. (Sec. 4.11)
- \$8 million in GR for the University of Texas at Austin for the Texas Memorial Museum. (Sec. 4.13)
- \$25.5 million in GR for Lamar University and the Lamar State Colleges for disaster mitigation and renovations. (Sec. 4.14)
- \$64.8 million in GR for the mission specific funds for the Health-Related Institutions to provide the match funds that they would have received last biennium if funded then. Amounts include:
 - \$15.1 million for the University of Texas Southwestern Medical Center (Sec. 4.15)
 - o \$7.8 million for the University of Texas Health Science Center at Houston (Sec. 4.16)
 - \$8.0 million for the University of Texas Health Science Center at San Antonio (Sec. 4.17)
 - o \$12.7 million for Texas A&M University System Health Science Center (Sec. 4.18)
 - o \$1.5 million for Texas Tech University Health Sciences Center (Sec. 4.19)
 - \$9.0 million for the University of Texas Medical Branch at Galveston (Sec. 4.20)
 - \$8.2 million for the University of Texas M.D. Anderson Cancer Center (Sec. 4.21)
 - \$1.8 million for The University of Texas Health Science Center at Tyler (Sec. 4.22)
 - \$0.8 million for Texas Tech University Health Sciences Center at El Paso (Sec. 4.23)
- \$1.8 million in GR for **Texas A&M University Central Texas** for instructional programming at the East Williamson County Higher Education Center. (Sec. 4.25)
- \$2 million in GR to the University of Texas at San Antonio for life sciences research. (Sec. 4.26)
- \$96.7 for the Keeping Texas Prepared initiative. "Keeping Texas Prepared" is a statewide emergency management initiative for the five emergency management agencies of the Texas A&M University System to meet the emergency response and recovery needs of a growing, dynamic state. The Legislature provided the following amounts:
 - Texas Division for Emergency Management, \$14.6 million for Workforce Development (Sec. 4.32)

- Texas A&M AgriLife Extension Service, \$24.2 million for the Extension Agent Network (Sec. 4.29)
- Texas A&M Forest Service, \$34.7 million for Emergency Response Capacity (Sec. 4.27) and Local Firefighting Capacity (Sec. 4.28)
- Texas A&M Veterinary Medical Diagnostic Laboratory, \$3.7 million for Rapid Detection of Animal and Human Disease Threats (Sec. 4.30)
- Texas A&M Engineering Extension Service, \$19.5 million for Recruitment and Retention (Sec. 4.31)
- \$65 million in GR for Texas Tech University Health Sciences Center at El Paso for a comprehensive cancer center. (Sec. 4.36)
- \$7 million for the University of Texas at Tyler for an inpatient facility. (Sec. 4.37)
- \$8 million for the University of Texas Health Science Center at Houston for the Harris County Psychiatric Hospital. (Sec. 4.38)
- Unexpended balances authority to carryforward any unobligated balances from the appropriation
 for Texas A&M University at Galveston for dock and other infrastructure improvements needed
 to accept a new vessel from the US Department of Transportation. (Sec. 8.51)
- Unexpended balances authority to carryforward any unobligated funds from the appropriation to **Texas Division of Emergency Management** for the state operations center. (Sec. 8.53)
- Unexpended balances authority of ARPA funding for the Texas Higher Education Coordinating Board for the Rural Veterinarian Grant program. (Sec. 8.56)

Constitutional Spending Limits

Texas has four constitutional limits on spending: the pay-as-you-go limit, the limit on growth in state appropriations or "spending limit," the limit on welfare spending, and the limit on tax-supported debt. The 2024-25 biennial appropriations are within all four of these spending limits. The budget, taking both HB1 and SB30 into account, meets all constitutional and statutory spending limits. Under the Pay-as-you-go limit (Texas Constitution, Art. III, Section 49a), \$10.7 billion remains; under the Tax Spending Limit (Texas Constitution, Art. VIII, Section 22 and Texas Gov't Code, Section 316.001(b), \$1.6 billion remains and under the newest, the Consolidated GR Limit (Texas Gov't Code, Section 316.001(c), \$11.8 billion remains.

Economic Stabilization Fund (Rainy Day Fund)

The Comptroller's *Biennial Revenue Estimate* forecasted that by the end of fiscal year 2025, the balance in the Economic Stabilization Fund (ESF) or "Rainy Day Fund" would be \$27.1 billion. The Legislature did not appropriate any funding from the ESF.

OVERVIEW OF THE STATE BUDGET General Revenue, in millions 2022-23 Expended/Budgeted Level Compared to 2024-25

GENERAL	L REVENUE FUNDS	2022-23	2024-25	Change	Percent Change
Art. I	General Government	\$10,845.8	\$9,334.1	(\$1,511.7)	(13.94%)
Art. II	Health and Human Services	39,015.2	42,862.1	3,846.9	9.86%
Art. III	Education	62,752.0	72,006.6	9,254.6	14.75%
	Public Education	41,454.6	50,402.9	8,948.3	21.59%
	Higher Education	21,297.4	21,603.7	306.3	1.44%
Art. IV	The Judiciary	597.7	860.3	262.6	43.94%
Art. V	Public Safety & Corrections	12,645.8	13,364.7	718.9	5.68%
Art. VI	Natural Resources	3,294.4	3,486.4	192.0	5.83%
Art. VII	Business & Eco. Dev.	508.1	1,292.5	784.4	154.38%
Art. VIII	Regulatory	311.2	434.1	122.9	39.49%
Art. IX	General Provisions				
Art. X	The Legislature	433.4	489.3	56.2	12.97%
Total		\$130,403.6	\$144,130.4	\$13,726.6	10.53%

Source: Legislative Budget Board, May 2023.

Notes: 2022-23 amounts include the supplemental appropriations made in Senate Bill 30. 2024-25 appropriations made in Article IX are reflected in the functional articles above. Not included above are 2024-25 GR transfers to the Property Tax Relief Fund (Other Funds), totaling \$12.3 billion.

Higher Education Appropriations

Higher Education HB1 General Revenue Appropriations for 2024-25 Compared to 2022-23 (in millions)

		Affordability		Total			
	2024-25	Contingency	Art. IX	2024-25	Change	% Chg.	SB30
Academics/System Offices	6,177.9	352.8	356.1	6,886.8	932.4	15.7%	695.2
Health Related Institutions	3,464.9	-	30.0	3,494.9	309.8	9.7%	137.8
A&M System Agencies	605.5	-	5.0	610.5	50.3	9.0%	273.1
Two Year Institutions	2,298.6	1.2	424.8	2,724.5	524.8	23.9%	15.5
Coordinating Board	2,337.2	-	182.7	2,519.9	696.1	38.2%	20.0
Higher Ed. Group Insurance	1,430.4	159.7	-	1,590.0	166.9	11.7%	-
Optional Retirement Prgm.	245.1	-	-	245.1	(1.0)	-0.4%	-
Higher Education Fund	787.5	-	-	787.5	-	0.0%	-
Hazlewood	30.0	184.9	-	214.9	186.4	621.2%	-
Art. III Special Provisions	-	-	136.4	136.4	-		3,000.0
Total, Higher Education	17,377.0	698.5	1,133.9	19,209.5	2,864.7	17.7%	4,141.6

Notes: The table does not include the higher education portion of certain retirement or social security benefits included in the statewide functional table at the beginning of the appropriations section of this report. GRD funds that are base funding for the Texas A&M Forest Service are reflected as GR in this table and other tables throughout this report unless otherwise noted.

For General Revenue funds, higher education-specific appropriations total \$18.1 billion in Article III, including the affordability contingency funding, plus an additional \$1.1 billion in Art. IX, for a total of \$19.2 billion in General Revenue. This is an increase of \$2.85 billion or 17.6 percent. An additional \$4.1 billion is appropriated in SB30 for higher education, \$3 billion of which is for investment into the Texas Research Fund corpus contingency upon passage of HJR3. Highlights of Higher Education funding are below, followed by detailed funding decisions for each higher education sector.

Higher education's most significant funding stream is the base funding formulas for the general academics, health-related institutions, and two-year institutions. The higher education formulas total \$9.9 billion which is a \$1.1 billion increase to the 2022-23 biennium. The general academic institution and state and technical college formulas total \$4.8 billion, the health-related institutions' formulas total \$2.9 billion, and the community college formulas total \$2.2 billion.

For the **Texas A&M University System**, appropriations, including HEF allocations for the six non-PUF eligible institutions and Higher Education Group Insurance (HEGI), total \$3.9 billion in GR and certain GR Dedicated funds to the Texas Forest Service. The table below provides detail by system members of HB1 and SB30 appropriations, including those made outside the direct bill pattern appropriations.

Texas A&M University System General Revenue Appropriations in HB 1 and SB30, including Direct Appropriations and Appropriations Made Elsewhere 2024-25 Biennium

	HB1 Direct Appropriations Art. III and IX	SB30 Supplemental Appropriations	Higher Ed. Group Insurance	Higher Education Fund	Grand Total
Texas A&M	987,428,431	-	87,002,074	-	1,074,430,505
Texas A&M at Galveston	51,683,640	-	3,612,878	-	55,296,518
Prairie View A&M	123,884,584	-	12,807,986	-	136,692,570
Tarleton State	135,844,486	-	12,868,714	-	148,713,200
Texas A&M - Central Texas	45,663,811	1,800,000	2,234,722	-	49,698,533
Texas A&M - Corpus Christi	121,282,780	-	12,207,046	23,650,278	157,140,104
Texas A&M - Kingsville	84,690,916	-	11,121,182	18,250,614	114,062,712
Texas A&M - San Antonio	73,055,429	-	4,616,250	-	77,671,679
Texas A&M International	90,564,731	-	6,969,478	15,375,068	112,909,277
West Texas A&M	85,316,239	-	10,999,468	15,342,310	111,658,017
Texas A&M - Commerce	106,711,486	-	14,622,816	22,918,928	144,253,230
Texas A&M - Texarkana	63,722,069	-	4,510,382	4,224,258	72,456,709
Texas A&M Univ HSC	392,715,632	12,692,293	20,534,078	-	425,942,003
Texas A&M AgriLife Research	166,163,486	15,000,000	22,860,500	-	204,023,986
Texas A&M AgriLife Ext.	111,427,584	24,222,155	32,472,334	-	168,122,073
Texas A&M Eng. Exp. Station	99,412,206	-	5,758,260	-	105,170,466
Texas A&M Trans. Institute	21,915,170	-	4,079,522	-	25,994,692
Texas A&M Eng, Ext. Service	22,956,360	19,500,000	1,405,916	-	43,862,276
Texas A&M Forest Service	120,777,904	182,861,867	9,301,930	-	312,941,701
TVMDL	20,127,927	3,697,500	2,277,884	-	26,103,311
TDEM	47,724,772	27,850,000	1,331,992	-	76,906,764
A&M System Offices	10,535,102	226,400,000	-	-	236,935,102
Grand Total, A&M System	2,983,604,745	514,023,815	283,595,412	99,761,456	3,880,985,428

Notes: GRD funds that are base funding for the Texas A&M Forest Service are reflected as GR in this table, and others following unless otherwise noted. HB1 Appropriations include affordability contingency funding for formulas, research formulas, and CRU. HEGI includes affordability contingency funding. Hazlewood Legacy funding, including the additional funds appropriated in as part of the affordability contingency funding are not included here because the amounts of those funds will be determined during the biennium when the funds are distributed.

The following sections provide detailed information on appropriations by the higher education sector.

General Academic Institutions/System Offices

Direct appropriations to the general academic institutions and system offices \$6.9 billion in General Revenue Funds. Overall, General Revenue for the 2024-25 biennium for the general academics and system offices is up by \$932.4 million or 15.7 percent from the 2022-23 biennium base. These totals include \$1.1 billion appropriated in Article IX attributable to increases in formula funding and non-formula support

items. These numbers do not include Hazlewood, HEF or HEGI appropriations, which are appropriated separately, or PUF funding which is appropriated separately and is not general revenue. In addition, \$3.7 billion is appropriated in SB 30.

Texas A&M University System General Academics and System Offices HB1 Total Direct and Art. IX General Revenue Appropriations for 2024-25 Compared to 2022-23

(Excluding Hazlewood Legacy, HEF and HEGI)

		Affordability	SB30		
A&M Academics	2024-25	Contingency		Change	% Chg
Texas A&M	947,195,209	40,233,222	-	277,617,075	39.1%
A&M-Galveston	49,660,643	2,022,997	-	4,803,984	10.2%
Prairie View	117,924,928	5,959,656	-	21,146,198	20.6%
Tarleton State	127,087,640	8,756,846	-	30,992,986	29.6%
A&M-Central Tx	43,694,995	1,968,816	1,800,000	6,978,251	17.2%
A&M-CC	114,050,032	7,232,748	-	9,344,146	8.3%
A&M-Kingsville	80,081,029	4,609,887	-	3,851,830	4.8%
A&M-SA	68,839,735	4,215,694	-	7,511,176	11.5%
A&M Internat'l	85,146,923	5,417,808	-	12,815,824	16.5%
West Texas A&M	79,753,556	5,562,683	-	12,339,664	16.9%
A&M-Commerce	99,647,422	7,064,064	-	15,011,659	16.4%
A&M-Texarkana	62,073,941	1,648,128	-	9,127,948	16.7%
Total	1,875,156,053	94,692,549	1,800,000	411,540,741	26.4%

Notes: Affordability Contingency only includes the formulas, research formulas, and CRU funding. HEGI is not reflected in the individual bill patterns and is shown elsewhere in this document. The Hazlewood Legacy funding is also not part of the bill pattern and will be allocated by institution during the biennium. Certain one-time capital items are omitted from the 2022-23 base in order to show the new operating funding available.

Affordability Initiative

The 88th Legislature invested \$698.5 million in funding for the affordability initiative. As a result of this historic legislative investment, the institutions are required and will be able to hold resident undergraduate tuition and mandatory academic fees flat for the 2023-24 and 2024-25 academic years. As laid out in Art. III, Special Provisions, Section 58, Higher Education Affordability, these funds are contingent on passage of tenure reform (SB18) and DEI reform (SB 17).

The investments by the Legislature include funding in the following areas:

- General Academic Formulas, \$263.8 million
- Research Formulas, \$18.7 million
- Comprehensive Regional University (CRU) performance funding for at-risk students, \$71.5 million
- Hazlewood Legacy, \$184.9 million to fund an estimated 72 percent of the Hazlewood Legacy program.
- Higher Education Group Insurance, \$159.7 to fund higher education employees at 88.6 percent of the rate provided to general state employees, up from less than 80 percent last biennium.

Without the affordability contingency, the A&M System academic institutions receive an additional \$10.7 million in formula funding and \$9.1 million in research formula funds, primarily due to doubling research funding for the comprehensive regional institutions. With the affordability contingency funding, the A&M System will receive an additional \$180.9 million across all funding streams. Additional detail is provided in the relevant sections.

Formulas

For the first time in several biennia, there was not a significant cost to the formulas to cover enrollment growth. In recent sessions the cost of covering enrollment growth was significant such that adding any additional funding to cover inflation or provide enhancement funding had become prohibitive. Between Fall 2020 and Fall 2022 enrollments in higher education were down slightly across all metrics – headcount, semester credit hours, and weighted semester credit hours. The other key factor facing higher education, and all of state government, was record high inflation. Inflation for a two-year period, from May 2021 to May 2023, was 12.98 percent. These factors combined to make the need for formula funding imperative and the ability for the Legislature to invest in the formulas workable rather than just covering enrollment increases as had been the case for several biennia.

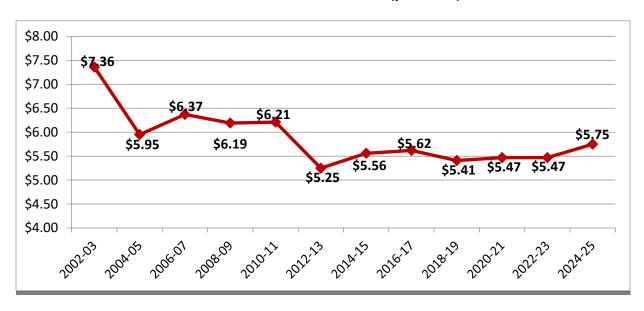
For the first time in over a decade the Instruction and Operations formula rate increased significantly, going from \$55.66 to \$56.27 with the initial formula decision and up to \$59.08 when factoring in the formula piece of the affordability contingency funding.





Funding investments in the infrastructure formula is not as significant but still meaningful. For the general academics, the predicted square feet also declined from Fall 2020 to Fall 2022 by 1.4 percent. The funding rate went down slightly in the initial formula decision from \$5.47 to \$5.45 and then up more impactfully to \$5.75 with the addition of the affordability funding.

General Academics Infrastructure Formula Rates (per NASF)



Funding for the Small Institution Supplement maintained the increased base funding amount for institutions of 5,000 headcount or fewer that was implemented by the 86th Legislature. A&M System institutions receive \$13.3 million through this supplement, an increase of \$0.8 million compared to the 2022-23 appropriated levels received by the institutions. A&M System institutions receiving the Small Institution Supplement and the 2024-25 amounts are listed below:

A&M Galveston: \$2,633,134
Prairie View A&M: \$527,680
A&M - Central Texas: \$2,633,134
A&M - Kingsville: \$2,069,642
A&M - San Antonio: \$1,462,442
A&M International: \$951,614
West Texas A&M: \$399,182
A&M - Texarkana: \$2,633,134

Non-Formula Support Items

Existing non-formula support items are generally funded at the level requested by the institutions in their Legislative Appropriations Request and funding for one-time items is eliminated. The following one-time items from the 2022-23 biennium were not continued in the 2024-25 biennium:

- University of Texas at El Paso: decrease of \$463,664 in funding for the Texas Centers for Border Economic and Enterprise Development by directly appropriating the amounts to University of Texas Rio Grande Valley and **Texas A&M International University**. This results in the funding appropriated to TAMIU as GR instead of an interagency contract.
- University of Texas at Tyler: decrease of \$200,000 for one-time campus safety improvements at the Palestine Campus.

- **Texas A&M University at Galveston**: decrease of \$45 million for the dock and infrastructure project in preparation for the new training vessel.
- **Prairie View A&M University**: decrease of \$400,000 for the VISION project.
- Texas Southern University: decrease of \$4 million for campus safety capital funding.
- Texas Woman's University: decrease of \$531,052 to Texas Woman's University System for system operations.
- Texas Tech University: decrease of \$12.5 million for the academic sciences building.

New funding for non-formula support items totals \$951.8 million, including \$138.4 million in Article III and \$354.6 million in Article IX, and 648.8 million in SB 30. These items include:

- University of Texas at Arlington:
 - \$2 million for the Health Innovation Institute*
 - \$7.5 million for the Texas Assistance Manufacturing Center*
- University of Texas at Austin
 - \$18.5 million for the Digital Molten Salt Reactor
 - \$2.8 million for TexNet Seismic Monitoring*
 - \$12 million for Center for Societal Impact Heart Galleries. \$9 million appropriated in Art. IX*
 - \$10 million for the Gulf Coast Research Center at the Marine Science Institute in Port Aransas
 - \$440 million for CHIPs related activities**
 - \$8 million for Texas Memorial Museum**
- University of Texas at El Paso: \$250,000 for a law school planning study
- University of Texas of the Permian Basin: \$6 million for Health Care Workforce Education
- University of Texas at San Antonio: \$2 million for Life Sciences Research**
- University of Texas at Tyler:
 - \$7.5 million for Critical Care Nursing
 - \$7 million for renovation of an inpatient facility**
- Texas A&M University:
 - \$200 million for constructing facilities adjacent to the Johnson Space Center*
 - \$25 million for the Virtual Production Institute
- Prairie View A&M University: \$15 million for the Ag Match*
- Tarleton State University: \$5 million for Better Health for Rural North Texas
- Texas A&M Central Texas: \$1.8 million for instructional programming at East Williamson County Higher Education Center**
- **Texas A&M International University:** \$4 million for Clinical Lab Sciences and Occupational Therapy programs
- West Texas A&M University: \$6 million for Advancing Food Animal Production
- Texas A&M University Texarkana: \$4.9 million for Better East Texas Phase III
- University of Houston: \$34.5 million for Restoration of Institutional Enhancement*
- University of Houston Clear Lake: \$1 million for Success through Education Program (STEP)
- University of Houston Victoria: \$3.1 million for Aviation Academic Center
- University of North Texas at Dallas: \$6 million for Classroom to Career Initiative*

- Texas Southern University: \$5 million to Academic Development Initiative to restore the five percent reduction in the 2022-23 biennium
- Stephen F. Austin State University
 - \$1 million for Center for Entrepreneurship*
 - \$19 million for Campus Capital Renewal and Modernization*
- Texas Tech University:
 - \$40.6 million for Restoration of Institutional Enhancement*
 - \$5 million for the Texas Produced Water Consortium*
- Angelo State University: \$2 million for Commercial Aviation*
- Midwestern State University: \$2.4 million for Stem Expansion and Center for Excellence*
- Texas Woman's University:
 - \$3 million for Nursing Faculty Recruitment and Retention
 - \$2.8 million for Frontiers Bridge Program for Foster Youth
 - \$3 million for Institutional Transformation
- Lamar University Beaumont:
 - \$10 million for Institute for Energy and Petrochemical Industries' Engineering Needs
 - \$750,000 for Southeast Texas Health and Wellness Outreach*
 - \$10 million for storm damage**
- Sam Houston State University:
 - \$1 million for the Forensic Training Center
 - \$6 million (GR) for Law Enforcement Management Institute of Texas (LEMIT)
- Texas State University:
 - \$300,000 for the Forensic Anthropology Center
 - \$7 million for Active Shooter Training for Peace Officers**

Debt Service

Debt service for the general academics and system offices increases by \$62.0 million. The reason for the change in debt service is primarily twofold: 1) an increase to provide two full years of debt service for bonds that were newly authorized by the 87th Legislature, 3rd Called Session, SB 52 by Nelson/Bonnen, and 2) several institutions made final payments on bonds during the 2022-23 biennium and no longer require debt service for those paid off projects. No new bonded projects were authorized by the 88th Legislature or included in the debt service appropriations.

Research Funds

HB 1595 and the corresponding HJR 3 will restructure research funding in Texas for the emerging research institutions and make minor changes to the research fund for the comprehensive regional institutions. Enactment of the legislation is contingent upon voter passage of the constitutional amendment in November 2023.

The bill redesignates the National Research University Fund (NRUF) as the **Texas University Fund** (TUF) and names four institutions currently eligible: University of Houston, University of North Texas, Texas Tech University, and Texas State University. The bill moves the corpus of the NRUF to the new TUF and

^{*}Item funded in Art. IX

^{**} Item funded in SB30

adds an additional \$3 billion in appropriations to the TUF in SB30. This funding is contingent on the approval of HJR3 by the voters in November 2023. Pursuant to Art. IX, Section 18.16, Contingency for HB 1595 and House Joint Resolution 3, an additional \$136,364,139 in General Revenue is appropriated to the TUF eligible institutions for the first year of the biennium until the new fund will make a distribution in fiscal year 2025. Amounts for fiscal year 2024 are as follows:

University of Houston: \$48,271,059
University of North Texas: \$21,328,931
Texas Tech University: \$44,409,887
Texas State University: \$22,354,263

For fiscal year 2025, the contingency rider appropriates an estimated \$137,000,000 in Other Funds for distribution to the four eligible institutions based on the methodology delineated in the legislation.

The bill renames the Core Research Support Fund as **the National Research Support Fund**, amends eligibility requirements, and changes the allocation metrics and methodology. Institutions that will be eligible for this revised fund are University of Texas at Arlington, University of Texas at Dallas, University of Texas at El Paso, and University of Texas at San Antonio. Pursuant to the contingency rider, the existing CORE funding of \$175 million would be reallocated among the remaining eligible UT System institutions, resulting in an additional \$87.5 million in funding for these institutions. In addition, \$50 million is appropriated in Art. III, Special Provisions, Sec. 53.3(a) for purposes of the Core Research Support Fund and allocated to eligible institutions contingent on the Board of Regents of each eligible institution certifying that its eligible institutions will receive an equal matching allocation of institutional funds.

The **Comprehensive Research Fund** (CRF) is the research fund for all the academic institutions that are not a research or emerging research university. If HB 1595 and HJR 3 are enacted based on the constitutional vote, the only change that will impact this fund is that the metric to allocate the funding will change from the three-year average of restricted research expenditures to the three-year average of federal plus private research expenditures.

The base level of funding for the CRF more than doubled to \$30 million for 2024-25, up from \$14.3 million in the 2022-23 biennium. Additionally, slightly less than \$1 million in funding is added as part of the affordability contingency rider. The table below shows the allocation of the funding, including the affordability contingency, among the eligible institutions based on the current methodology that is reflected in the bill pattern and the new allocation methodology based on HB 1595.

Comprehensive Research Fund

		2024-25 Bill		New Allocation
		Pattern +	HB1595 New	Change from
Institution	2022-23	Affordability	Allocation	2022-23
UT-Rio Grande Valley	1,423,264	3,056,737	3,417,765	1,994,501
UT-Permian Basin	164,074	674,547	743,440	579,366
UT-Tyler	215,110	530,245	503,494	288,384
A&M at Galveston	824,210	1,494,963	938,310	114,100
Prairie View A&M	1,331,760	2,996,337	3,528,520	2,196,760
Tarleton State	869,096	2,004,861	1,858,773	989,677
A&M -Central Texas	-	132,139	184,369	184,369
A&M -Corpus Christi	2,925,450	5,931,809	6,082,300	3,156,850
A&M -Kingsville	2,282,858	5,034,250	4,973,995	2,691,137
A&M -San Antonio	15,024	75,878	83,428	68,404
A&M International	418,236	574,418	691,249	273,013
West Texas A&M	343,956	884,182	1,033,566	689,610
A&M-Commerce	223,368	511,220	426,527	203,159
A&M -Texarkana	-	5,727	6,832	6,832
UH-Clear Lake	169,320	407,876	342,773	173,453
UH-Downtown	291,804	453,810	505,546	213,742
UH-Victoria	12,800	30,594	31,530	18,730
UNT-Dallas	6,146	61,676	263,748	257,602
Stephen F. Austin	286,508	577,924	22,163	(264,345)
Tx Southern	661,496	1,531,673	493,604	(167,892)
Angelo State	44,330	86,359	1,079,184	1,034,854
Midwestern State	107,908	182,560	80,056	(27,852)
Tx Woman's	481,650	977,006	801,785	320,135
Lamar	334,198	645,639	721,141	386,943
Sam Houston	605,314	1,607,783	1,649,499	1,044,185
Sul Ross	234,494	485,821	492,436	257,942
Sul Ross-RGV		-	-	
Total	14,272,374	30,000,005	956,029	30,956,034

Institutions cannot spend funding for the CORE Research Support Fund and the Comprehensive Research Fund in fiscal year 2024 without prior written approval from the LBB.

The Texas Research University Fund (TRUF) for the two research universities does not change due to the legislation. Funding is reallocated based on the average of the most recent three years of total research expenditures. An additional \$9.9 million in funding is added as part of the affordability contingency funding rider. The table below shows the allocation of funding between UT Austin and **Texas A&M University**.

Texas Research University Fund

Texas Research University Fund Institutions	2022-23	2024-25 Bill Pattern	Affordability Contingency	Total 2024-25	Change from 2022-23
UT Austin	66,430,842	67,123,149	4,499,822	71,622,971	5,192,129
Texas A&M	80,644,950	79,952,644	5,359,889	85,312,533	4,667,583
Total	147,075,792	147,075,793	9,859,711	156,935,504	9,859,712

Other research funding is appropriated outside the institutions' bill patterns.

- **Texas Research Incentive Program** (TRIP) funding is appropriated to the THECB with the allocation detailed in Art. III, Special Provisions, Section 56 for informational purposes. Funding for the TRIP is \$33.25 million for the biennium which is the same funding level as the 2022-23 biennium.
- Funding for the **Governor's University Research Initiative** (GURI) is funded in the Governor's Office Trusteed Programs bill pattern and is estimated to be \$40.0 million in unexpended balances in the General Revenue-Dedicated Governor's University Research Initiative Account No. 5161.

System Offices

General Revenue for system office operations is generally maintained at the 2022-23 level for those that receive operating funds. Funds are directly appropriated to Texas Woman's University System for the first time from a transfer of \$0.5 million in funding from Texas Woman's University. Changes in debt service are reflected above with the general academic institutions.

New or increased non-formula support items include:

- The University of Texas System:
 - \$20 million for the Trauma Research and Combat Casualty Care Collaborative
 - \$4.25 million for the Laredo Multi-institutional Teaching Center
- Texas A&M University System:
 - \$1.5 million for a mental health study*
 - \$200 million for quantum and artificial intelligence chip fabrication**
 - \$26.4 million for the Center for Microdevices and Systems**
- University of Houston System: \$2 million for Teacher Preparation Program
- University of North Texas System: a reduction of \$0.3 million for the Universities Center at Dallas.
 This funding had previously been transferred to Texas A&M Commerce which is no longer operating programs at that center.

^{*}Item funded in Art. IX

^{**} Item funded in SB30

Health Related Institutions

Funding in HB 1 and SB 30 for the health-related institutions totals \$3.6 billion in General Revenue Funds, an increase of \$447.6 million over the 2022-23 appropriation level. The **Texas A&M Health Science Center** shows an overall increase in GR of \$90.8 million or 28.9 percent in GR.

Funding for the Baylor College of Medicine is reflected in the Texas Higher Education Coordinating Board appropriations and is not included in the totals below except as noted specifically. The Legislature appropriated funding for the Sam Houston State University College of Osteopathic Medicine, contingent upon SB 1563 by Creighton/Miles that would change the Education Code to allow for the college to get state appropriated formula funding. Additionally, funding for The University of Texas at Austin Dell Medical School is now its own separate bill pattern; previously, it had been included as part of The University of Texas at Austin bill pattern.

Health Related Institutions

General Revenue Appropriations by the 88th Legislature in HB1 and SB30

Compared to 2022-2023

	2022-23	2024-25	SB30	Total 2024-25	Change	Percent Change
Southwestern	362,663,240	378,580,828	15,105,328	393,686,156	31,022,916	8.6%
UTMB	545,701,721	561,183,728	8,951,493	570,135,221	24,433,500	4.5%
UT HSC-H	394,265,088	420,479,737	15,754,989	436,234,726	41,969,638	10.6%
UT HSC-SA	298,546,539	324,083,058	7,995,279	332,078,337	33,531,798	11.2%
UTRV-Medicine	69,207,580	83,806,831	-	83,806,831	14,599,251	21.1%
M.D. Anderson	417,674,825	440,737,962	8,212,583	448,950,545	31,275,720	7.5%
UT HSC at Tyler	105,585,782	114,757,595	1,818,533	116,576,128	10,990,346	10.4%
Texas A&M HSC	314,632,477	392,715,632	12,692,293	405,407,925	90,775,448	28.9%
UNT HSC	197,701,253	227,514,671	-	227,514,671	29,813,418	15.1%
TTU HSC	283,023,303	297,039,364	1,456,457	298,495,821	15,472,518	5.5%
TTU HSC-EP	141,206,251	155,908,421	65,804,249	221,712,670	80,506,419	57.0%
UH - Medicine	26,468,004	35,532,982	-	35,532,982	9,064,978	34.2%
UT Austin Dell	28,424,096	30,232,702	-	30,232,702	1,808,606	6.4%
SHSU-DO		32,321,584		32,321,584	32,321,584	n/a
TOTAL	3,185,100,159	3,494,895,095	137,791,204	3,632,686,299	447,586,140	14.1%

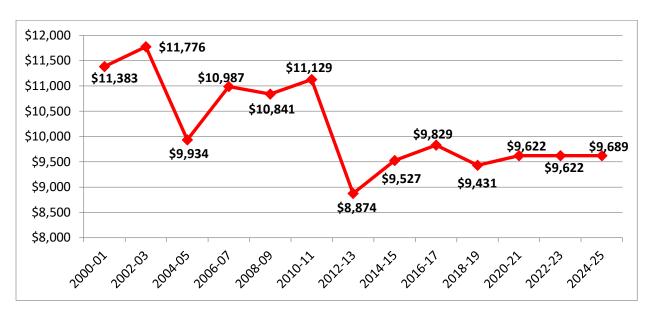
Formula Funding and Mission Specific Funding

Funding for the existing health related formulas total \$2.78 billion, an increase of \$166.5 million in General Revenue Funds over the 2022-23 biennium. The formulas provide for a 1.8 percent increase in weighted FTSE enrollment. This additional funding provides for a slight increase in the rate for the Instructions and Operations formula from \$9,622 to \$9,689 and all other rates stayed the same as 2022-23. Funding for Baylor College of Medicine total \$98.2 million in General Revenue including \$3.5 million in hold harmless.

General Revenue funding for the formula appropriations, excluding Baylor College of Medicine except where noted, include:

- \$1,266.8 million for the Instruction and Operations formulas, an increase of \$60.1 million and funded at a rate of \$9,689 per weighted FTSE.
- \$294.3 million for the infrastructure formula, an increase of \$7.7 million and funded at a rate of \$6.14 per predicted square foot.
- \$105.0 million for the Research Enhancement formula, an increase of \$8.5 million and funded at a base rate of \$1,412,500 for each institution plus 1.17 percent of reported research expenditures.
- \$98.2 million for the GME formula, an increase of \$11.4 million resulting in a rate of \$5,970 per residency slot.





In addition, SB 30 provides \$64.8 million in additional funding for the mission specific formulas equal to the amount of match funding that they would have received last session if funded at that time. The additional amounts by institution are listed below:

- UT Southwestern Medical Center at Dallas: \$15.1 million
- UT Medical Branch at Galveston: \$9.0 million
- UT Health Science Center at Houston: \$7.8 million
- UT Health Science Center at San Antonio: \$8.0 million
- UT M.D. Anderson Cancer Center: \$8.2 million
- UT Health Science Center at Tyler: \$1.8 million
- Texas A&M Univ Health Science Center: \$12.7 million
- Texas Tech Univ Health Sciences Center: \$1.5 million
- Texas Tech Univ Health Sciences Center at El Paso: \$0.8 million

In total, the **Texas A&M Health Science Center** received \$273.3 million in formula General Revenue; this is a \$30.4 million increase in formula General Revenue, or 12.5 percent, to support a 9.8 percent weighted FTSE enrollment increase. This reflects a \$15.9 million increase in the Instruction and Operations formula and \$13 million increase in the mission specific formula. The research formula is down due to the phasing out of the CIADM contract associated with the COVID pandemic.

Non-Formula Support Items

New funding for non-formula support items totals \$164.8 million, including \$61.8 million in Article III, \$30 million in Article IX, and \$73.0 million in SB30. These items include:

- UT Southwestern Medical Center at Dallas: \$5 million for Public Health*. The \$10 million appropriated in 2022-23 was initially cut from the introduced versions of the appropriations bill, but in conference committee \$5 million of the \$10 million was restored.
- UT Health Science Center Houston: \$8.0 million for the Harris County Psychiatric Hospital**
- UT Health Science Center at San Antonio:
 - \$18.7 million for Opioid Abuse Prevention and Treatment, from the Education, from the
 Opioid Abatement Account No. 5189
- UT Rio Grande School of Medicine: \$12 million for School of Podiatric Medicine
- UT M.D. Anderson Cancer Center
 - o \$1.2 million for Cord Blood and Cellular Therapy Research Program
 - o \$1.1 million for Breast Cancer Research Program
- Texas A&M University Health Science Center:
 - o \$15 million for Texas A&M Care, Rural Health Care Initiative
 - \$25 million for an education and research facility at the Higher Education Center in Hidalgo County*
- Univ of North Texas Health Science Center
 - o \$10 million for Health Workforce Readiness
 - \$12.5 million for Optometry and Nursing
- Texas Tech University Health Sciences Center: \$10 million for the Institute for Telehealth Technology and Innovation
- Texas Tech University Health Sciences Center at El Paso:
 - Shift of \$6 million from the School of Dental Medicine non-formula item to a new Dental Clinic Operations strategy. No new funding.
 - \$65 million for a comprehensive cancer center**

See the THECB section for actions related to graduate medical education expansion and other programs that impact the health-related institutions.

Debt Service

Debt service for the health-related institutions increases by \$42.7 million due to funding two full years of debt service on capital construction assistance projects that were authorized in SB 52 by Creighton/Bonnen in the 87th Legislature, 3rd Called Session. No new projects requiring debt service were authorized during the 88th Legislature Regular Session.

^{*}Item funded in Art. IX

^{**} Item funded in SB30

Two Year Institutions

HB 1 and SB 30 funding for the Two-Year Institutions, including the community colleges, Lamar State Colleges, and Texas State Technical College (TSTC) System, totals \$2.7 billion, an increase of \$509.7 in HB 1 and \$15.5 million in SB30 over the 2022-23 appropriated level. This includes new funding of \$417.2 million for the community colleges (22.2 percent increase), \$39.8 for the Lamar State Colleges (38.6 percent increase), and \$68.3 million for TSTC (31.6 percent increase).

Key changes include:

- House Bill 8 by VanDeaver/Creighton (Art. IX, Sec. 18.04) restructures the funding methodology for the community colleges and makes several appropriation changes:
 - New funding of \$428 million for the community college formulas
 - o Elimination of \$11 million for the Need Based Supplement
 - Elimination of \$3.8 million in specific funding for the Bachelor of Applied Technology at four community colleges
 - Elimination of \$5.2 million in non-formula support items for two community colleges
- \$15.2 million for the Lamar State Colleges and \$53.6 million for the TSTCs increase in formula funding. The amounts for TSTC includes \$7 million in Small Institution Supplement for all TSTC campuses to fund these campuses at the same rate as the Lamar State Colleges and General Academic institutions that receive the Small Institution Supplement.
- \$1.2 million in infrastructure formula funding for the Lamar State Colleges' and TSTCs' share of the general academic affordability contingency funding. The infrastructure formula for these institutions is considered as part of the general academic formula decisions.

New non-formula support items include:

- Lamar Institute of Technology: \$4 million for Disaster Mitigation and Renovation**
- Lamar State College Orange: \$6.5 million for Disaster Mitigation and Renovation**
- Lamar State College Port Arthur:
 - o \$1.9 million for Allied Health Programs
 - \$5 million for Disaster Mitigation and Renovation**
- Brazosport College: \$50,000 for the Catalyst Program
- Midland College Mental Health Workforce \$1,750,000*
- Southwest Texas Junior College: \$5 million for Technical Program Expansion
- Wharton County Junior College: \$2 million for the Economic Development Trade Center

Debt service for the Lamar State Colleges and TSTC increases by \$21.7 million due to funding two full years of debt service on capital construction assistance projects that were authorized in SB 52 by Creighton/Bonnen in the 87th Legislature, 3rd Called Session. No new projects requiring debt service authorized during the 88th Legislature Regular Session. The Public Community and Junior Colleges do not have any facilities funding debt authorized; facilities are the responsibility of the local taxing districts.

^{*}Item funded in Art. IX

^{**}Item funded in SB30

Texas A&M University System Agencies

Overall, total General Revenue and certain GR Dedicated funds for the A&M Agencies in HB 1 and SB 30 increases by \$392.4 million or 79.9 percent for the 2024-25 biennium. The amounts below include the GR Dedicated funds for Texas A&M Forest Service in all years.

Texas A&M University System Agencies HB1 and SB30 General Revenue and Certain GR Dedicated for 2024-25 Compared to 2022-23

A&M System Agencies	2022-23	2024-25	SB30	Change	% Chg
Texas A&M AgriLife Research	127,191,486	166,163,486	15,000,000	53,972,000	42.4%
Texas A&M AgriLife Extension	97,542,614	111,427,584	24,222,155	38,107,125	39.1%
Texas A&M Eng. Exp. Station	55,568,809	99,412,206		43,843,397	78.9%
Texas A&M Trans. Institute	14,338,321	21,915,170		8,240,849	52.8%
Texas A&M Eng. Extension	16,599,282	22,956,360	19,500,000	25,857,078	155.8%
Texas A&M Forest Service	115,844,284	120,777,904	182,861,867	169,817,987	162.1%
Texas A&M Vet. Med. Diag. Lab	18,465,081	20,127,927	3,697,500	5,360,346	29.0%
Texas Div. of Emergency Mgmt.	45,735,717	47,724,772	27,850,000	29,839,055	65.2%
Total, TAMUS Agencies	491,285,594	610,505,409	273,131,522	392,351,337	79.9%

Notes: Includes GR and GRD for Texas A&M Forest Service since these funds are considered operating funds for the agency. Certain one-time capital items are excluded from the 2022-23 base to show the new operating funding available.

In-Brazos County Infrastructure for the A&M System Agencies is funded at the same rate as is the funding rate for Texas A&M University and estimated to be \$5.75 per predicted square foot, up from \$5.23 in the 2023-23 biennium. This provides an additional \$2.96 million to the A&M System Agencies. The agencies will not receive any additional infrastructure funding from the affordability contingency funding based on the increased funding to the general academic institutions for infrastructure funding.

The Legislature included our A&M System Agencies in the statewide pay raise of 5 percent in each of the next two years for state employees, or a minimum or \$3,000 per year for employees who salaries are below \$60,000. This provides \$62.3 million in much needed pay raises for our first responders and all other agency personnel. Funding by agency is listed below:

- Texas A&M AgriLife Research: \$13.8 million
- Texas A&M AgriLife Extension: \$13.2 million
- Texas A&M Engineering Experiment Station: \$11.6 million
- Texas A&M Transportation Institute: \$7.5 million
 Texas A&M Engineering Extension: \$6.1 million
- Texas A&M Forest Service: \$3.5 million
- Texas A&M Veterinary Medical Diagnostic Laboratory: \$1.5 million
- Texas Division of Emergency Management: \$5.0 million

"Keeping Texas Prepared" is a statewide emergency management initiative for the five emergency response agencies of the Texas A&M University System to meet the emergency response and recovery needs of a growing, dynamic state. The Legislature provided \$96.7 million as follows:

- Texas A&M AgriLife Extension Service: \$24.2 million for the Extension Agent Network
- Texas A&M Engineering Extension Service: \$19.5 million for Recruitment and Retention
- Texas A&M Forest Service:
 - \$21.7 million for Emergency Response Capacity and
 - \$13.0 million for Local Firefighting Capacity
- Texas A&M Veterinary Medical Diagnostic Laboratory: \$3.7 million for Rapid Detection of Animal and Human Disease Threats
- Texas Division for Emergency Management: \$14.6 million for Workforce Development

Additional new funding items for each agency are detailed below:

- Texas A&M AgriLife Research:
 - \$25 million for Research Capability
 - \$15 million for tornado damage at the Vernon Research and Extension Center and the Texas A&M AgriLife Foundation and Seed Facility**
- Texas A&M AgriLife Extension Service: \$1 million for the Bee Pollinator Program
- Texas A&M Engineering Experiment Station:
 - \$30 million for the Hypersonic Wind Tunnel
 - \$5 million for the ongoing NASA Aerospace Scholars Program
- Texas A&M Forest Service:
 - \$2.5 million for aviation support costs, including fire retardant
 - o \$1 million for the Frelsburg Volunteer Fire Department
 - \$146.1 million for reimbursement for response to natural disasters**
 - \$2.1 million for vehicles**
- Texas Division of Emergency Management:
 - \$5 million for the Emergency Operations Center in Wilson County*
 - \$13.3 million for vehicles**

Rider changes include:

AgriLife Research: Rider #9 Capital Expenditures for Increasing Research Capability. New rider
associated with the new item Increasing Research Capability. Authorizes \$9 million per year to be
used for updating laboratory space and for specialized instrumentation and equipment.

• AgriLife Extension:

- Amended Rider 7, Feral Hog Abatement Program to move the report due date to allow time to incorporate all relevant data
- o Eliminated old rider #8 Experimental Use Program for Feral Hog Abatement.
- Eliminated old rider #12 Grape Crush Report for one time study that was no longer funded.
- Added new rider #12 for the Bee Pollinator Program and requiring use of the funds to support an apiculture specialist devoted to beekeeping.

^{*}Item funded in Art. IX

^{**}Item funded in SB30

• Texas Engineering Experiment Station:

- Rider #8 Rio Grande Valley Advanced Manufacturing Innovation Hub is amended to provide unexpended balance authority between years of the biennium for the RAMI funding.
- Rider #9. New rider associated with the Hypersonic Wind Tunnel. This rider provides unexpended balance authority from fiscal 24 into fiscal year 25.

• Texas Forest Service:

- Rider #7 Rural Volunteer Fire Department Assistance Program (Wildfire Protection Plan).
 Rider amended to eliminate language that is also in statute and to delete provision related to grant administration.
- Rider #8 Carryforward Authority for Supply Chain Delays. New rider authorizing unexpended balance authority for previous vehicle and equipment purchase appropriations.
- o Rider #9 Aviation Support. New rider limiting the new \$1.25 million per year for aviation costs
- Rider #10 Frelsburg Volunteer Fire Department. Directing \$1 million in support of the Frelsburg Volunteer Fire Department.

• Texas Division of Emergency Management:

- Rider #10 Audit Plan for Local Emergency Communication Systems. Deleted language creating the audit methodology.
- Eliminated old Rider #10 Contingency for SB 3. Deletes rider directing the use of funds for providing administrative support to the Texas Energy Reliability Council.
- Eliminates old Rider #13 Agency Operations.

Texas Higher Education Coordinating Board

The General Revenue budget for the Texas Higher Education Coordinating Board (THECB) totals \$2,519.9 million, an increase of \$696.1 million from 2022-23 levels. Additionally, THECB is appropriated \$20 million for agency operations and \$141.5 for a one-time allocation to institutions in SB 30. Key changes to programs that directly impact students and institutions include:

Financial Aid and Loan Repayment Programs

- \$149.3 million for Student Financial Aid to be allocated to the TEXAS Grant Program, Tuition Equalization Grants, the Texas Leadership Scholars Program, and TEXAS Transfer Grants.
- \$14.7 million for the Texas Armed Services Scholarship, an increase of \$8 million over 2022-23 levels.
- \$79.8 million for Educational Loan Repayment Programs, an increase of \$36.0 million over 2022-23 levels.

Health Programs

- \$233.1 million for Graduate Medical Education Expansion to maintain the 1.1 to 1.0 ratio of first year residency slots for each Texas medical school graduate, an increase of \$34.1 million over 2022-23 levels.
- \$280.5 million for the Texas Mental Health Care Consortium, a net increase of \$43.2 million over 2022-23 levels after replacing \$113.1 million of federal funds appropriated last session with general revenue funds.
- \$46.8 million for the Professional Nursing Shortage Reduction Program, an increase of \$27.9 million over 2022-23 levels.
- Increases to funding existing health programs, including increases to the Family Practice Residency Program (\$7 million), Preceptorship Program (\$2 million), Trauma Care Program (\$2 million), and Joint Admission Medical Program (\$2 million).
- \$39 million in new funding for new health programs, including the Forensic Psychiatry Fellowship Program (\$5 million), Nursing Scholarships (\$25 million), the Rural Resident Grant Program (\$3 million), and Nursing Innovation Grants (\$6 million).
- \$3.5 million in one-time hold harmless funding for Baylor College of Medicine.

New Programs

- \$20 million for Innovation and Collaboration Initiatives for student success initiatives and to increase open education resources and institutional course-sharing.
- \$10 million for the Computer Science Pipeline Initiative to consolidate and streamline computer science education.

Research Programs

• Funding for the Texas Research Incentive Program is maintained at \$33.25 million.

The Professional Nursing Shortage Reduction Program rider was amended to modify the program and expand the criteria for receiving funding distributions. The rider also reduces the amount the THECB may use to administer the program from 5 percent to 3 percent of the total appropriation.

The Legislature added a new rider specifying the four scholarship and grant programs that are eligible for funds appropriated to the general student financial aid strategy.

In addition to the amounts appropriated within the bill pattern, the THECB is appropriated general revenue in Article IX and in SB 30.

Article IX Appropriations

- \$1 million for the Senfronia Thompson Scholarship Program.
- \$181.7 million contingent on passage of the community college finance bill (House Bill 8 by VanDeaver/Creighton), including:
 - \$38.4 million for agency operations
 - \$125.0 million for Texas Educational Opportunity Grants Public and Community Colleges
 - \$14.0 million for Texas Educational Opportunity Grants Public State and Technical Colleges

 \$4.3 million for administration of the Texas Innovative Career and Education Grant Program.

SB30 Supplemental Appropriations

- \$20.0 million for agency modernization, including \$15.0 million for data and security modernization and \$5.0 million for cybersecurity and application modernization.
- \$141.46 million in balances from the B-On-Time Student Loan Program to be distributed to eligible intuitions through the existing allocation method. **Texas A&M System institutions** are eligible to receive a total of \$7.2 million in allocations listed below:

Texas A&M – Galveston: \$880,741

Tarleton State: \$3,703,136

Texas A&M - Central Texas: \$667,579
 Texas A&M - Kingsville: \$418,836
 Texas A&M - San Antonio: \$1,008,095
 Texas A&M - Texarkana: \$371,811
 Texas A&M - HSC: \$102,793

Constitutional / Permanent Funds

Available University Fund

Estimated earnings distributed to the Available University Fund (AUF) are anticipated to be \$2,999.3 million, an increase of about \$393.7 million from the 2022-23 base. This increase is primarily due to anticipated growth in the value of the PUF.

Rider 3, relating to the UT System share of AUF distributions, was amended to specify that necessary direct administration operations must be "support and maintenance" as required by the Texas Constitution. The rider was also amended to remove language prohibiting the UT System from using AUF appropriations for board travel, food, and meeting expenses.

Higher Education Fund

Overall funding for the Higher Education Fund (HEF) remains unchanged from the 2022-23 funding level of \$787.5 million. However, **Senate Bill 1055 by Nichols/Clardy** moved Stephen F. Austin State University (SFA) into the UT System making SFA eligible for PUF like all other UT System institutions and proportionally redistributed SFA's HEF allocation to the remaining HEF-eligible institutions.

As a result of the redistribution of SFA's HEF allocation, the A&M System's six HEF-eligible institutions received an additional \$2.9 million as detailed in the table below.

Biennial Allocation	2022-23	2024-25	Biennial Change
Texas A&M - Corpus Christi	22,957,648	23,650,278	692,630
Texas A&M - Kingsville	17,716,120	18,250,614	534,494
Texas A&M International	14,924,768	15,375,068	450,300
West Texas A&M	14,892,990	15,342,310	449,320
Texas A&M - Commerce	22,247,718	22,918,928	671,210
Texas A&M - Texarkana	4,100,546	4,224,258	123,712
Total, A&M System HEF Institutions			2,921,666

Support for Military and Veteran Exemptions

This appropriation bill pattern includes both the funding from the Permanent Fund Supporting Military and Veterans Exemptions (MVE) and General Revenue to partially offset the cost to institutions for the Hazlewood Legacy Program (HLP) exemptions. In addition to amounts appropriated within the bill pattern, the Legislature appropriated general revenue as part of the affordability contingency to raise the reimbursement rate from an estimated 13 percent to 72 percent of HLP costs.

The amount allocated from all three sources to eligible institutions is in proportion to each institution's respective share of the aggregate cost to all institutions for the HLP exemptions, as determined by the Legislative Budget Board using HLP data provided by the Texas Veterans Commission.

<u>MVE Distribution</u>: For the 2024-25 biennium, distributions from the MVE are estimated to be \$19.8 million, an increase of \$0.62 million from the 2022-23 biennium in Other Funds. The net asset value in the permanent fund on August 31, 2022, was \$326.4 million, which is a 19.2 percent increase from the prior year.

<u>General Revenue</u>: Within this bill pattern, the general revenue appropriation for the HLP totals \$30 million, an increase of \$1.5 million from 2022-23 appropriated levels due to restoration of mandatory five percent reductions by the 87th Legislature.

<u>Affordability Contingency</u>: In addition to amounts appropriated within the bill pattern, the Legislature appropriated \$184.9 million in General Revenue, contingent on passage of legislation related to tenure and DEI reforms and adoption of a policy to maintain resident undergraduate tuition and mandatory academic fees.

Additionally, all three riders relating to exemptions for the HLP were amended. Rider changes include requirements for the LBB to provide copies of the MVE and GR distributions to institutions, clarification that GR received is treated as a direct appropriation for benefits proportionality purposes, and the addition of unexpended balances authority within the biennium for the General Revenue portion.

Available National Research University Fund

Estimated funding totals \$57.7 million, an increase of \$0.25 million from the 2022-23 base level. The National Research University Fund (NRUF) funding is allocated by a formula based on the earnings in the fund and number of eligible institutions. Currently, the University of Houston, Texas Tech University, the University of Texas at Dallas (UT Dallas), and the University of Texas at Arlington (UT Arlington) are eligible to receive NRUF appropriations. If no changes are made to the fund as a result of legislation, their distribution from the fund would be \$14.4 million per institution, remaining relatively flat for the 2024-25 biennium.

House Bill 1595 by Bonnen/Huffman repurposes the NRUF for the Texas University Fund (TUF), a new endowment benefiting emerging research universities not eligible for PUF funding. Contingent on passage of the related joint resolution (House Joint Resolution 3 by Bonnen/Huffman), the current NRUF corpus (estimated to be approximately \$896.4 million) will be combined with an additional appropriation of \$3 billion and certain interest from the Economic Stabilization Fund for investment in the TUF. An additional \$136.4 million in general revenue is appropriated in lieu of a distribution from the new fund for fiscal 2024 and the distribution from the TUF in fiscal year 2025 is estimated to be \$137 million. Currently, the University of Houston, Texas Tech University, the University of North Texas, and Texas State University will be eligible to receive TUF appropriations if the constitutional amendment passes in Nov. 2023.

Other Appropriations

Cancer Prevention and Research Institute of Texas (CPRIT)

The 86th Legislature passed House Joint Resolution 12 by Zerwas/Nelson which was the constitutional amendment to provide a second tranche of \$3 billion in general obligation bonds for CPRIT. HJR 12 was approved by the voters at the general election on November 5, 2019. Funding for CPRIT this session includes \$300 million each year in GO bonds, which is the full amount authorized.

Governor's University Research Initiative (GURI)

The Legislature appropriated \$40 million for GURI in estimated unexpended balances.

Benefits

Higher Education Group Insurance

Appropriations for Higher Education Group Insurance (HEGI) include appropriations both within the HEGI bill pattern and additional general revenue as part of the affordability contingency within Special Provisions.

<u>Bill Pattern</u>: HEGI contributions total \$1,435.7 million, an increase of \$7.1 million over 2022-23 levels. This \$7.1 million increase is for community college group insurance which is required by statute to be funded at 50 percent of the full ERS rates. HEGI contributions for the remainder of higher education (non-community college) are held flat and reallocated based on updated data. Funding for the **Texas A&M University System** totals \$245.6 million, which is a decrease of \$1.2 million over the 2022-23 base.

Higher education employees within the Employees Retirement System (ERS) group health insurance program are funded at 77.2 percent, down from 78.6 percent, of ERS general state employee premium rates. Higher education employees within the University of Texas and **Texas A&M University Systems** are

funded at 76.7 percent, down from 78.2 percent, of ERS rates. These funding rates are updated in a rider previously included in the Article III Specials Provisions and now included within the HEGI bill pattern.

<u>Affordability Contingency</u>: In addition to amounts appropriated within the bill pattern, the Legislature appropriated \$159.7 million, contingent on passage of legislation related to tenure and DEI and adoption of a policy, to maintain undergraduate resident tuition and mandatory academic fees. This additional General Revenue raises the rate higher education employees (other than community college employees) are funded to 88.6 percent of ERS general state employee premium rates.

Total HEGI appropriations for the **Texas A&M University System** are detailed in the table below.

HEGI Appropriations	Bill Pattern 2024-25	Contingency 2024-25	Total HEGI 2024-25	Change from 2022-23
Texas A&M	75,360,856	11,641,218	87,002,074	8,761,248
Texas A&M – Galveston	3,129,460	483,418	3,612,878	(44,008)
Prairie View A&M	11,094,226	1,713,760	12,807,986	2,927,784
Tarleton State	11,146,828	1,721,886	12,868,714	1,026,372
Texas A&M - Central Texas	1,935,708	299,014	2,234,722	566,672
Texas A&M - Corpus Christi	10,573,698	1,633,348	12,207,046	1,620,740
Texas A&M – Kingsville	9,633,126	1,488,056	11,121,182	1,533,292
Texas A&M - San Antonio	3,998,576	617,674	4,616,250	85,168
Texas A&M International	6,036,934	932,544	6,969,478	1,480,936
West Texas A&M	9,527,694	1,471,774	10,999,468	992,018
Texas A&M – Commerce	12,666,226	1,956,590	14,622,816	2,438,562
Texas A&M – Texarkana	3,906,876	603,506	4,510,382	676,652
Texas A&M HSC	17,786,536	2,747,542	20,534,078	2,944,832
Texas AgriLife Research	19,801,676	3,058,824	22,860,500	4,557,844
Texas AgriLife Ext. Service	28,127,408	4,344,926	32,472,334	3,674,242
Texas Eng. Exper. Station	4,987,782	770,478	5,758,260	573,662
Texas Transportation Inst.	3,533,666	545,856	4,079,522	600,390
Texas Eng. Ext. Service	1,217,798	188,118	1,405,916	(128,418)
Texas Forest Service	8,057,296	1,244,634	9,301,930	859,654
Texas Vet. Med. Diag. Lab	1,973,094	304,790	2,277,884	1,235,808
Texas Div. of Emerg. Mgmt.	1,153,454	178,538	1,331,992	335,087
Total, A&M System	245,648,918	37,946,494	283,595,412	36,718,837

Additionally, state agencies and institutions of higher education that participate in the ERS group insurance program are required to pay a 1 percent payroll assessment (Article IX, Sec. 17.03). UT System and **A&M System** institutions are exempt because they fund their own insurance programs.

Retirement Benefits

Teachers Retirement System: As outlined in legislation passed by the 86th Legislature (SB 12 Huffman/Bonnen), several contribution rate increases take effect in the 2024-25 biennium. The state contribution rate for the teacher retirement program will increase from 8.0 percent in fiscal year 2023 to 8.25 percent for the 2024-25 biennium. Employee contributions will increase from 8 percent for the 2022-23 biennium to 8.25 percent for the 2024-25 biennium. Additionally, the contribution rate paid by public

education employers will increase from 1.8 percent in fiscal year 2023 to 1.9 percent in fiscal year 2024 and 2.0 percent in fiscal year 2025.

Optional Retirement Program: The state contribution rates are 6.6 percent in both years of the biennium.

Article III Special Provisions

The following summarizes the changes to the Article III Special Provisions:

Amended Sections

- **Sec. 3. Definition of Terms.** Adds Sam Houston State University College of Osteopathic Medicine to the list of institutions defined as "health related institutions."
- **Sec. 4. Transfer Provisions.** Amended to change the term Tuition Revenue Bond to Capital Construction Assistance Projects to reflect new terminology.
- **Sec. 6. Expenditure Provisions**. Amended to remove requirement to submit amendments to the Operating Budget and clean up outdated language relating to bond retirement.
- **Sec. 11. Method of Financing Scholarships**. Removes reporting requirement related to TPEG scholarships to provide regulatory relief and makes non-substantive changes by eliminating certain outdated language.
- **Sec. 13. Limitation of Nonresident Enrollment in Certain State-supported Professional Schools.** Adds language authorizing the Texas A&M University HSC to admit up to 20 competitively recruited nonresident dental students into the International Association for the Study of Pain (IASP) each year.
- **Sec. 26. General Academic Funding.** Aligns formula funding rates with decisions for the General Academic Institutions.
- **Sec. 27. Health Related Institutions Funding.** Aligns formula funding rates with decisions with formula funding decisions for the Health-Related Institutions. Adds new funding weight for Podiatry. Adds new language to the Texas A&M University Health Science Center, University of North Texas Health Science Center, and Texas Tech University Health Sciences Center mission specific riders stating that in a biennium in which is funding in not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the GR provided.
- **Sec. 38.** Appropriation of Funds from the Permanent Health Fund for Higher Education. Adds language authorizing the Comptroller to distribute interest on balances received by the State from UTIMCO but not yet distributed to participating institutions using the same proportions as the current LBB-approved distributions. Also adds language requiring the LBB to provide a copy of the approved data and amounts to participating institutions of higher education. (*Previous Sec. 39 in 2022-23 GAA*)
- **Sec. 54. Research Funding for General Academic Institutions**. Adds language to the provision on the Comprehensive Research Fund (CRF) prohibiting institutions from expending fiscal year 2024 appropriations without prior written approval. This provision is related to the TUF legislation

(HB1595/SJR3). If approved by voters in November, the CRF distribution methodology will change from restricted research expenditures to federal and private expenditures and the amounts will be adjusted accordingly.

Sec. 56. Emerging Research Universities Research Funding. Appropriates an additional \$50 million in general revenue for the Core Research Support Fund (CRSF), contingent on certification by the board of regents of eligible institutions to provide an equal match of institutional funds. Adds language to the provision on the CRSF prohibiting institutions from expending fiscal year 2024 appropriations without prior written approval. This provision is related to the TUF legislation (HB1595/SJR3). If approved by voters in November, the CRSF will be renamed the National Research Support Fund (NRSF) and only emerging research institutions also eligible for PUF funding will be eligible for the NRSF funding. Emerging research institutions not eligible for PUF funding will be eligible for TUF funding.

Deleted Sections

- Sec. 35. Endowed Programs. Report deleted as part of regulatory relief.
- Sec. 46. Report Concerning Designated Tuition. Report deleted as part of regulatory relief.
- Sec. 59. Research Funding Reporting Requirement. Report deleted as part of regulatory relief.
- **Sec. 60. Prohibition of Formula Funding for Sam Houston State University Medical Program**. Deletes prohibition on formula funding for the Doctor of Osteopathic Medicine program.
- **Sec. 63. Information Related to the Coronavirus Pandemic.** Report deleted on federal funds related to the coronavirus pandemic.
- **Sec. 61. HEGI State Premium Contribution Rate**. Provision moved from Special Provisions to the Higher Education Group Insurance bill pattern.

New Sections

- **Sec. 58. Higher Education Affordability.** Appropriates approximately \$700 million in additional general revenue funding to certain institutions in order to ensure that higher education remains affordable and accessible. The appropriation is contingent on the passage of legislation related to tenure reform, and diversity, equity, and inclusion (DEI) reform and requires an institution to adopt of a policy to maintain total resident undergraduate tuition and mandatory academic fees and post notice of this information on each student's tuition statement.
- **Sec. 59. Prohibition on Unconstitutional Diversity, Equity, and Inclusion Programs or Practices.** Prohibits the use of appropriated funds for diversity, equity, and inclusion practices that do not comply with the state constitution.
- **Sec. 60. Boycotts.** Requires all institutions of higher education receiving appropriated funds to adopt rules and policies prohibiting academic boycotts that negatively impact a student or faculty member's ability to study or conduct research in a foreign country except for a country that is a state sponsor of terrorism.

Article IX – General Provisions

The following sections list selected major changes to provisions in Article IX.

Amended Sections

- **Sec. 2.01. Position Classification Plan.** Adds multiple positions and updates existing position titles and amends the salary schedules.
- **Sec. 3.04. Scheduled Exempt Positions**. Amends several salary groups. Increases the number of Public Utility Commission commissioners from three to five. Clarifies the procedure for an agency without a governing board to submit a request to exceed an exempt salary.
- **Sec. 3.12. Exceptions for Salary Schedule C.** Increases the stipend that DPS may pay certain employees above the Schedule C annual salary maximum.
- Sec. 5.01. Travel Definitions. Deletes definitions for "council of governments" and "state agency."
- **Sec. 6.06. Last Quarter Expenditures.** Revised language on expenditures related to the Children with Special Health Care Needs.
- **Sec. 6.08.** Benefits Paid Proportional by Method of Finance. Adds Dunn Behavioral Sciences Center as an entity operated by the University of Texas Health Science Center at Houston. Adds language authorizing the Comptroller to reimburse any benefits disproportionally paid from general revenue from other methods of finance.
- **Sec. 7.04. Contract Notification: Amounts Greater than \$50,000.** Excludes contracts paid with federal funds for which all parties have been determined by the federal government from the requirements of the provision. Authorizes the LBB to provide written information on an agency that didn't meet certain procurement contract recommendations.
- **Sec. 7.06. Internal Assessments on Utilization of Historically Underutilized Businesses.** Amends language to conform to statutory requirements regarding HUB information submitted.
- **Sec. 7.07. Historically Underutilized Business Policy Compliance.** Amends language to conform to statutory requirements regarding HUB information submitted.
- **Sec. 7.10. Border Security.** Replaces current language with an informational listing of amounts appropriated for border security, including a reporting requirement for those funds.

- **Sec. 7.11. Notification of Certain Purchases or Contract Awards, Amendments, and Extensions.** Excludes contracts paid with federal funds for which all parties have been determined by the federal government from the requirements of the provision.
- **Sec. 8.03. Surplus Property.** Includes language from deleted section of deaccessioned items. (See deleted Sec. 8.16)
- **Sec. 9.01. Purchases of Information Resources Technologies.** Deletes definitions now included in Section 9.001.
- **Sec. 9.02. Quality Assurance Review of Major Information Resources Projects**. Deletes definitions now included in Section 9.001.
- **Sec. 9.09. Centralized Accounting and Payroll/Personnel System Deployments.** Updates list of agencies deploying CAPPS for the 2024-25 biennium.
- **Sec. 9.10. Assignment of Contract Responsibility.** Deletes definitions now included in Section 9.001.
- **Sec. 10.03. Information Listing on Use of Tobacco Settlement Receipts**. Updates informational listing with current information.
- **Sec. 10.04. Behavioral Health.** Adds new subsection that directs the Statewide Behavioral Health Coordinating Council to develop a strategic plan specific to the mental health of children.
- **Sec. 11.03. Statewide Capital Planning.** Adds a new language defining "major information resources project" and changes the lower limit by which a major information resources project is defined from \$1 million to \$5 million to align with statute.
- **Sec. 11.05. State Agency Emergency Leases.** Adds new language defining "health and human services agency".
- **Sec. 12.01.** Aircraft. Adds new subsection clarifying that the term "aircraft" has a meaning consistent with the rules adopted by the Comptroller.
- **Sec. 13.01. Federal Funds/Block Grants**. Consolidates language regarding allowable uses for appropriations of federal funds.
- **Sec. 14.01. Transfers- Capital Budget.** Increases capital budget threshold from \$100,000 to \$500,000. Adds language authorizing agencies to transfer funds without limitation between capital budget projects if responding to an emergency. Updates list of capital budget expenditures to align with legislative intent. Adds language authorizing agencies to transfer funds into data center services.
- **Sec. 15.03. Contingency Appropriation Reduction**. Adds reference to new statutory limit on consolidated General Revenue appropriations created last session.

Sec. 17.02. Limitation on Substitution of General Obligation Bond Funded Projects. Amends provision to clarify that state agencies send requests to the Legislative Budget Board and copy the Texas Public Finance Authority.

Sec. 17.09. Contract Management and Oversight. Amended to clarify that competitive proposals valued at more than \$10 million must be sought before renewing or extending certain contracts. Adds "major information resource projects" statutory citation.

Deleted Sections

Sec. 8.16. Deaccessioned Items. Deletes provision appropriating all receipts collected from the sale of deaccessioned items as provided by Sec. 2175.909 of the Government Code. (Moved to Sec. 8.03)

Sec. 9.04. Information Technology Replacement. Deletes provision relating to certain IT purchasing requirements for institutions of higher education and removes a DIR reporting requirement related to bulk purchasing.

Sec. 9.07. Server Consolidation Status Update. Deletes reporting requirement for agencies participating in the Data Center Services program.

Sec. 9.11. Staff Telecommunications Survey and Analysis. Deletes reporting requirement relating to telecommunications preferences.

Sec. 11.06. Prepayment of Annual Lease Costs. Deletes provision as the Texas Facilities Commission (TFC) no longer needs this authorization.

Sec. 13.11. Reporting of Federal Homeland Security Funding. Deletes requirement to include Homeland Security expenditures in a state agency's operating budget.

Sec. 16.05 Incidents Report: State Supported Living Centers and State Hospitals. Deletes provision as duplicative.

Sec. 17.12. Reports on Interagency Contracts. Provision moved to Sec. 7.14.

Sec. 17.17. Reporting: Texas Opioid Settlement Receipts. Provision moved to Sec. 7.13.

Sec. 17.19. Agency's Participation in Master Lease Purchase Program. Provision moved to Sec. 12.06.

Sec. 17.20. Appropriation of Administrative Receipts. Provision moved to Texas Public Finance Authority's bill pattern.

New Sections

Sec. 3.13. Council of Government Salary Schedules. Specifies applicable salary schedules for classified positions for a council of government depending on how many participating governmental units it serves.

- **Sec. 3.15. Direction to the State Auditor's Office.** Directs to the state auditor's office to assign salary classifications for seven new positions.
- **Sec. 7.13. Reporting: Texas Opioid Settlement Receipts**. Requires entities to submit a report on any funding received from an opioid settlement.
- **Sec. 7.14. Reports on Interagency Contracts**. Requires state agencies to report information on interagency contracts that exceed \$10 million. (See deleted Sec. 17.12)
- **Sec. 7.15. World Health Organization**. Requires state agencies and institutions of higher education to report activities with the World Health Organization.
- **Sec. 9.001. Definitions.** Includes several definitions currently contained within other provisions in Section 9.
- **Sec. 12.06. Agency's Participation in Master Lease Purchase Program**. Legislative intent provision that all agencies participate in the Master Lease Purchase Program. (*See deleted Sec. 17.19*)
- **Sec. 17.16.** Appropriation for a Salary Increase for General State Employees. Directs the Comptroller to implement a pay raise for state employees of 5% in 2024 (or \$250 per month if greater) and an additional 5% in 2025 (or \$250 per month if greater).
- **Sec. 17.26. Research Facilities**. Appropriates \$25 million to **Texas A&M Health Science Center** for construction of research facilities in Hidalgo County.
- **Sec. 17.35. Additional Funding for Article III-Higher Education.** Makes several appropriations for institutions of higher education, including \$1 million to the Texas Higher Education Coordinating Board for a scholarship program, \$1.5 million to **The Texas A&M University System** for a mental health study, \$15 million to **Prairie View A&M University** for the Agricultural Match, and \$5 million to the **Texas Division of Emergency Management** for the Wilson County Emergency Operations Center.
- **Sec. 18.04. Contingency for House Bill 8.** Contingency appropriation for the community college finance bill.
- **Sec. 18.16. Contingency for House Bill 1595 and House Joint Resolution 3**. Contingency appropriation for the bill establishing Texas University Fund.
- **Sec. 18.28. Contingency for House Bill 3347.** Contingency appropriation for the bill establishing the Texas Aerospace Research and Space Economy Consortium and the Texas Space Commission, including \$200 million for **Texas A&M University** for construction.

Other GAA Provisions

The following sections list selected major changes to other provisions in the General Appropriations Act.

Amended Sections

Higher Education Group Insurance: Rider 6. Appropriations Transfers. Amended to remove requirement to report HEGI appropriations transfers between institutions to the LBB, Governor, and Comptroller.

Higher Education Group Insurance: Rider 8. Benefits Proportionality Audit Requirement. Amended to remove annual audit requirement.

Higher Education Coordinating Board: Rider 26. Professional Nursing Shortage Reduction Program. Modified to delete previous categories eligible for appropriations and create new tiers eligible for appropriations in order to incentivize institutions utilize a comprehensive approach. The rider also reduces the amount the THECB may use to administer the program from 5 percent to 3 percent of the total appropriation.

Higher Education Coordinating Board: Rider 28. Developmental Education and Underprepared Student Support. Modified in order to clarify use of the funds.

Higher Education Coordinating Board: Rider 46. Texas Child Mental Health Care Consortium. Amended the unexpended balances language to provide explicit UB authority for each consortium participant.

Higher Education Coordinating Board: Rider 48. Texas OnCourse Program. Modified to remove interagency agreement with The University of Texas at Austin.

Higher Education Coordinating Board: Rider 52. Physician Education Loan Repayment Program. Modified to delete reference to UB authority within the biennium. This UB authority is now included in a consolidated rider applicable to this program.

Higher Education Coordinating Board: Rider 53. Teach for Texas Loan Repayment Assistance Program.Modified to delete reference to UB authority within the biennium. This UB authority is now included in a consolidated rider applicable to this program.

Higher Education Coordinating Board: Rider 54. Nursing Faculty Loan Repayment Assistance Program. Modified to delete reference to UB authority within the biennium. This UB authority is now included in a consolidated rider applicable to this program.

Available University Fund: Rider 3. The University of Texas System Share. Modified to specify that necessary direct administration operations must be "support and maintenance" as required by the Texas

Constitution. The rider was also amended to remove language prohibiting the UT System from using AUF appropriations for board travel, food, and meeting expenses.

Support for Military and Veterans Exemptions: Rider 1. Distribution to Eligible Institutions. Amended to require LBB to provide a copy of the approved annual distribution allocations to institutions.

Support for Military and Veterans Exemptions: Rider 2. Reimbursements for Hazlewood Exemption Program. Amended to clarify that GR received is treated as a direct appropriation for benefits proportionality purposes and to require LBB to provide a copy of the approved annual distribution allocations to institutions.

Support for Military and Veterans Exemptions: Rider 3. Appropriation: Unexpended Balances. Amended to add unexpended balance authority within the biennium for the GR funds.

Prairie View A&M University: Rider 4. Academic Development Initiative. Modifies reporting requirements to require a report on the use of Academic Development Initiative funds in the Legislative Appropriations Request (LAR) instead of reporting annually.

Prairie View A&M University: Rider 7. Healthy Houston. Modifies rider language to reflect the updated strategy name.

Tarleton State University: Rider 7. Southwest Metroplex Outreach. Amended to reflect strategy name change and expand scope of the program.

Texas A&M AgriLife Extension Service: Rider 7. Feral Hog Abatement Program. Amends rider to move the report date one month later to allow time to incorporate relevant data.

Texas A&M Engineering Experiment Station: Rider 8. Rio Grande Valley Advanced Manufacturing Innovation Hub. Amends rider to provide unexpended balance authority within the biennium to account for supply chain delays.

Texas A&M Forest Service: Rider 7. Rural Volunteer Fire Department Assistance Program (Texas Wildfire Protection Plan). Modifies reporting language in the rider to align with statutory language.

Texas Division of Emergency Management: Rider 10. Audit Plan for Local Emergency Communication Systems. Modified to delete language creating the audit methodology but maintains language requiring the council to continue to coordinate with governmental agencies, municipalities, and counties to use information and data, including from comparable audits.

Deleted Sections

Higher Education Coordinating Board: Rider 57. Student Financial Aid. Delete rider allocating financial aid funds appropriated in the 2022-23 biennium.

Prairie View A&M University: Rider 8. The VISION Community Project. Deletes rider related to one-time funding item.

Texas A&M University Health Science Center: Rider 5. Medical Program. Deletes rider no longer needed as provisions are included as part of a rider in Article III Special Provisions.

Texas A&M AgriLife Extension Service: Rider 8. Experimental Use Program for Feral Hog Abatement. Deletes rider as report is completed.

Texas A&M AgriLife Extension Service: Rider 12. Grape Crush Report. Deletes rider associated with one time funding item.

Texas Division of Emergency Management: Rider 10. Contingency for Senate Bill 3. Deletes rider directing the use of funds for providing administrative support to the Texas Energy Reliability Council.

Texas Division of Emergency Management: Rider 12. Brazoria County Emergency Operations Center.Deletes rider related to remove one-time capital funds as the agency has expended the funds.

Texas Division of Emergency Management: Rider 13. Agency Operations. Deletes rider directing the use of funds for agency operations.

New Sections

Higher Education Group Insurance: Rider 9. HEGI State Premium Contribution Rate. Informational rider moved from Special Provisions to the HEGI bill pattern.

Higher Education Coordinating Board: Rider 56. State Grant Funding. Provides list of scholarship and grant programs eligible for funding under the Student Financial Aid strategy.

Higher Education Coordinating Board: Rider 60. Baylor Hold Harmless. Specifies that hold harmless amounts appropriated to Baylor College of Medicine are one-time funding.

Texas A&M Forest Service: Rider 8. Carryforward Authority for Supply Chain Delays. Provides unexpended balance authority for any obligated, but unexpended balances for grants to fire departments for the purchase of vehicles and equipment to allow the agency more time to fully expend the funds as a result of supply chain issues.

Texas A&M Forest Service: Rider 9. Aviation Support. Directs the use of \$2.5 million in general revenue-dedicated funds related to aviation suppression support costs that cannot be deferred under federal agreement.

Bill Facts

Legislation Filed & Passed

The following table provides a summary comparison of legislative bill activity from the 87th and 88th Regular Sessions.

87th Legislative Session

88th Legislative Session

<u>Type</u>	<u>Filed</u>	<u>Passed</u>	<u>%</u>	<u>Filed</u>	<u>Passed</u>	<u>%</u>
HBs	4671	587	13%	5413	744	14%
HJRs	163	4	2%	206	7	3%
SBs	2256	486	22%	2633	502	19%
SJRs	58	4	7%	93	6	6%
TOTAL	7,148	1,081	15%	8345	1259	15%

Bill Analysis Task Force

A legislative session requires the highest and best efforts of enormous numbers of the A&M System institutions' faculty, administration, and staff. In addition, because the Texas Legislature meets regularly only 140 days every other year, a session necessarily operates on its own highly compressed clock and takes no prisoners when it demands responses from institutions. One of the principal instruments we have created to respond to the demands of a session is the Bill Analysis Task Force (BATF). The BATF provides a timely synopsis of all legislation that affects the A&M System member universities and agencies. These analyses of key bills are provided to the chancellor, his Executive Officers, System CEO's and the State Relations Team, so that they will be better prepared to furnish information and communicate the A&M System's legislative program to the Legislature and Governor during the fast-paced session. Notably, all the BATF members serve voluntarily, taking on these extra duties while continuing to carry out their regular duties, and without extra compensation.

This session the Office of State Relations tracked and kept watch over **2,730 bills, or 33% of the total 8,345 bills that were filed across both chambers.** The Task Force members provided analyses for **564 of these tracked bills.**

Without the support and assistance of all the individuals who serve on the Bill Analysis Task Force, the Texas A&M University System would not have been able to provide legislators and their staff the information they required during the session.

The names and affiliations of members of the Bill Analysis Task Force may be found in the Appendix.

Texas A&M University System Institution-Specific Legislation

The following summary includes legislation that directly affects a member institution of The Texas A&M System or the entire System.

Texas A&M University System

HB 2804 by Kuempel/Creighton – Relating to use of the name, image, or likeness of a student athlete participating in an intercollegiate athletic program at an institution of higher education. HB 2804 amends the Texas Education Code relating to current law established in 2021. New sections include: (1) defining official team activities; (2) prohibiting athletic association/conference from enforcement authorities; (3) providing for use of trademarks with proper permissions by the institution for amounts consistent with market rates; (4) protecting private information of student athletes; (5) enabling university involvement (6) requiring financial literacy and life skills programs for student athletes; (7) allowing for collectives to administer donor loyalty points. This legislation maintains existing sections pertaining to student athletes, including: (1) not classified as employees of the university; (2) not engaged in any alcohol or nicotine products, as well as steroids and gambling or sexually oriented businesses; (3) not extended beyond duration of participation in the intercollegiate athletic program. This bill's effective date is July 1, 2023.

HB 3447 by Bonnen/Huffman – Relating to the establishment and administration of the Texas Space Commission and the Texas Aerospace Research and Space Economy Consortium. HB 3447 establishes the Texas Space Commission (Commission) which is administratively attached to the Office of the Governor. The Commission may establish an official seal and is under Sunset Review with an expiration date of September 1, 2032. It is governed by a 9-member Board of Directors (Board) to direct activities, establish goals for and provide oversight to the Commission.

The Office of the Governor and Commission will enter into a MOU with the Board detailing the administrative support that will be provided to the Commission, however the Board is required to hire an Executive Director (who may hire additional staff) as well as a Chief Compliance Officer.

The bill gives the Board the authority to 1) acquire and convey property, 2) procure insurance, 3) make grants 4) provide matching funds for external funding opportunities, and 5) engage in the planning and implementation of aerospace-related educational opportunities. Additionally, the Board is required to develop and execute a strategic plan which will be annually updated.

The bill also establishes the Space Exploration and Aeronautics Research Fund (Fund) which allows the Commission to provide grants to eligible entities for the purpose of: 1) development of emerging technologies for any aspect of human space flight, 2) research involving any aspect of space exploration and space flight, 3) workforce training, 4) curation of post-mission materials, or 5) development of infrastructure useful or necessary for the establishment/maintenance of a spaceport.

The Board is required to adopt rules related to grant awards from the Fund and is also provided the authority to grant money for multiyear projects across bienniums.

Finally, HB 3447 establishes the Texas Aerospace Research and Space Economy Consortium (Consortium) which is administratively attached to the Office of the Governor only for the purpose of receiving and administering appropriations and other funds. Instead, the bill allows the governing body of the Consortium to establish procedures for entering into contracts with the Texas A&M University System to provide administrative support to the Consortium.

The Consortium is under Sunset Review with an expiration date of September 1, 2032, and is governed by a 9-member Executive Committee. The Consortium itself consists of each institution of higher education and any other entities the Executive Committee considers necessary and is formed to identify research opportunities for entities in the state and provide funding and research recommendations to the Commission.

HB 5174 by Bonnen/Huffman – Relating to the establishment and administration of the Texas Semiconductor Innovation Consortium. HB 5174 creates the Texas Semiconductor Innovation Consortium under the Office of the Governor's Texas Economic Development and Tourism Office. The Consortium is comprised of 19 institutions of higher education (including Texas A&M University and Prairie View A&M University) and will serve as an advisory panel to the Governor and Legislature. The Consortium is charged with 1) developing a comprehensive strategic plan to ensure ongoing semiconductor innovation, 2) sustaining Texas leadership in the semiconductor space, 3) attracting public and private semiconductor investments to Texas, 4) identifying and expanding workforce development, and 5) establishing a forum for the semiconductor industry.

To govern the Consortium, an Executive Committee is established composed of nine members. The Executive Committee also maintains the ability to appoint any other entity or individual the committee considers necessary.

The Executive Committee is charged with 1) developing and executing a comprehensive statewide strategic plan to further the objectives of the consortium, 2) soliciting recommendations from consortium members on funding and research opportunities related to semiconductor research, design, commercialization, and manufacturing, and 3) appointing an Executive Director of the consortium. The Executive Committee must also submit a report, not later than December 1 of each even-numbered year, to the Governor and legislature on their activities and other related topics laid out in the legislation.

Finally, HB 5174 creates The Texas Semiconductor Innovation Fund as a dedicated account within the General Revenue. The fund may be used to provide matching funding to state entities, including institutions of higher education, for semiconductor manufacturing and design projects, award grants to

business entities with an established presence in this state to encourage economic development related to semiconductor manufacturing and design, and pay for certain staff support services.

TAMUS Health Science Center

HB 728 by Rose/Zaffirini – Relating to the statewide interagency aging services coordinating council. The bill establishes the Statewide Interagency Aging Services Coordinating Council, consisting of representatives from various agencies and entities, including from the Texas A&M Health Center for Community Health and Aging. The council is tasked with developing a recurring five-year aging services strategic plan and biennial expenditure proposal and an annual inventory of state-funded interagency aging programs and services. Council members must be appointed to the council by their respective entities no later than January 31, 2024; they serve six-year terms. The Council is required to hold its first meeting by March 31, 2024 and to submit its initial five-year strategic plan by March 1, 2025.

Other Bills of Interest That Passed

HB 1337 by Hull/Menéndez – Relating to step therapy protocols required by health benefit plans for coverage of prescription drugs for serious mental illnesses.

HB 1357 by Holland/Huffman – Relating to Medicaid reimbursement for certain medication-assisted treatments for opioid or substance use disorder.

HB 1890 by Jetton/Menéndez – Relating to the operation of a hospital at home program by certain hospitals; authorizing a fee.

HB 3144 by Lujan/Campbell – Relating to designating October as Fentanyl Poisoning Awareness Month.

HB 3908 by Wilson/Creighton – Relating to fentanyl abuse prevention and drug poisoning awareness education in public schools.

HB 4246 by Orr/LaMantia – Relating to delivery of certain unclaimed money for scholarships for rural students, rural economic development, and energy efficiency assistance.

SB 24 by Kolkhorst/Frank – Relating to the powers and duties of the Health and Human Services Commission and the transfer to the commission of certain powers and duties from the Department of Family and Protective Services.

SB 490 by Hughes/Harris – Relating to itemized billing for health care services and supplies provided by health care providers.

SB 773 by Parker/Toth – Relating to access to certain investigational drugs, biological products, and devices used in clinical trials by patients with severe chronic diseases.

SB 2315 by Hughes/Clardy – Relating to the creation of a task force to develop a plan for the consolidation of the functions of workforce development programs administered by the Texas Workforce Commission and social services programs administered by the Health and Human Services Commission.

Other Bills of interest that Did Not Pass

HB 7 by Guillen/Birdwell – Relating to public services and programs in the southern border region of this state to address the effects of ongoing criminal activity and public health threats, including methods of financing those services.

HB 15 by S. Thompson – Relating to the creation of the Mental Health and Brain Research Institute of Texas.

HB 81 by Harrison – Relating to informed consent before the provision of certain medical treatments involving COVID-19 vaccination.

HB 178 by Murr – Relating to testing possible controlled substance evidence for fentanyl.

HB 362 by Oliverson – Relating to the use, possession, delivery, or manufacture of testing equipment that identifies the presence of fentanyl, alpha-methyl fentanyl, or any other derivative of fentanyl.

HB 594 by Shaheen – Relating to the provision of telepharmacy services.

HB 683 by Cole/LaMantia – Relating to the exemption of tuition and laboratory fees at public institutions of higher education for certain paramedics.

HB 901 by Klick – Relating to support for nursing-related postsecondary education including the provision of loan repayment assistance to nursing faculty and the provision of grants to nursing education programs.

HB 906 by Moody — Relating to the provision of information regarding mental health and suicide prevention services to entering students at public institutions of higher education.

HB 989 by Howard –Relating to the establishment of a higher education plan for human papillomavirus education and prevention.

HB 1060 by Guerra — Relating to the implementation of telehealth services programs at certain public primary and secondary schools and the appointment of a telehealth services program task force.

HB 1105 by Price/Flores — Relating to the administration of a medication and the ordering and administration of an immunization or vaccination by a pharmacist.

HB 1313 by Burrows – Relating to a study on the side effects, adverse reactions, including death, and the effectiveness of vaccines against the SARS-CoV-2 virus (COVID-19) or its variants.

HB 1340 by Frank – Relating to the licensing of certain military veterans as health care providers to practice in underserved areas.

HB 1390 by Shaheen – Relating to telemedicine medical services and telehealth services covered by certain health benefit plans or provided by a pharmacist.

HB 1543 by Oliverson – Relating to a statewide standing order prescribing opioid antagonists.

HB 1551 by Anchia – Relating to repayment of certain mental health professional education loans.

HB 1636 by Canales/Zaffirini – Relating to baccalaureate degree programs offered by certain public junior colleges.

HB 1680 by Howard – Relating to the authority of certain minors to consent to Texas Home Visiting Program services.

HB 1726 by Hernandez – Relating to the reimbursement and payment of claims by certain health benefit plan issuers for telemedicine medical services, teledentistry dental services, and telehealth services.

HB 1771 by Price/Kolkhorst – Relating to certain records of a health professional providing a telemedicine medical service, teledentistry dental service, or telehealth service.

HB 1805 by Klick – Relating to the medical use of low-THC cannabis by patients with certain medical conditions.

HB 1898 by Jetton/Kolkhorst – Relating to a grant program to fund the provision by children's hospitals of mental and behavioral health services to children in this state.

HB 2051 by Zwiener – Relating to the compilation and reporting of statistics involving sexual assault victims who receive a forensic medical examination before reporting the assault to law enforcement.

HB 2079 by Jetton – Relating to the authority of pharmacists to order and furnish certain prescription drugs.

HB 2171 by Guerra – Relating to the establishment of the Texas Center for Rural Health Education at The University of Texas Rio Grande Valley.

HB 2237 by S. Thompson – Relating to the establishment of the child first grant program.

HB 2270 by Moody – Relating to a requirement that certain students, interns, residents, and fellows receiving a clinical education at public or nonprofit hospitals receive an annual comprehensive health examination.

HB 2322 by Zwiener – Relating to information provided to a survivor of sexual assault at a health care facility that is not a SAFE-ready facility.

HB 2395 by Manuel – Relating to the duties of peace officers regarding interactions with victims of sexual assault.

HB 2481 by Garcia – Relating to a counseling and crisis management program for relatives or other designated caregivers and children in the managing conservatorship of the Department of Family and Protective Services.

HB 2556 by Oliverson – Relating to the licensing and regulation of physician graduates and the authority of an insured to select a physician graduate under the insured's health insurance policy; requiring an occupational license; authorizing fees.

HB 2594 by Ortega – Relating to requiring training in the importance of mental and physical health as a requisite for certain medical degrees.

HB 2651 by Howard/Blanco – Relating to required training and continuing education requirements for persons who provide medical care or other support to survivors of sexual assault.

HB 2670 by Howard/Zaffirini – Relating to the composition of the Sexual Assault Survivors' Task Force and to compensation for task force members and certain other task force participants.

HB 2726 by Klick – Relating to the practice of nursing, including disciplinary procedures of the Texas Board of Nursing; authorizing a fee.

HB 3039 by Klick – Relating to the Dentist and Dental Hygienist Compact; authorizing fees.

HB 3631 by Lalani – Relating to a requirement that public institutions of higher education provide certain information regarding mental health services to entering students.

HB 3690 by J. Jones – Relating to the establishment of the Healthy Minds Campus program by the Texas Higher Education Coordinating Board.

HB 3723 by Gerdes – Relating to the establishment of the Rural Workforce Training Grant Program.

HB 3930 by Bryant – Relating to grant programs established to support nursing education and training.

HB 3976 by Orr -Relating to the establishment of the Texas Women's Health Care Consortium.

HB 4058 by Cortez – Relating to the use of opioid antagonists on the campuses of public and private schools and institutions of higher education and at or in transit to or from off-campus school events.

HB 4071 by Klick – Relating to the licensing and regulation of advanced practice registered nurses.

HB 4272 by Leach – Relating to the disclosure of certain documentation and records concerning victims of sexual assault and other sex offenses.

HB 4374 by Lujan – Relating to substance abuse awareness programs in public schools and public institutions of higher education.

HB 4662 by Oliverson – Relating to educational requirements for nurses.

HB 4687 by Campos – Relating to the administration of funding for the coordination of mental health, substance use, and public health care services in this state.

HB 4695 by Jetton – Relating to the provision of artificial intelligence mental health services.

HB 4999 by Morales – Relating to the establishment of the Texas Center for Rural Health Education at Sul Ross State University in Alpine.

HB 5018 by Raymond – Relating to certain payment recovery efforts by managed care organizations under Medicaid or the child health plan program.

HB 5027 by Toth – Relating to prohibited governmental entity implementation or enforcement of a vaccine mandate, mask requirement, or private business or school closure to prevent the spread of COVID-19.

HJR 135 by S. Thompson – Proposing a constitutional amendment providing for the establishment of the Mental Health and Brain Research Institute of Texas and establishing the Mental Health and Brain Institute Research Fund for the purposes of scientific research of all forms of mental health and human brain disease and disorders.

SB 244 by Kolkhorst – Relating to support for nursing-related postsecondary education including the provision of loan repayment assistance to nursing faculty and the provision of grants to nursing education programs.

SB 245 by Perry – Relating to discipline management and access to telehealth mental health services in public schools.

SB 265 by Perry – Relating to required reports of certain vaccine-related or drug-related adverse events.

SB 429 by Middleton – Relating to the requirements for a public junior college to receive approval from the Texas Higher Education Coordinating Board to offer a baccalaureate degree program.

SB 458 by Kolkhorst – Relating to the authorization for and approval of certain nursing programs offered by private postsecondary educational institutions or for-profit entities.

SB 518 by Kolkhorst – Relating to the consideration of standardized test scores as a factor in nonautomatic admissions decisions at certain public institutions of higher education.

SB 662 by LaMantia – Relating to the implementation of telehealth services programs at certain public primary and secondary schools.

SB 695 by Hughes/Schaefer – Relating to funding for The University of Texas at Tyler's school of pharmacy.

- **SB 1024 by Kolkhorst** Relating to preventative health care and public health, including prohibited immunization and face-covering requirements and private business or school closures.
- **SB 1031 by Hall** Relating to studies or surveys on children's sexual behavior conducted at or by a public primary or secondary school or by a public or private institution of higher education or another person; creating criminal offenses; imposing civil penalties.
- **SB 1156 by Menendez** Relating to the operation of a hospital at home program by certain hospitals.
- **SB 1282 by Springer** Relating to the establishment of the Texas Mental Health Care Enterprise Fund and the granting of license reciprocity to certain mental health professionals.
- **SB 1581 by Bettencourt** Relating to the establishment of the Texas Health Insurance Mandate Advisory Collaborative; authorizing a fee.
- **SB 1583 by Hall** Relating to restricting research on potentially pandemic pathogens in this state; creating a civil penalty.
- **SB 1747 by Perry** Relating to the medical use of low-THC cannabis by patients with certain medical conditions.
- **SB 1966 by Alvarado/Walle** Relating to a grant program for school-based health care initiatives established to serve certain underserved students.
- SB 2059 by Huffman Relating to grant programs established to support nursing education and training.
- **SB 2064 by Bettencourt** Relating to the dissemination of patient information through a telemedicine, telehealth, or teledentistry service.
- **SB 2256 by Blanco/Bucy** Relating to the verification of health care practitioner continuing education compliance through the establishment of continuing education tracking systems.
- **SB 2335 by Middleton** Relating to the accreditation of public institutions of higher education.
- **SB 2372 by Campbell** Relating to recommendations by local school health advisory councils regarding opioid addiction and abuse education in public schools.
- **SB 2381 by Paxton/Klick** Relating to the development of a webpage and mobile application for the provision of pregnancy-related resources and information.
- **SB 2527 by Campbell** Relating to the regulation of telemedicine medical services, teledentistry services, and telehealth services; providing a civil penalty.
- **SB 2546 by Blanco** Relating to the establishment of the Texas Center for Rural Health Education at Sul Ross State University in Alpine.

Texas A&M AgriLife

HB 430 by VanDeaver/Perry – Relating to the criteria and qualifications for distributions under the rural volunteer fire department assistance program. Makes changes to the criteria under the application for the Rural Volunteer Fire Department Assistance Program by providing for the inclusion of the age of a department's equipment as a factor for assistance under the program.

HB 1750 by Burns – Relating to the applicability of certain city requirements to agricultural operations. HB 1750 amends current law relating to the applicability of certain city requirements to agricultural operations. The Texas A&M AgriLife Extension Service shall develop a manual that identifies generally accepted agricultural practices and indicates which of those practices do not pose a threat to public health, including a threat to public health posed by a danger listed in Section 251.0055(a)(1).

HB 1772 by Ashby/Nichols – Relating to the documentation required for the purchase of certain timber products. HB 1772 seeks to address the issue of perpetrators using fraudulent bills of sale to obtain or sell timber illegally by establishing stronger statutory protections regarding required documentation and a related criminal penalty. HB 1772 amends current law relating to the documentation required for the purchase of certain timber products and creates a criminal offense.

HB 4538 by Kacal/LaMantia – **Relating to the regulation of beekeeping**. HB 4538 amends current law relating to the regulation of beekeeping, imposes fees and authorizes other fees, and expands the applicability of an occupational permit.

SB 1290 by Perry/Landgraf – Relating to a study of the effects of the operation and disposal of solar, wind turbine, and energy storage equipment. The bill requires TCEQ to study the effects of the installation, operation, decommission, and disposal of solar panels, energy storage, and wind turbines on the environment and watershed in consultation with the following agencies: the Department of Agriculture; Texas A&M Forest Service; Texas A&M AgriLife Extension Service; Texas A&M Engineering Extension Service; groundwater conservation districts; and river authorities.

Other Bills of Interest That Passed

HB 4609 by Ashby/Kolkhorst – Relating to a study by the Texas A&M Forest Service of the potential effects of wildfires in this state.

HB 4644 by Thimesch/Kolkhorst – Relating to an alert system for dangerous plant and animal pests and diseases administered by the Texas A&M AgriLife Extension Service.

SB 1421 by Perry — Relating to the effect of nuisance actions, other actions, and governmental requirements on certain agricultural operations.

Texas A&M Transportation Institute

HB 4422 by Canales / Hinojosa – Relating to a study on enhancing border security outcomes through public safety, technological, and transportation infrastructure improvements near Texas-Mexico border crossings. HB 4422 requires the Texas Department of Transportation to conduct a study on public safety, border security, and transportation infrastructure from Texas-Mexico border crossings onto the state highway system. The legislation lists various entities with whom TxDOT may consult on the study, which includes the Texas Department of Public Safety, the Texas Military Department, the Texas A&M Transportation Institute, and others. The study must consider issues such as commercial motor vehicle connectivity, safety inspections, technological improvements, and funding, among other things, with the overall goal of increasing commercial motor vehicle movement while enhancing public safety efforts.

SB 478 by Zaffirini / King, Ken – Relating to the administration of the motorcycle operator training and safety program and requirements for the issuance of certain driver's licenses and commercial driver's licenses; requiring an occupational license; authorizing a fee. SB 478 makes a number of administrative changes to the motorcycle operator training and safety program under the Texas Department of Licensing and Regulation (TDLR). The legislation increases the number of training providers by requiring TDLR to establish minimum curriculum standards for instructor training providers, establishes an instructor training provider license for individuals who wish to provide the training, and requires training curriculum to be approved by TDLR. SB 478 slightly modifies the membership of the motorcycle safety advisory board, with TTI continuing the agency's participation on the board.

Other Bills of Interest That Passed

HB 1885 by Canales / Nichols – Relating to the authority of the Texas Transportation Commission to establish variable speed limits.

HB 2190 by Canales / Hinojosa – Relating to the terminology used to describe transportation-related accidents.

HB 2230 by Canales / Nichols – Relating to the determination of the sufficient balance of the economic stabilization fund for the purpose of allocating general revenue to that fund and the state highway fund.

HB 2901 by Harris, Cody / Nichols – Relating to the enforcement of commercial motor vehicle safety standards in certain municipalities.

HB 3297 by Harris, Cody / Middleton – Relating to the elimination of regular mandatory vehicle safety inspections for noncommercial vehicles and the imposition of replacement fees.

HB 3444 by Canales / Hinojosa – Relating to the classification of transportation districts by the Texas Transportation Commission.

HB 3989 by Raney / Alvarado – Relating to the adoption of a policy on the preclusion of private design professionals from contracting with the Texas Department of Transportation.

HB 4122 by Guillen / Hancock – Relating to the operation and movement of motorcycles on a roadway laned for traffic.

HB 4797 by Romero, Jr. / Hancock – Relating to training on the treatment of toll project roadways during inclement weather.

SB 323 by Huffman / Kitzman – Relating to the enforcement of commercial motor vehicle safety standards in certain counties.

SB 505 by Nichols / Canales – Relating to imposing an additional fee for the registration of an electric vehicle.

SB 540 by Campbell / Isaac – Relating to the enforcement of commercial motor vehicle safety standards in certain municipalities.

SB 1021 by Nichols / Canales – Relating to the handling of bids on certain contracts for highway projects.

SB 1115 by Hancock / Patterson – Relating to the titling, registration, and operation of an autocycle.

SB 1413 by Johnson / Springer – Relating to the authority of a fire department to remove certain personal property from a roadway or right-of-way.

SB 1499 by Nichols / Canales – Relating to the funding of certain port projects.

SB 1500 by Nichols / Canales – Relating to powers and duties of navigation districts and the boards of trustees of municipal port facilities.

SB 1732 by Hancock / Patterson – Relating to standards for certain electric vehicle charging stations.

SB 1741 by Zaffirini / Raymond – Relating to the route designation for the issuance of a permit for the movement of oversize and overweight vehicles in Webb County.

SB 2144 by Parker / Cook – Relating to advanced air mobility technology.

SCR 2 by Nichols / Canales – Extending the duty of the Comptroller of public accounts under Section 7-c, Article VIII, Texas Constitution, to deposit certain tax revenue to the state highway fund.

Other Bills of interest that Did Not Pass

HB 1259 by Jetton / Capriglione – Relating to studies and reports regarding public-private partnerships and funding for certain public projects, including transportation projects.

HB 1638 by Canales — Relating to a study by the Texas Department of Transportation on future transportation needs for the year 2045.

HB 2191 by Canales – Relating to mobile source emissions reductions and transportation electrification.

HB 2934 by Romero, Jr. – Relating to a study by the Texas Department of Transportation on the use of municipal impact fees for roadway facilities.

HB 3418 by Canales – Relating to the implementation by the Texas Department of Transportation of a vehicle mileage user fee pilot program and a task force to assist in developing and evaluating the program.

HB 3753 by Flores – Relating to authority for certain state employees to work flexible hours and to work from home or other authorized alternative work sites.

HB 3843 by Wilson – Relating to a study and report by the Texas A&M Transportation Institute regarding toll project entities.

HB 4483 by Lozano – Relating to a study by the Texas A&M Transportation Institute regarding the economic impact of navigation districts on the state and local economies.

SB 970 by Hall – Relating to a study and report by the Texas A&M Transportation Institute on replacing buyer's temporary tags with permanent license plates.

SB 1311 by Eckhardt – Relating to the creation of the Texas Transportation Electrification Council and the duties of that council.

SB 2508 by Alvarado – Relating to mobile source emissions reductions and transportation electrification.

Texas A&M Engineering Experiment Station

HB 4885 by Landgraf/Birdwell – Relating to programs established and funded under the Texas emissions reduction plan. HB 4885 makes several changes to the Texas Emissions Reduction Program. The bill provides for additional dollars the Texas Commission on Environmental Quality can use to contract with the Texas A&M Engineering Experiment Station Energy Systems Laboratory for the development and annual computation of creditable statewide emissions reductions for the state implementation plan.

Other Bills of Interest That Passed

HB 1500 by Holland/Schwertner – Relating to the continuation and functions of the Public Utility Commission of Texas and the Office of Public Utility Counsel, and the functions of the independent organization certified for the ERCOT power region, increasing an administrative penalty.

HB 1703 by Ordaz/Blanco – Relating to the workforce development evaluation system administered by the Texas Workforce Commission, including the establishment of a workforce development career education and training evaluation pilot program.

HB 1755 by Button/Alvarado – Relating to the creation of the Lone Star Workforce of the Future Fund.

HB 3287 by Anderson/LaMantia – Relating to the locations of the campuses of the Texas State Technical College System

HB 3447 by Bonnen/Huffman – Relating to the establishment and administration of the Texas Space Commission and the Texas Aerospace Research and Space Economy Consortium.

HB 4451 by Bhojani/Flores — Relating to a report by the Texas Workforce Commission regarding apprenticeship opportunities in this state for emerging and high-demand industries.

HB 4997 by Kuempel/Campbell – Relating to a campus of the Texas State Technical College System located in Comal County and Guadalupe County.

HB 5174 by Bonne/Huffman – Relating to the establishment and administration of the Texas Semiconductor Innovation Consortium.

VETO

SB 1404 by Parker/Smithee – Relating to the creation of a work group to study the benefits of coal-to-nuclear electric generating facility conversion.

SB 1565 by Hughes/Paul – Relating to requiring the establishment of policy frameworks for research security at public institutions of higher education.

Other Bills of interest that Did Not Pass

HB 2448 by Guillen – Relating to creating a framework for including certain credentials of value offered by general academic teaching institutions as part of a baccalaureate degree program.

HB 2502 by Reynolds – Relating to the creation of an energy efficiency loan guarantee program.

HB 2598 by Campos – Relating to the establishment by the Texas Workforce Commission of a workplace soft skills training pilot program.

HB 3723 by Gerdes – Relating to the establishment of the Rural Workforce Training Grant Program.

HB 3836 by Reynolds – Relating to the delegation of authority to issue permits for nuclear power reactor operators from the Nuclear Regulatory Commission to the Public Utility Commission of Texas.

HB 3988 by Reynolds – Relating to the creation of the Texas Advanced Research Institute.

HB 4284 by Vasut — Relating to the establishment of the On-Site Load Mitigation Grant Program to mitigate the demand for energy on the electric grid.

HB 4370 by Toth – Relating to the abolishment of the State Energy Conservation Office and the transfer of its functions to the Comptroller.

HB 4390 by Button – Relating to the Texas Industry-Recognized Apprenticeship Programs Grant Program

HB 4738 by Tinderholt — Relating to a study regarding the feasibility of integrating into the electric grid facilities that use nuclear energy to generate electricity.

HB 4811 by Anthia – Relating to the creation of the Texas Energy Efficiency Council to foster collaboration, coordination, and communication to enhance the state's energy efficiency performance; and strategically utilize the state's resources to optimize the benefits of energy efficiency programs.

SB 7 by Schwertner - Relating to the reliability of the ERCOT power grid.

SB 330 by Hall – Relating to the resilience of the electric grid and certain municipalities.

SB 708 by LaMantia – Relating to certain credentials of value offered by general academic teaching institutions as part of a baccalaureate degree program.

SB 1329 by Blanco – Relating to establishing the Defense and Aerospace Manufacturing Task Force.

SB 1453 by Hinojosa – Relating to the authority of a local government to enter into energy savings performance contracts.

SB 1975 by Miles – Relating to the delegation of authority to issue permits for nuclear power reactor operators from the Nuclear Regulatory Commission to the Public Utility Commission of Texas.

Texas Engineering Extension Service

SB 478 by Zaffirini/King, K – Relating to the administration of the motorcycle operator training and safety program and requirements for the issuance of certain driver's licenses and commercial driver's licenses; requiring an occupational license; authorizing a fee. SB 478 makes a number of administrative changes to the motorcycle operator training and safety program under the Texas Department of Licensing and Regulation (TDLR), including striking Texas A&M Engineering Extension Service (TEEX) as the sole provider of the training and removing them from the advisory board. During the 86th Legislative Session, SB 616 (which was the Department of Public Safety sunset bill), transferred the motorcycle operator training and safety program to TDLR and added TEEX as the provider to administer the program. SB 478 increases the number of training providers by requiring TDLR to establish minimum curriculum standards for instructor training providers, establishing an instructor training provider license for individuals who wish to provide the training, and requiring training curriculum to be approved by TDLR.

SB 496 by Zaffirini/Guillen – **Relating to a study on potential improvements to training provided to 9-1-1 emergency service call takers and dispatchers.** SB 496 requires the Texas Commission on Law Enforcement (TCOLE), in consultation with the Texas A&M Engineering Extension Service to conduct a study to identify potential improvements provided to 9-1-1 emergency service call takers and dispatchers. TCOLE must submit a report to the Legislature with its findings not later than September 1, 2024.

SB 1290 by Perry/Landgraf – Relating to a study of the effects of the installation, operation, removal, and disposal of solar, wind turbine, and energy storage equipment. SB 1290 requires the Texas Commission on Environmental Quality (TCEQ) to conduct a study on the current and potential effects on the environment and watersheds related to the installation, operation, removal, and disposal of solar, wind turbine, and energy storage equipment. A report of their findings must be submitted by December 1, 2024, to the Governor, Lt. Governor, and Speaker of the House. TCEQ is allowed to enter into a MOU with a university or foundation to assist with the study, however, they must consult with 1) the Department of Agriculture, 2) the Texas A&M Forest Service, 3) the Texas A&M AgriLife Extension Service, 4) the Texas A&M Engineering Extension Service, 5) groundwater conservation districts and 6) river authorities.

Other Bills of Interest That Passed

HB 568 by Bowers/Menéndez – Relating to education and training for peace officers on interacting with persons with Alzheimer's disease and other dementias.

HB 1755 by Button/Alvarado – Relating to the creation of the Lone Star Workforce of the Future Fund.

HB 1845 by Metcalf/Perry – Relating to the licensing requirements for certain operators of wastewater systems and public water systems.

HB 2754 by Bell/King – Relating to the issuance of specialty license plates for retired peace officers.

HB 2876 by Cain/Alvarado – Relating to the issuance of specialty license plates for industrial firefighters; authorizing a fee.

HB 3858 by Frazier/Johnson – Relating to peace officer wellness programs within certain law enforcement agencies.

SB 267 by King/Burrows – Relating to law enforcement agency accreditation, including a grant program to assist agencies in becoming accredited.

SB 999 by West/King, T – Relating to the requirement that providers of active shooter training at public schools and institutions of higher education obtain a certificate issued by the Texas Commission on Law Enforcement.

SB 1445 by Paxton/Goldman – Relating to the continuation and functions of the Texas Commission on Law Enforcement; authorizing a fee.

SB 1852 by Flores/Metcalf – Relating to active shooter training for peace officers.

Other Bills of interest that Did Not Pass

HB 1338 by Raney – Relating to the participation of community-based organizations in workforce training programs funded by the skills development fund.

HB 2233 by Spiller – Relating to required mental health awareness training for first responders.

HB 3528 by Campos – Relating to the establishment of an advisory committee to study suicide prevention and peer support programs in fire departments in this state.

HB 3900 by Lambert – Relating to the use of money awarded from the skills development fund.

HB 5016 by Kitzman – Relating to the establishment and administration of the Water Technical Assistance Consortium by the Texas Water Development Board.

Texas Division of Emergency Management

HB 3096 by Guillen/Schwertner- Relating to the date by which the Texas Energy Reliability Council is required to submit to the legislature a report on the reliability and stability of the electricity supply chain. HB 3096 amends current law relating to the date by which the Texas Energy Reliability Council is required to submit to the Legislature a report on the reliability and stability of the electricity supply chain from November 1 to December 1.

HB 3222 by Guillen/Kolkhorst- Relating to eligibility for a loan under the disaster recovery loan program. HB 3222 amends the Government Code to extend the deadline for an eligible political subdivision to submit its most recent fiscal year operating budget to the Texas Division of Emergency Management before applying for a loan from the disaster recovery loan program from 15 days after its adoption to 30 days after its adoption.

HB 3223 by Guillen/Hughes- Relating to the management of a declared state of disaster. HB 3223 amends the Government Code to require that the chair of the Emergency Management Council appoint a disaster district committee chair based on the declared disaster and phase of disaster response during an emergency in accordance with the National Incident Management System guidelines.

Other Bills of interest that Did Not Pass

HB 570 by Raymond – Relating to a study by the Texas Division of Emergency Management of the potential effects of droughts and wildfires in this state.

HB 588 by Raymond – Relating to a statewide disaster alert system.

HB 2684 by Burns – Relating to the issuance of oversize or overweight permits for vehicles transporting agricultural commodities during or preceding a disaster.

HB 2858 by Morales Shaw – Relating to state and local government disaster preparedness.

HB 3782 by Guillen – Relating to establishing the Border Security Advisory Council and the Border Protection Task Force.

HB 3783 by Guillen – Relating to audits of state border security programs.

HB 4440 by Hunter – Relating to state and local government responses to a pandemic disaster, including the establishment of the Pandemic Disaster Legislative Oversight Committee.

SB 97 by Johnson – Relating to the scope and publication of certain actions by the governor during a state of disaster.

SB 330 by Hall – Relating to the resilience of the electric grid and certain municipalities.

SB 2383 by Miles – Relating to the development of a severe weather adaptation plan by certain entities.

SB 2508 by Alvarado – Relating to mobile source emissions reductions and transportation electrification.

SB 2555 by Middleton – Relating to training requirements for certain municipal, county, and school district elected officers.

Texas A&M University-Corpus Christi

Other Bills of Interest That Passed

HB 1809 by Hunter/Kolkhorst - Relating to the establishment of the commercial oyster mariculture advisory board. Multiple agencies regulate cultivated oyster mariculture in Texas. This situation has made the permitting process for entrepreneurs and coastal businessmen unnecessarily long and expensive. Lengthy, confusing permitting timetables inhibit industry investment and job growth. There is a need for a task force that will serve as a guiding body to eliminate duplicate regulatory issues and help all agencies involved to streamline the permitting process. Furthermore, practitioners of the existing oyster harvesting methods of dredging wild public reefs are under significant pressure by recreational and environmental groups. HB 1809 creates the Governor's cultivated oyster mariculture advisory council to expedite restorative alternatives to the damaging effects of mechanical dredging of oyster reefs and to evaluate the fees, lease payments, and bureaucratic hurdles applied to cultivated oyster mariculture. This bill's effective date is September 1, 2023.

SB 423 by Paxton/Wilson - Relating to the use of unmanned aircraft by the Texas military forces. SB 423 seeks to authorize the Texas military forces to capture images using unmanned aircraft, such as drones, as part of an operation, exercise, or mission. The Texas military forces have mission-ready plans to use drones for search and recovery missions after natural disasters and for monitoring the Texas-Mexico border as part of Operation Border Star. This bill's effective date is September 1, 2023.

SB 1032 by Kolkhorst/Hunter - Relating to oyster certificates of location; authorizing a fee. In recent decades, the protection of state oyster beds has become an increasing concern and there is a need for change in their management. SB 1032 aims to preserve oyster beds under the direction of the Texas Parks and Wildlife Department (TPWD) by expanding and creating common sense guidelines within the TPWD for restoration purposes. This bill's effective date is September 1, 2023.

SB 1308 by Hancock/Geren - Relating to the operation of an unmanned aircraft over an airport or military installation; creating a criminal offense. Military installations in the North Texas region and the

Fort Worth Airport have reported suspicious activity involving unidentified unmanned aircraft flying around them, posing potential security threats and air traffic safety hazards. Accordingly, SB 1308 seeks to create a new, standalone offense of operating an unmanned aircraft over an airport or military installation. This bill's effective date is September 1, 2023.

Texas A&M University

VETO

SB 1979 by Hughes/Harris, C - Relating to an annual study by the Texas A&M University Texas Real Estate Research Center of the purchase and sale of single-family homes by certain institutional buyers.

VETO

Higher Education Legislation of Interest

Academic Affairs Related Legislation

SB 18 by Creighton/Kuempel- Relating to the tenure and employment of faculty members at certain public institutions of higher education. This bill defines for all university systems in the state of Texas of what tenure is, how tenure is granted to faculty members, how tenured faculty members are reviewed, and how and when tenured faculty can be dismissed.

This bill defines tenure to mean the entitlement of a faculty member of an institution of higher education to continue in the faculty member's academic position unless dismissed by the institution for good cause, as defined in the institution's policies/procedures.

This bill states that tenure can only be granted by an institution of higher education's (IHE) governing board, on the recommendation of the IHE's chief executive office and chancellor. The governing board must also adopt policies and procedures that will address the granting of tenure and allow for dismissal of a tenured faculty member with appropriate due process.

This bill also requires policies and procedures that make tenured faculty members subject to regular reviews to make sure they are performing and contributing to the areas of teaching, service, and research, depending on their job duties and expectations. Each tenured faculty member will be subject to comprehensive performance evaluations to be conducted no more often than once a year but no less often than once every six years after the date tenure was granted.

SB 200 by Eckhardt/Howard- Relating to the period for which an applicant for admission as an undergraduate student to a public institution of higher education is entitled to an academic fresh start.

This bill would have revised the previous "Academic Fresh Start" law where a college applicant can eliminate previous college courses taken from 10 years prior to now 5 years prior of application for admissions decisions. This bill would have required that institutions may choose a year from within a range of 5 to 10 years to make academic fresh start available. Every institution would have been required to post its academic fresh start policy on its website and submit their policies to the Texas Higher Education Coordinating Board.

SB 336 by Zaffirini/Cole- Relating to compliance programs at public institutions of higher education. This bill extends the maintaining the anonymity of employees who make compliance reports or participate in compliance investigations to agents or contractors acting on behalf of institutions of higher education. This bill is effective immediately.

SB 427 by Kolkhorst/Gonzalez- Relating to requiring certain institutions of higher education to enter into an agreement to offer undergraduate courses in Texas History. This bill allows a college or university that receives state financial support or aid, that does not offer at least three semester credit hours of Texas History to enter an agreement with another college or university in the state that offers at least three semester credit hours of Texas History for the students to attend. This bill is effective immediately.

VETO

SB 526 by West/Cook- Relating to requiring prior approval by the Texas Higher Education Coordinating Board to offer a degree or certificate program to certain persons who are incarcerated or subject to involuntary civil commitment.

SB 1517 by King/Paul- Relating to prohibiting certain academic boycotts of foreign countries by public institutions of higher education. This bill prohibits a public institution of higher education (IHE) from implementing an academic boycott of a foreign country that would prevent a student or faculty member of the institution from studying or conducting research in or about the country or interacting with the country's scholars or representatives. An IHE may implement an academic boycott of a foreign county included by the United States Department of State on a list of state sponsors of terrorism. The boycott may not prevent a student enrolled at the institution from studying or being educated about the country. This bill's effective date is September 1, 2023.

SB 1887 by West/Turner- Relating to the requirements for the early college education program and the transfer of course credit among public institutions of higher education. This bill updates language from SB 25 from the 86th Legislature that required each general academic teaching institution and public junior college to provide to the Texas Higher Education Coordinating Board (THECB) and the Legislature a report describing any courses for which a student who transfers to the institution from another institution is not granted academic credit at the receiving institution from March 1, to now making the reports due May 1 of each year.

This bill would require early college high schools to enroll students in either an applied associate degree program or an academic associate degree program with an embedded field of study to ensure that students complete a degree that will either be directly applicable to the workforce or will transfer and count toward a bachelor's degree. This bill takes effect immediately.

SB 2538 by Creighton/Longoria- Relating to limitations on the automatic admission of undergraduate students to general academic teaching institutions. This bill allows the University of Texas at Austin to keep its automatic admissions capped at 75% of an incoming class for in case the United States Supreme Court releases a ruling that will result in the elimination of the consideration of race for admissions. This bill takes effect immediately.

HB 2177 by Stucky/LaMantia- Relating to establishing a digital course materials pilot program. This bill requires the Texas Higher Education Coordinating Board (THCEB) to establish a pilot program in which the THCEB awards grants to eligible institutions including participating public junior colleges, public technical institutes, or public state colleges to provide financial assistance to students for the cost of accessing digital course materials. This bill also requires that no later than September 1, 2026, the THCEB to submit a report to the Governor, Lieutenant Governor, the Speaker of the House and presiding officer of each legislating committee with primary jurisdiction over a higher education that evaluates the effectiveness of the pilot program and a recommendation if the program should continue. This bill takes effect immediately.

HB 3993 by Paul/Middleton- Relating to the automatic admission of students with a nontraditional secondary education to certain public institutions of higher education. This bill would require general academic teaching institutions to admit undergraduate applicants who completed a non-traditionary

secondary education under the top 10 percent rule. This bill would apply to home school students. This bill's effective date is September 1, 2023.

HB 4005 by Raney/Parker- Relating to the establishment of the Texas Competency-Based Education Grant Program for certain students enrolled in competency-based baccalaureate degree programs and to formula funding and dropped and repeated course restrictions for students enrolled in those degree programs at public institutions of higher education. This bill establishes the Texas Competency- Based Education Grant program that is created for students that are enrolled in a competency- based baccalaureate degree program in which academic credit is awarded on attainment of competencies. The Texas Higher Education Coordinating Board (THCEB) would administer the grants and adopt rules for who is eligible for the grants. This bill is effective immediately.

General Bills

SB 999 by West/King- Relating to the requirement that providers of active shooter training at public schools and institutions of higher education obtain a certificate issued by the Texas Commission on Law Enforcement. This bill prohibits an individual or legal entity from providing active shooter training to students or employees at a public primary or secondary school or an institution of higher education (IHE) unless that individual was certified to provide training by the Texas Commission on Law Enforcement.

HB 2012 by Oliverson/Hughes- Relating to the display of the national motto in public school and institution of higher education classrooms. This bill prohibits a classroom teacher at a public elementary or secondary school or a professor at an institution of higher education from being barred from displaying a poster or framed copy of the national motto in a classroom. This bill takes effect immediately and applies to beginning with the 2023-2024 school year.

HB 1912 by Button/West- Relating to student buildings fees at The University of Texas at Dallas. This bill authorizes the Board of Regents of the University of Texas System to levy a student union fee, that cannot exceed \$100 per student for each regular semester and cannot exceed \$50 per student for each term of the summer session for financing, constructing, operating, maintain and improving student union buildings for the University of Texas at Dallas.

SB 1055 by Nichols/Clardy- Relating to the creation of a new university in Nacogdoches, Texas, within The University of Texas System and the allocation of the annual constitutional appropriation to certain agencies and institutions of higher education; abolishing Stephen F. Austin State University. This bill makes Stephen F. Austin State University (SFA) part of The University of Texas System. The bill would dissolve the Stephen F. Austin State University Board of Regents. The bill also allows SFA to participate in Permanent University Fund along with the University of Texas Systems schools and certain schools within the Texas A&M University System. This bill takes effect immediately.

<u>Texas Education Agency/Dual Credit/Community College Related</u>

HB 8 by VanDeaver/Creighton- Relating to public higher education, including the public junior college state finance program. This bill will establish a public junior and community college state finance program that makes sure junior and community colleges have access to funding for instruction and operations. The bill also aims to create a program to provide financial aid to certain high school students enrolled in dual credit courses.

This bill creates two funding formulas for Public Community and Junior Colleges across the state. The two-tier funding will consist of a base tier formula and a performance tier formula for each of the public junior and community colleges decided by the Texas Higher Education Coordinating Board (THECB). The base tier formula will consist of state and local funding to ensure that all junior colleges have base funding for instruction and operations. The second tier of funding will be performance based that will give incentives for completion of degrees and transfers of students that are economically disadvantaged. Also, this bill will reward the colleges with credentials of value, with an additional weight for those degrees, certificates, and courses in a high demand field, transfer to a public general academic institution and dual credit and enrollment pathway.

The bill will establish the Financial Aid and For Swift Transfer (FAST) program, which will be administered by the THECB and Texas Education Agency (TEA). The FAST program will allow high school students who are from economically disadvantaged school districts to be enrolled in dual credit courses at no costs. Along with creating FAST, the Texas Adult Career Education (ACE) will move from Austin Community College to THCEB. This bill takes effect immediately.

HB 1114 by Kacal/Kolkhorst- Relating to the service area of the Blinn Junior College District. This bill would expand the Blinn Junior College District's service area to include the part of Waller ISD that is in Harris County.

HB 3287 by Anderson/LaMantia- Relating to the locations of the campuses of the Texas State Technical College System. This bill allows Texas State Technical College System (TSTC) to operate campuses in East Williamson County, Denton County, Comal County, and Guadalupe County and will not affect any future neighboring community colleges to add county territory to their taxing districts.

HB 4997 by Kuempel/Campbell- Relating to a campus of the Texas State Technical College System located in Comal County and Guadalupe County. This bill will allow the Texas State Technical College System to operate more than one campus in Comal and Guadalupe Counties. This bill is effective immediately.

HB 5330 by Reynolds/Miles- Relating to the service area of the Houston Community College System District. This bill extends the service area of the Houston Community College System to include the area of Fort Bend ISD that is not located in the Wharton County Junior College District.

Finance/Tuition/Financial Aid Related Legislation

SB 25 by Kolkhorst/Klick – 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. This bill revises existing professional nursing scholarships, loan repayment and grant programs, and establishes four new programs.

Under the provisions of the bill, part-time nursing faculty are now eligible for the Nursing Faculty Loan Repayment Assistance Program. The bill also removes the established maximum annual repayment amount of \$7,000, instead allowing for the Texas Higher Education Coordinating Board (THECB) to determine the amount. The THECB is directed to base the amount of assistance for part-time faculty on

the proportion of the number of hours worked by the nurse to the number of hours worked by a full-time nurse.

The bill amends the definition of a professional nursing student to add those enrolled at a non-profit, tax-exempt, regionally accredited college or university operating in accordance with a memorandum of understanding with the state under an executive order by the governor to those eligible for scholarships and loan repayment programs. The current definition only includes nursing students enrolled at an institution of higher education (IHE) or private or independent IHE. The bill caps the number of scholarships or repayment assistance that can be awarded to this type of student annually at 10% of the total amount of dollars awarded.

The bill allows for the continued use of the Permanent Fund for Higher Education Nursing, Allied Health and Other Health-Related Programs until August 31, 2027. The fund exists to provide grants to public institutions of higher education that offer upper-level academic instruction and training in the fields of nursing, allied health, or other health-related education. The bill repeals the Matching Fund Program at the THECB, which allowed for someone to sponsor a nursing student's education through contributions matched by state funding.

The bill also does away with two advisory committees previously established to advise the THECB on scholarships, matching funds and loan repayment programs for professional nursing students and vocational nursing students.

The bill directs the THECB to establish the following four new grant programs:

- 1. **Clinical Site Nurse Preceptor Grant Program:** Funding will go to eligible clinical sites providing clinical training to nursing students via preceptors.
- 2. **Clinical Site Innovation and Coordination Program:** Clinical sites eligible for this funding are those with innovative pilot programs that increase the number of nurses, improve working environments for nurses, improve nurse retention, address workplace safety, and coordinate with other clinical sites to address common nursing concerns.
- 3. **Nursing Faculty Grant Program: Part-Time Faculty:** Grants will be awarded to IHEs to help fund nursing staff working at clinical sites who serve as part-time nursing faculty at the IHE.
- 4. **Nursing Faculty Grant Program: Clinical Training:** Grants will be awarded to eligible clinical sites to provide funding for nursing faculty of IHEs who seek to obtain additional clinical training by working part-time at a clinical site.

The THECB is required to consult with the Nursing Advisory Committee to establish rules for administering these new grant programs. The bill requires the THECB to establish the above grant programs by September 1, 2023 and begin awarding grants under the programs by January 1, 2024. This bill's effective date is June 18, 2023.

HB 1211 by Guillen/Zaffirini - Relating to financial assistance, including repayment of loans, for certain students attending postsecondary educational institutions. The bill permits a licensed specialist in school psychology to be eligible for loan repayment assistance for mental health professionals. To be eligible, they must be employed by either a school district or an open-enrollment charter school located within a federally designated mental health care health professional shortage area or a public school that receives federal funding under Title I, Elementary and Secondary Education Act of 1965. They must

provide mental health services to students enrolled for a certain number of consecutive years in the state. The bill stipulates that the maximum amount of repayment assistance a licensed specialist in school psychology may receive from the state is \$40,000. The bill also permits a student enrolled in the Joint Admission Medical Program (JAMP) to receive other scholarship money in addition to what they may receive from a private or independent institution of higher education as part of the JAMP program.

SB 371 by Eckhart/Turner- Relating to the Texas Armed Services Scholarship Program. This bill changes the requirement for a student that receives Texas Armed Services Scholarship Program must enter into an agreement with the Texas Education Coordinating Board (THECB) to complete one year instead of four years of ROTC training for each year that the student receives the Texas Armed Services Scholarship Program.

This bill also requires the THECB to post on its website and provide to each student information regarding the number of years of ROTC training required before the student enters into an agreement with the THECB.

HB 4363 by Kuempel/Hinojosa- Relating to the establishment of the Future Texas Teachers Scholarship Program for certain students at public institutions of higher education. This bill establishes the Future Texas Teachers Scholarship Program with the purpose of recruiting, preparing, and maintaining a talented workforce. The Future Texas Teachers Scholarship Program would aid with tuition, mandatory fees, and cost of attendance at an institution of higher education (IHE). A student will be eligible for the scholarship if they are a Texas resident that is enrolled in an IHE; working towards a baccalaureate or master's degree and be on track to be admitted eligible educator program; show a commitment to pursuing a teaching career to a public school that has a shortage of teachers or a public school where majority of students were economically disadvantaged; comply with financial aid agreements for high school graduation; and any other requirements.

This bill requires the Texas Higher Education Coordinating Board (THECB) to create rules and administer the scholarship to eligible schedules. The bill says for the 2023-2024 academic year, the value of the scholarship is \$12,000, and every year after that the scholarship will be equal to the amount of the year before and adjusted for inflation. This bill takes effect immediately.

SB 646 by Nichols/Kuempel- Relating to formula funding for certain nonresident students enrolled at Lamar State College—Orange. This bill allows Lamar State College-Orange to receive formula funding for students who live in the adjacent parish in Louisiana and take classes online.

SB 2294 by Creighton/Kuempel- Relating to the First Early High School Completion Program and the Texas First Scholarship Program. This bill amends SB 1887 from the 87th Legislature which established the Texas First Early High School Completion Program and created the Texas First Scholarship Program to expanding the eligibility of more institutions of higher education (IHE). This bill removes that an eligibility requirement for a student to attend an IHE that was designated as a research university and to any public technical institute, public junior college, public college or university, medical or dental school, other agency of higher education.

Sexual Assault/Harassment Legislation

SB 806 by Paxton/Manuel – Relating to the duties of peace officers regarding interactions with victims of sexual assault. SB 806 updates and strengthens existing notification requirements for peace officers and law enforcement personnel who interact with sexual assault victims. It requires that officers responding to incidents involving sexual assault provide a written notice of rights to crime victims; a written referral to the nearest sexual assault program; information about the statewide tracking system; an offer to request a forensic medical exam; and coordination with the local response team to ensure continuing care for the victim. The bill requires that law enforcement agencies coordinate directly with local response teams to develop these written materials and requires the inclusion of current contact information for a victim assistance coordinator and a crime victim liaison.

SB 1401 by Zaffirini/A. Johnson – Relating to the rights of victims of sexual assault and to certain procedures and reimbursements occurring with respect to a sexual assault or other sex offense. SB 1401 allows for increased accessibility to forensic medical examinations for survivors of sexual abuse and assault. It streamlines the process for referring to law enforcement and providing such examinations regardless of whether the survivor reports their assault to law enforcement. It requires a health care provider to conduct an examination on a survivor who is a minor regardless of when the victim presents at the facility if the provider has consent. The bill allows for adult survivors to receive an examination even if 120 hours have passed since the assault if the victim is referred by law enforcement, a physician, a sexual assault examiner, or a sexual assault nurse examiner, and the survivor consents to the examination. Law enforcement is only required to refer a survivor for an examination if the assault is reported within 120 hours of the assault or the victim is a minor; however, the bill stipulates that they can also make a referral for those who don't fall into the above categories if they believe that an examination might benefit an investigation or prosecution. The bill removes the requirement that an examination must be conducted within 120 hours after the assault occurs for a health care provider to be reimbursed for reasonable costs associated with providing the examination. It also allows, but does not require, a law enforcement agency or an attorney representing the state to pay costs related to the testimony in a criminal proceeding of a health care provider who conducted an examination. The bill adds additional guidelines for the transfer, preservation, and destruction of evidence collected during an examination for an assault that was not reported to law enforcement. Finally, it updates survivor notification information, including specifics on treatment for minors and the payment of costs associated with care provided to a survivor, including the forensic examination.

SB 1402 by Zaffirini/Howard – Relating to the composition, continuation, and duties of the Sexual Assault Survivors' Task Force, compensation for task force members and certain other task force participants, and establishment of a mandatory training program for persons responding to reports of and treating survivors of child sexual abuse and adult sexual assault. SB 1402 amends the composition of the Sexual Assault Survivors' Task Force (SASTF) to include a representative from the Department of Family and Protective Services, an adult survivor of child sexual abuse or their parent/guardian, and a survivor of adult sexual assault. It removes the president of the Texas Society of Pathologists, or their designee, from membership on the SASTF. The bill clarifies that only task force members who are not state employees nor a governor's designee can receive per diem and expense reimbursements.

The bill mandates specific training requirements on evidence collection for anyone performing a forensic medical exam on a survivor. It requires certain health care facilities to provide at least one hour of basic sexual assault response training to any employee who provides patient admission functions, patient-

related administrative support functions, or direct patient care. The training must include education on the rights of survivors to receive a forensic medical examination, among other things. The facility must develop a written policy to ensure such training is completed. The bill also requires the Texas Commission on Law Enforcement to consult with the SASTF to establish a training and education program for officers on responding to sexual abuse or assault.

Student Affairs Legislation

SB 17 by Creighton/Kuempel - Relating to diversity, equity, and inclusion initiatives at public institutions of higher education. This bill prohibits the establishing or maintaining of a DEI office, division, or unit. The bill also prohibits a public university in Texas from hiring or assigning an employee or contracting with a third party to perform the duties of a DEI office. It also further prohibits the preference of race, sex, color, ethnicity, or national origin to an applicant for employment, a candidate for promotion and tenure, or a participant in any function by the institution. Finally, an institution of higher learning cannot require or make mandatory training in diversity, equity, and inclusion.

The bill also states that each university system's Board of Regents shall adopt policies and procedures for disciplining employees for violating the legislation.

The bill will not affect academic course instruction; scholarly research; activities of registered student organizations; guest speakers and performers; programs to enhance academic achievement that are designed and implemented without regard to race, color, sex, or ethnicity; data collection; or student recruitment and admissions process.

This bill requires that an institute of higher education (IHE) may not spend money appropriated to the institution for a fiscal year until the institution submits to the Legislature and the Texas Higher Education Coordinating Board (THCEB) a report certifying that they are in compliance with the legislation. The state auditor will also perform periodic audits to make sure campuses are in compliance and have not spent any state money on DEI offices. This bill's effective date is January 1, 2024.

SB 15 by Middleton/Slawson- Relating to requiring public institution of higher education students who compete in intercollegiate athletic competitions to compete based on biological sex. This bill prohibits a student to compete in an intercollegiate athletic competition sponsored or authorized by a higher educational institution that was designed for the opposite of that student's biological sex. This bill also prohibits male students to compete on a team in a mixed sex competition that was designated for female students. The bill would allow for a female student to compete in an intercollegiate athletic competition that was designed for a male if there is not an event offered for female athletes.

The bill states that the student's biological sex is the biological sex correctly stated on the student's official birth certificate or another government record that accurately states the student's biological sex.

SB 37 by Zaffirini/Gonzalez- Relating to the criminal offense of hazing. This bill expands the reporting of a hazing incident that can now be a verbal report to a dean or appropriate official of an institution and a peace officer. This bill also allows a person who voluntarily reports a hazing incident to have immunity from civil or criminal liability if the person reports the incident before they are contacted by the institution or law enforcement agency and is not under investigation of the incident.

SB 55 by Zaffirini/Gonzalez- Relating to a study and report by the Texas Higher Education Coordinating Board regarding best practices for assisting students with autism spectrum disorder. This bill would direct the Texas Higher Education Coordinating Board (THCEB) to conduct a study to determine best practices for assisting students with autism spectrum disorder who are enrolled at institutions of higher education (IHE).

The study will collaborate with the Texas Education Agency (TEA) regarding specialized programs offered by elementary or secondary schools with autism spectrum disorder to determine how those programs can be replicated at or extended to IHEs.

SB 412 by Paxton/Guillen- Relating to protections for pregnant and parenting students enrolled in public institutions of higher education. This bill prohibits an institution of higher education (IHE) from requiring a pregnant or parenting student to take a leave of absence or withdraw from the student's degree or certificate program. The bill would allow a pregnant or parenting student to take a leave of absence and if in good academic standing at the time to return to the degree plan or certificate without reapplying for admission.

SB 459 by Paxton/Harris- Relating to early registration for parenting students at public institutions of higher education. This bill will require an institution of higher education (IHE) to allow a parenting student early registration for courses and programs. The Texas Higher Education Coordinating Board (THECB) shall adopt rules to administer this bill.

HB 1361 by Morales Shaw/ Eckhardt- Relating to the designation of liaison officers to assist certain students at public institutions of higher education who are parents. This bill requires an institution of higher education (IHE) to appoint a liaison officer for current or incoming students who are a parent or guardian of a child younger than 18 years of age. This bill states that a liaison officer will provide resources to access medical and behavioral health coverage, public benefit programs including food security and housing, childcare, employment assistance, transportation assistance student academic success strategies. This bill requires an IHE to report by May 1 of each academic year to the Texas Higher Education Coordinating Board (THCEB) the number of students, demographic data that includes age, race, sex, and ethnicity; academic data that includes full or part time status and graduation, transfer and withdrawal rates of students who are a parent or guardian. This bill takes effect immediately.

HB 1590 by Burns/West- Relating to the establishment of the Texas Leadership Scholars Program. This bill would establish the Texas Leadership Scholars Program for high-achieving students with financial need. The Texas Higher Education Coordinating Board (THCEB) would administer the program and award scholarships to students that have graduated from a Texas public high school; qualified for automatic admission to institute of higher education; be enrolled in a baccalaureate degree program and are economically disadvantaged and qualify under rules set up by THCEB. This bill takes effect immediately.

General Counsel Related Legislation

HB 567 by Bowers/Miles - Relating to discrimination on the basis of hair texture or protective hairstyle associated with race. HB 567 prohibits any student dress or grooming policy adopted by a

school district or an institution of higher education, including a student dress or grooming policy for any extracurricular activity, from discriminating against a hair texture or protective hairstyle commonly or historically associated with race.

The bill adds language to the Labor Code clarifying that "discrimination because of race" or "on the basis of race" includes discrimination because of or on the basis of an employee's hair texture or protective hairstyle commonly or historically associated with race. An employer, labor union, or employment agency would commit an unlawful employment practice if the entity adopted or enforced a dress or grooming policy that discriminated against a hair texture or protective hairstyle commonly or historically associated with race. This bill's effective date is September 1, 2023.

HB 1184 by Rose/Johnson - Relating to access to criminal history record information for use in certain research or statistical projects. HB 1184 specifies that a research organization, or public or private institution of higher education, shall be granted access to criminal history records. The bill stipulates that the research project that the person or institution was working on must be related to the administration of criminal justice and approved by DPS. The bill removes the requirement that projects be funded by state funds and instead require that projects be funded in whole or in part by a criminal justice grant or government funds or otherwise meet federal requirements. This bill's effective date is September 1, 2023.

HB 1760 by Hefner/Hughes - Relating to the prosecution of the offense of possessing a weapon in certain prohibited places associated with schools or postsecondary educational institutions. HB 1760 revises the prohibition of certain weapons on the physical premises of a school or educational institution to apply to the premises of a school or postsecondary educational institution. The bill also clarifies that the prohibition on having a weapon on any grounds or buildings on which an activity sponsored by a school or postsecondary educational institution, includes only grounds or buildings owned by and under the control of a school or postsecondary educational institution. The offense would continue to be punishable as a third-degree felony. This bill's effective date is September 1, 2023.

HB 1817 by Capriglione/Hancock - Relating to the validity of a contract for which a disclosure of interested parties is required. HB 1817 stipulates that a governmental contract with a business entity could be considered void for failure to provide the disclosure of interested parties only if the government or state agency submitted written notice to the business entity written notice of the entity's failure to provide the required disclosure, and the entity failed to provide the government or state agency with the required disclosure within 10 business days after receiving the written notice.

These provisions would apply only to a contract that was for lobbying services, had a value of at least \$1 million, or required an action or vote by the government or agency's governing body before the contract could be signed.

HB 1817 authorizes a court in which a suit challenging the validity of such a contract is pending on the bill's effective date to require the governmental entity or state agency to provide the required written notice if the court finds that failure to enforce that requirement would cause an inequitable or unjust result for the parties to the suit. The bill establishes that a contract executed before the bill's effective date is presumed to have been properly executed if an action to void or invalidate the contract has not been filed with a court in Texas before the bill's effective date which is June 9, 2023.

HB 2012 by Oliverson/Hughes – Relating to the display of the national motto in public school and institution of higher education classrooms. HB 2012 amends current law relating to the display of the national motto. The bill specifies that a classroom teacher at a public elementary or secondary school, or a teacher or professor at an institution of higher education, cannot be prohibited from displaying in a classroom a poster or framed copy of the national motto that meets the established statutory requirements. The bill would apply beginning with the 2023-24 school year. This bill's effective date is June 9, 2023.

HB 2518 by Bell/Nichols – Relating to required lease terms for public property leased to a nongovernmental entity, creating a criminal offense. HB 2518 applies to leases of public property between a governmental entity (GE) and a third party. The bill requires that all leases of public property contain certain language requiring the lessee to obtain performance and payment bonds on any construction work performed under the lease. The lessee must provide a notice of commencement to the GE at least 90 days before commencement of the construction which must include copies of the required bonds. The GE may notify the lessee within 10 days if the commencement notice does not include the required bonds. If the GE fails to obtain a payment bond from the contractor or fails to include language in a lease as required by the bill, the GE has the same liability as the surety under the bond. HB 2515 waives TAMUS' sovereign immunity protection in the situation where TAMUS fails to obtain performance and payment bonds from its non-governmental lessees that enter into a public work contract. This bill's effective date is September 1, 2023.

HB 2965 by Vasut/Creighton – Relating to certain construction liability claims concerning public buildings and public works. HB 2965 prohibits statute under Government Code Chapter 2272 (Certain Construction Liability Claims) from being waived. A purported waiver would be in violation of these provisions and considered void. This bill's effective date is September 1, 2023.

HB 3033 by Landgraf/Zaffirini – Relating to the public information law. This turned into the omnibus public information act bill of the session. Changes applicable to institutions of higher education are as follows:

Section 1 defines the term "business day," from which most response deadlines in the Texas Public Information Act (TPIA) are based (10 business day deadline for responding to a requestor or seeking an Office of Attorney General letter ruling, etc.). HB 3033 recognizes that institutions of higher education holidays established by their governing boards are not "business days." This ensures that System/member holidays are not considered days subject to TPIA deadlines. A governmental body is also authorized by subsection (f) to designate a day when its administrative offices are closed or operating on a minimal staff as a nonbusiness day, provided that the day is authorized by the body's chief administrative officer or other chief administrative officer and the body makes a good faith effort to post advance notice of the nonbusiness days on the body's website, subject to a limit of 10 such days per calendar year. This designation of a nonbusiness day could potentially be used by the System/members for closings relating to adverse weather.

Other provisions of the bill include Section 2 of the bill authorizes the Attorney General to require additional public information training for public officials as a sanction for a governmental body's failure to comply with a requirement of the TPIA. Section 4 requires a governmental body to promptly release basic information regarding an arrested person, an arrest, or a crime unless the body is seeking to

withhold such information under an exception to disclosure other than the law enforcement exception (Tex. Gov't Code sec. 551.108). Section 9 requires governmental bodies to submit requests for Attorney General decisions electronically through the OAG's designated filing system, subject to exceptions such as delivering requests to the OAG via hand-delivery.

Section 10 of the bill creates new deadlines under which a governmental body must, as soon as practicable but within a reasonable time after receiving an open records decision from the OAG, provide a cost estimate, produce information required to be disclosed, notify the requestor that information is being withheld as authorized by the decision, notify the requestor that the body is filing suit to withhold the information, or provide voluminous information in accordance with listed requirements. A governmental body is presumed to have complied with these provisions if the action is taken not later than the 30th day after the date the Attorney General issues its decision.

HB 3485 by Bell/Johnson – Relating to a contractor's or subcontractor's right to elect not to proceed with additional work under a contract. HB 3485 allows vendors, contractors, and subcontractors to elect to not proceed with public work contracts and private owner-directed work contracts under certain conditions. The bill authorizes a vendor, contractor, or subcontractor to elect to not proceed with additional work directed by a governmental entity under a public work contract, or directed by an owner under a private contract if:

- the vendor or subcontractor did not receive a written, fully executed change order for the additional work; and
- the aggregate actual or anticipated value of the additional work under the contract terms plus any previous additional work for which the vendor or subcontractor did not receive a written, fully executed change order would exceed 10 percent of the vendor's or subcontractor's original contract amount.

A vendor or subcontractor who elects to not proceed with additional work would not be responsible for any damages associated with the election to not proceed. This bill's effective date is September 1, 2023.

SB 15 by Middleton/Swanson – Relating to requiring public institution of higher education students who compete in intercollegiate athletic competitions to compete based on biological sex. SB 15 requires intercollegiate athletes to compete based on their biological sex, which may require verification by their institution through review of their birth certificate. Unlike related bills, the final version of this bill is explicitly limited in scope to "intercollegiate" athletics, or competition between schools. Competing bills had language that would implicate recreational or "intramural" sports, this does not. The final version is limited to "athletic competitions," which is defined as "any athletic display between teams or individuals, such as a contest, exhibition, performance, or sport." The term, "athletic display" would seem to exempt any "teams" that do not require athletic displays, such as video gaming, stock show teams, etc. However, many such teams are already mixed sex teams. Mixed sex (co-ed) teams are permitted if they are competing in mixed sex competitions. Co-ed teams with a required spot for females must fill the spot with a biological female. There is nothing in the bill limiting this to NCAA or other associational sports, meaning that "club" sports sponsored or supported by the university must comply with this new law if they are competing against teams sponsored or supported by another university.

SB 29 by Birdwell/Lozano – Relating to prohibited governmental entity implementation or enforcement of a vaccine mandate, mask requirement, or private business or school closure to prevent the spread of

COVID-19. SB 29 prohibits a governmental entity from implementing, ordering, or otherwise imposing a mandate to prevent the spread of COVID-19 that requires a person to wear a face mask or other face covering or requires a person to be vaccinated against COVID-19. Limitations on face masks mandates do not apply to a hospital or health care facility operated by or associated with an institution of higher education. This bill's effective date is September 1, 2023.

SB 37 by Zaffirini/Gonzalez – Relating to the criminal offense of hazing. SB 37 clarifies that hazing reports, for purposes of immunity or simply to avoid the "failure to report" personal hazing offense, may be made to a peace officer or law enforcement agency. The bill also clarifies that persons who may receive immunity includes corporations and other entities that support student organizations. This bill's effective date is September 1, 2023.

SB 336 by Zaffirini/Cole - Relating to compliance programs at public institutions of higher education. Current law makes confidential the identity of individuals who report compliance concerns to an institution of higher education's compliance program office, compliance investigation participants or witnesses, and compliance investigation respondents in certain cases. A "compliance program" is currently defined to include processes to address compliance only by an institution's officers and employees with applicable laws and policies. As revised by this bill, the definition of "compliance program" would also include processes to address compliance by agents, contractors, subcontractors, or other persons acting on behalf of institutions of higher education. The effect of this change will be to extend current privacy protections to individuals who report compliance concerns to a compliance program office regarding this expanded class of individuals. This bill's effective date is June 18, 2023.

SB 510 by Perry/Longoria – Relating to the confidentiality of certain information maintained by state licensing agencies. This bill revises the Texas Public Information Act to make confidential certain personal information relating to a person's license, certificate, registration, permit or other authorization to practice or engage in a particular business, occupation, or profession. Governmental bodies that issue these licenses cannot release the personal information of an applicant for these licenses, a current license holder, or a person who previously held a license upon a public information act request. The governmental body can still release the name, license number, and license status of these persons. It can also disclose the last four digits of the person's social security number in connection with a verification of employability or an employee misconduct registry search provided by the Health and Human Services Commission. This bill's effective date is September 1, 2023.

SB 785 by Birdwell/Darby - Relating to the ownership of and certain insurance policy provisions regarding the geothermal energy and associated resources below the surface of land. Texas statute does not currently state whether geothermal energy and associated resources are owned by the surface owner of real property or the owner of the mineral estate of that same property. SB 785 clarifies this by providing that the landowner owns the geothermal energy and associated resources below their land, and the landowner, landowner's lessee, heir, or assignee are entitled to drill for or produce those resources. The bill also makes clear that geothermal energy and byproducts do not include minerals, oil, gas, or products of oil or gas. This bill's effective date is June 18, 2023.

Health Related Legislation

SB 2040 by Springer/Clardy – Relating to the continuation and transfer of the regulation of willed body programs to the Texas Funeral Service Commission, the regulation of willed body programs, non-transplant anatomical donation organizations, and anatomical facilities, and the creation of the State Anatomical Advisory Committee; requiring registration; authorizing fees; authorizing an administrative penalty. SB 2040 abolishes the Texas State Anatomical Board (SAB) and transfers its authority to the Texas Funeral Service Commission (TFSC). Duties that previously applied to SAB will become the duties of TFSC, including receipt and distribution of bodies and anatomical specimens to willed body programs (WBP), administering procedures related to unclaimed bodies and adopting applicable rules, among others. In addition to regulation of WBPs operated by institutions of higher education (IHE), the bill adds provisions related to registration and limited oversight of non-transplant anatomical donation organizations (NADO) and anatomical facilities. A NADO is defined as a person accredited to engage in the recovery, receipt, screening, testing, processing, storage or distribution of tissue or human remains for any purpose other than transplantation into a living individual. An anatomical facility is defined as a facility inspected and approved by TFSC that does not operate as a WBP or a NADO.

TFSC will be required to regulate WBPs, NADOs and anatomical facilities. A WBP or NADO will not be permitted to operate in the state unless it is registered with TFSC. To be eligible for registration, a NADO would have to be accredited by the American Association of Tissue Banks. TFSC will be required to inspect and could approve WBPs and anatomical facilities for the receipt and use of bodies and anatomical specimens; however, for NADOs, the TFSC will establish a process to periodically verify a NADO's compliance with national standards for non-transplant anatomical donations. The bill allows, but doesn't require, TFSC to inspect a NADO more than once every five years. The inspection is not allowed to be duplicative of the accreditation process. TFSC is also authorized to investigate a WBP, NADO, anatomical facility or other person if TFSC had reason to believe that the entity improperly used a body or anatomical specimen. A TFSC member or license holder may not hold an ownership interest in a registered NADO.

TFSC by rule may set and collect reasonable and necessary fees for the cost of administering provisions related to body and anatomical specimen donations, including for conducting inspections of WBPs and anatomical facilities, and registering WBPs and NADOs. However, NADOs would be exempt from fees for receiving and distributing bodies and anatomical specimens.

SB 2040 establishes the State Anatomical Advisory Committee to advise and provide expertise to TFSC on matters related to the regulation and operation of WBPs, NADOs, and anatomical facilities. The advisory committee will include one public member and two members each from IHEs that operate WBPs, NADOs, and/or anatomical facilities.

The SAB will continue in existence until September 1, 2024, for the sole purpose of transferring obligations, property, rights, powers, and duties to TFSC.

Background

Since 1917, the SAB has overseen the distribution of donated or unclaimed cadavers and anatomical specimens to board-approved medical and forensic science institutions for use in education and research. The SAB currently oversees 13 WBPs, which can transfer donated bodies to facilities inspected and approved by the SAB. These facilities may include research organizations, medical training facilities, medical device companies, search and rescue organizations, and other IHEs not operating their own

WBPs. The SAB includes one representative from each of 16 Texas colleges and universities that have academic health education and research programs. Board members are professors of surgery or anatomical science appointed by the chief executive officer of each school or college of chiropractic, dentistry, medicine, or osteopathy in the state. Members serve without pay nor staff for two-year terms and may be reappointed. The SAB does not receive state appropriations and is funded by registration and transfer fees for bodies donated to WBPs. The SAB underwent sunset review in 2021, but its sunset bill did not pass in the 87th Legislature. However, it was authorized to continue operation pending full sunset review in 2022-2023 and action by the 88th Legislature.

HB 400 by Klick/Kolkhorst – Relating to innovation grant programs to support residency training programs in psychiatric specialty fields and recruitment, training, and retention programs in behavioral health fields. This bill establishes two new grant programs at the THECB: the Psychiatric Specialty Innovation Grant Program and the Behavioral Health Innovation Grant Program, with the goal of advancing pediatric and adult psychiatric care and increasing the behavioral health workforce.

Under the Psychiatric Specialty Innovation Grant Program, medical schools with innovative pediatric or adult psychiatric care residency programs are eligible to receive incentive payments. The bill directs 60% of grant funding to be allotted to pediatric psychiatric care residency programs, and 40% to adult psychiatric care residencies. Medical schools with innovative residency programs based in rural or underserved areas are to be prioritized for grant awards. In order to establish and adopt rules for the grant program, the HECB is directed to consult with each medical school in the state.

The Behavioral Health Innovation Grant Program will award incentive payments to institutions of higher education (IHE) with innovative recruitment, training and retention programs aimed at increasing the number of mental health professionals, as defined in statute, and related fields, as determined by the HECB. An acceptable use of grant funding includes faculty stipends and salary increases to those who provide student instruction in a degree program that graduates mental health professionals. The bill directs the HECB to consult with the Texas Behavioral Health Executive Council on establishing grant program rules and on best practices for identifying IHE programs with the most potential for positive outcomes and that serve the greatest need. HECB is directed to prioritize certain grant applicants, including those that:

- Propose to enhance or leverage existing degree programs.
- Serve rural or underserved areas.
- Partner with another IHE to develop a joint program or with a public school to implement high school recruitment.
- Include program incentives for students to serve in their field post-graduation in a state-funded inpatient or outpatient behavioral health facility for at least three years.
- Educate professionals in specialties experiencing significant workforce shortages.
- Include psychiatric fellowships in correctional or inpatient psychiatric facilities.

For both grant programs, grant amounts are limited to \$1 million dollars or less, and grant recipients are subject to reporting requirements. The THECB must officially establish both programs by September 1, 2024.

SB 25 by Kolkhorst/Klick – 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. SB 25 makes revisions to existing professional nursing scholarships, loan repayment and grant programs, and establishes four new programs.

Under the provisions of the bill, part-time nursing faculty are now eligible for the Nursing Faculty Loan Repayment Assistance Program. The bill also removes the established maximum annual repayment amount of \$7,000, instead allowing for the Texas Higher Education Coordinating Board (THECB) to determine the amount. The THECB is directed to base the amount of assistance for part-time faculty on the proportion of the number of hours worked by the nurse to the number of hours worked by a full-time nurse.

The bill amends the definition of a professional nursing student for purposes of scholarship and repayment eligibility to include those enrolled at a non-profit, tax-exempt, regionally accredited college or university operating in accordance with an MOU with the state under an executive order by the governor. The current definition only includes nursing students enrolled at an institution of higher education (IHE) or private or independent IHE. The bill caps the annual number of scholarships or repayment assistance that can be awarded to this type of student at 10% of the total amount of dollars awarded.

SB 25 allows for the continued use of the Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs until August 31, 2027. The fund exists to provide grants to public IHEs that offer upper-level academic instruction and training in the fields of nursing, allied health, or other health-related education. The bill repeals the Matching Fund Program at the THECB, which allowed an individual to sponsor a nursing student's education through contributions matched by state funding. The bill also does away with two advisory committees previously established to advise the THECB on scholarships, matching funds, and loan repayment programs for professional nursing students and vocational nursing students.

SB 25 directs the THECB to establish the following four new grant programs:

- 1. *Clinical Site Nurse Preceptor Grant Program*: Funding will go to eligible clinical sites providing clinical training to nursing students via preceptors.
- 2. Clinical Site Innovation and Coordination Program: Clinical sites eligible for this funding are those with innovative pilot programs that increase the number of nurses, improve working environments for nurses, improve nurse retention, address workplace safety, and coordinate with other clinical sites to address common nursing concerns.
- 3. *Nursing Faculty Grant Program: Part-Time Faculty*: Grants will be awarded to IHEs to help fund nursing staff working at clinical sites who serve as part-time nursing faculty at the IHE.
- 4. Nursing Faculty Grant Program: Clinical Training: Grants will be awarded to eligible clinical sites to provide funding for nursing faculty of IHEs who seek to obtain additional clinical training by working part-time at a clinical site.

The THECB is required to consult with the Nursing Advisory Committee to establish rules for administering these new grant programs. The bill requires the THECB to establish the above grant programs by

September 1, 2023 and begin awarding grants under the programs by January 1, 2024. The bill's effective date is June 18, 2023.

SB 29 by Birdwell/Lozano - Relating to prohibited governmental entity implementation or enforcement of a vaccine mandate, mask requirement, or private business or school closure to prevent the spread of COVID-19. This bill codifies Governor Abbott's executive orders that restrict government entities from imposing COVID-19 mask and vaccine mandates and from mandating business and school closures to prevent the spread of COVID-19. The bill includes certain exemptions to these prohibitions.

SB 1429 by Hinojosa/Herrero – Relating to the use of standardized examinations by a school of nursing or educational program. SB 1429 adds restrictions on the use of standardized examinations by schools of nursing and related educational programs. The bill authorizes the use of standardized exams for specific purposes, such as assessing students as a component of admissions criteria, evaluating student strengths and weaknesses, and assessing program effectiveness. The bill prohibits the use of standardized exams as a graduation requirement or to deny students an affidavit of graduation. Additionally, the bill limits the weight of a standardized exam score to no more than 10% of a course grade and prohibits schools from requiring students to attend any course offered by the exam provider for academic remediation purposes. The Texas Board of Nursing is required to adopt rules related to the use of standardized exams, and failure to comply with these rules may result in disciplinary action, including removal of the school's or program's approval status.

HB 1488 by Rose/Miles – Relating to sickle cell disease health care improvement and the sickle cell task force. HB 1488 requires medical schools or graduate medical education (GME) programs that offer obstetrics, pediatrics, or emergency, family, or internal medicine programs to review their curriculum requirements, and to the extent possible, incorporate education on sickle cell disease and sickle cell trait. This would apply to residents entering any of the programs listed above on or after January 1, 2024. The bill amends the membership of the Sickle Cell Task Force (SCTF) to include one researcher from a public health-related or academic institution who has experience addressing sickle cell disease and sickle cell trait, among other new members. The bill directs the Health and Human Services Commission to work with the SCTF on several initiatives, including assisting managed care plans in effectively treating plan enrollees with sickle cell disease, providing additional sickle cell related education to Medicaid providers, and making recommendations to the Texas Education Agency on ways to improve sickle cell disease education and awareness in public schools. HB 1488 abolishes the SCTF on August 31, 2035.

HB 1794 by Schaefer/Hughes – Relating to funding for The University of Texas at Tyler's school of pharmacy. HB 1794 amends current law to allow the University of Texas at Tyler Fisch College of Pharmacy to receive formula funding. The bill's effective date is June 10, 2023.

SB 1563 by Creighton/Metcalf – Relating to the eligibility of Sam Houston State University to receive formula funding for the Sam Houston State University College of Osteopathic Medicine. SB 1563 amends current law to allow the Sam Houston State University College of Osteopathic Medicine to receive formula funding. The bill's effective date is May 19, 2023.

SB 2123 by Hughes/Hefner – Relating to the participation of the medical school at The University of Texas Health Science Center at Tyler in the Joint Admission Medical Program. This bill allows the medical school at The University of Texas Health Science Center at Tyler (UT Health Tyler) to participate in the Joint Admission Medical Program (JAMP), an undergraduate pipeline program that supports and encourages highly qualified, economically disadvantaged Texas students in pursuing a medical education. The bill's effective date is May 27, 2023, but UT Health Tyler has until the 2025-2026 academic year to provide JAMP internships and mentoring, and until the 2026-2027 academic year to admit participating JAMP students into the school.

SB 850 by Blanco/Price – **Relating to the Texas Child Mental Health Care Consortium.** SB 850 adds a representative from each education service center (ESC) whose region encompasses mostly rural school districts to the consortium's membership. A representative selected from the rural ESCs is added to the consortium's executive committee with a two-year term limit, with the option for reappointment. Additionally, the bill removes the UT M.D. Anderson Cancer Center from the list of consortium members.

HB 1211 by Guillen/Zaffirini – Relating to financial assistance, including repayment of loans, for certain students attending postsecondary educational institutions. The bill permits a licensed specialist in school psychology to be eligible for loan repayment assistance for mental health professionals. Eligible recipients must be employed by either a school district or open-enrollment charter school located within a federally designated mental health professional shortage area, or a public school that receives federal funding under Title I, Elementary and Secondary Education Act of 1965. They must provide mental health services to enrolled Texas students for a certain number of consecutive years as prescribed by the bill. HB 1211 stipulates that a licensed specialist in school psychology may receive a maximum of \$40,000 from the state for repayment assistance.

The bill also permits a student enrolled in the Joint Admission Medical Program (JAMP) to receive other scholarship money in addition to what they may receive from a private or independent institution of higher education as part of the JAMP program.

HB 2100 by Price/Schwertner – Relating to eligibility requirements for student loan repayment assistance for certain mental health professionals. HB 2100 extends eligibility for loan repayment assistance to mental health professionals who provide services to patients in a state hospital or to individuals receiving community-based mental health services from a local mental health authority. To be eligible, the professional must have completed a prescribed number of consecutive years in Texas providing such services.

SB 532 by West/Kuempel – Relating to providing mental health services information to certain higher education students and to the repayment of certain higher education loans. SB 532 requires that all institutions of higher education provide a campus map identifying the locations where mental health services are provided, along with information on how students may access those services. Under the provisions of the bill, any on-campus tours for incoming or transferring students must identify at least one of the locations available for students. This requirement applies to entering or transferring undergraduate, graduate, or professional students, both full and part-time.

The bill also expands eligibility for education loan repayment assistance to mental health professionals who provide services within state hospitals or through a local mental health authority. It makes other adjustments to the parameters for such loan assistance, including lowering the number of years a mental health professional can receive assistance from five to three, but increasing the annual amount they may receive during those three years. The bill amends provisions within the Math and Science Scholars Loan Repayment Program, which provides repayment assistance to those who agree to teach math or science within public schools for a certain amount of time.

SB 1565 by Hughes/Paul – Relating to requiring the establishment of policy frameworks for research security at public institutions of higher education. This bill requires the governing boards of institutions of higher education (IHE) to establish a policy framework around securing academic research. The framework must also reduce the risk of foreign espionage and interference. The governing board of each university system must establish a separate policy framework for each IHE under their control. The bill stipulates that the policy framework must address the following:

- Compliance with applicable ethical, legal, regulatory, contractual, and system standards and requirements related to securing and protecting the institution's research portfolios;
- Promoting compliance with federal requirements to maintain eligibility for federal funding; and
- Designating a person to serve as a research security officer.

The officer will be responsible for maintaining classified information, maintaining controlled unclassified information, conducting foreign influence reporting, and addressing other issues associated with the policy framework goals. The security officer is required to attend the annual academic security and counter exploitation program seminar offered by TAMU. The governing board of a university system may designate a security officer to serve in an institutional or in a system-wide capacity.

SB 2193 by LaMantia/Frank – Relating to programs established and operated by federally qualified health centers to provide primary care access to certain employees. SB 2193 creates a Federally Qualified Health Center (FQHC) Primary Care Access Program, a program in which employees of participating employers as well as their dependents have access to direct primary care services and benefits via an FQHC. The bill amends the Health and Safety Code to provide for the operation and financing of the program and lays out general objectives, such as reducing the number of individuals who lack primary care access, promoting preventative care, and providing fair payment rates to health care providers. Under the bill, an FQHC has the discretion to establish participation criteria for employers, employees, and dependents to require cost sharing of participating employers and employees; to contract with a health foundation or other non-profit to assist with participant cost sharing; and to screen employees and dependents to determine eligibility for state programs and federal subsidies.

The bill also requires the Texas Department of Insurance (TDI), in collaboration with the Health and Human Services Commission (HHSC), to establish and administer a grant program to award grants to FQHCs operating primary care access programs. TDI will establish performance objectives for grant recipients and monitor whether the objectives are met. The bill requires that TDI and HHSC submit an annual report

evaluating the program's successes and providing recommended actions for program improvements. The bill's effective date is May 19, 2023.

HB 2209 by Lozano/Hinojosa – Relating to establishing the Rural Pathway Excellence Partnership (R-PEP) program and creating an allotment and outcomes bonus under the Foundation School Program to support the program. This bill establishes the Rural Pathway Excellence Partnership (R-PEP) Program. R-PEP is designed to increase college and career pathways and readiness for rural and underserved high school students. Under the program, certain school districts can partner with at least one other school district and a coordinating entity to offer college, career, and military pathways that align with regional labor market projections. The coordinating entity can be a public or private institution of higher education, a non-profit, or a governmental entity. The bill outlines the eligibility criteria for school districts to receive funding under the program, including grant funding made available by the Texas Education Agency commissioner. The bill's effective date is June 2, 2023.

SB 867 by West/Rose – Relating to the recipients of opioid antagonists under the opioid antagonist program. The bill expands the list of recipients who may receive opioid antagonists under the opioid antagonist program to include institutions of higher education. The executive commissioner of the Health and Human Services Commission is responsible for providing the opioid antagonists to approved entities. The bill's effective date is June 17, 2023.

HB 617 by Darby/Alvarado – Relating to a pilot project to provide emergency telemedicine medical services and telehealth services in rural areas. This bill reauthorizes the Next Generation 911 Telemedicine Medical Services & Telehealth Services Pilot Project for another six years. The pilot project was initially established in 2015 via HB 479 and expired in 2021 without being renewed during the 87th Legislative session. The Commission on State Emergency Communications (CSEC), in conjunction with the West Texas Area Health Education Center (AHEC) at the Texas Tech University Health Science Center, established the project. The goal is to provide emergency medical services (EMS) instruction and emergency prehospital care instruction via telemedicine and telehealth services to rural health care and EMS providers. The project receives funding through 9-1-1 equalization surcharges, grants, and local funds from political subdivisions with participating trauma facilities. The West Texas AHEC is required to submit a report evaluating the project to the Legislature by December 31, 2028. Absent another reauthorization, the project will expire on September 1, 2029.

SB 401 by Kolkhorst/Harless – Relating to prices charged by a medical staffing services agency during certain designated public health disaster periods, providing a civil penalty. SB 401 creates a new chapter in the Health and Safety Code which prohibits medical staffing service agencies from engaging in price gouging during designated public health disaster periods. The specific medical staffing services agencies affected by the bill are those that provide physician assistants, surgical assistants, nurses, and nurse aides. Prohibited actions include providing medical staffing services to a health care organization or other entity at an exorbitant or excessive price or demanding or charging such a price to provide services. The bill specifies that a designated public health disaster period refers to a period based on a threat to public health, including a communicable disease, epidemic, or pandemic. The bill provides for a civil penalty of

up to \$10,000 for each violation and permits the consumer protection division of the Office of the Attorney General to bring an action to recover the penalty or restrain or enjoin the agency from violating the provisions of the bill.

HB 9 by Ashby/Huffman – Relating to the development and funding of broadband and telecommunications services. HB 9 establishes the Texas Broadband Infrastructure Fund (BIF), subject to voter approval. The 88th Legislature set aside \$1.5 billion dollars in general revenue for the BIF, a fund administered by the Comptroller intended to expand and ensure access to reliable, high-speed broadband and telecommunications connectivity. The bill outlines specific uses for the BIF, including providing funding for 9-1-1 and next generation 9-1-1 services; supporting the deployment of next generation 9-1-1 service; supporting the Texas Broadband Pole Replacement Program; providing matching funds for federal money provided for the Broadband Equity, Access, and Deployment Program; expanding access to broadband service in economically disadvantaged communities; and program administration. The Texas Treasury Safekeeping Trust Company will be responsible for holding and investing the fund. This bill takes effect on January 1, 2024, if voters approve the constitutional amendment creating the BIF.

HJR 125 by Ashby/Huffman – Proposing a constitutional amendment creating the broadband infrastructure fund to expand high-speed broadband access and assist in the financing of connectivity projects. The constitutional amendment proposed by HJR 125 will go before voters on November 7, 2023. If voters approve it, it will amend the Texas Constitution to establish the Texas Broadband Infrastructure Fund.

SB 1238 by Nichols/Ashby – Relating to broadband development. SB 1238 aligns existing state statute with updated federal guidelines regarding broadband mapping and availability. The alignment will ensure the state is in the best position to receive the maximum amount of federal funding available and will enhance broadband access, mapping, and eligibility. The bill permits the Broadband Development Office (BDO) within the Comptroller's Office to award grants, low-interest loans, and other financial incentives for broadband infrastructure projects in unserved and underserved areas; for middle-mile broadband infrastructure projects; and for projects that expand access to broadband through education, training, outreach, telehealth facilities, remote learning, or equipment purchases. The bill's effective date is June 2, 2023.

HB 1457 by Rosenthal/Blanco — Relating to required military informed care or military cultural competency training for certain personnel of entities that provide mental health services to veterans or veterans' families before award of a state agency grant. The bill prohibits a state agency from awarding a grant to an entity to provide mental health services to veterans and their families unless certain requirements are met. Either the entity has previously demonstrated successful execution of a grant from the state agency, or they provide certain training to their personnel. Specifically, the entity must provide its mental health personnel with training on military informed care or military cultural competency. If the entity does not provide the training itself, it must require the personnel to complete such training from a list of approved organizations, including the Texas Veterans Commission, the Health and Human Services Commission, the Military Veteran Peer Network, the Substance Abuse and Mental Health Services Administration, the Department of Defense, the U.S. Department of Veterans Affairs, or a non-profit.

HB 2727 by Price/Perry – Relating to the provision of home telemonitoring services under Medicaid. HB 2727 directs the Health and Human Services Commission (HHSC) to adopt rules related to the provision and reimbursement of home telemonitoring services in Medicaid. HHSC has the authority to determine which medical conditions would benefit from home telemonitoring for such purposes, and the bill directs HHSC to consider allowing Medicaid reimbursement for home telemonitoring of certain previously uncovered conditions, including end stage renal disease. The bill directs HHSC to determine if allowing home telemonitoring services in Medicaid for high-risk pregnancies would be clinically and cost effective; if HHSC determines that to be the case, they are directed to provide the service in Medicaid under certain parameters outlined in the bill. HB 2727 clarifies that HHSC has the authority to add or remove conditions from home telemonitoring services based on factors related to clinical and cost effectiveness. The bill also allows for telemonitoring capabilities at Federally Qualified Health Centers and rural health clinics. The bill's effective date is June 13, 2023.

General Operation Related Legislation

Contracting/Procurement

HB 2691 by Button/Zaffirini - Relating to the authority of the Comptroller of public accounts to issue certain payments to persons who are indebted or delinquent in taxes owed to the state and to state agency reporting requirements regarding such persons. HB 2691 allows the Comptroller to release certain payments to a person or their assignee that had outstanding state debt or delinquent state taxes. The Comptroller would be allowed to issue payment to a debtor if the Comptroller had retained one or more payments owed to the debtor that at least equaled the amount necessary to fully satisfy the amount of the debt owed.

A state agency would be required to notify a debtor when it had reported a debt owed by the person to the Comptroller. The bill would detail the information an agency would be required to include in a notice given to a debtor reported to the Comptroller.

HB 4012 by Kitzman/Zaffirini – Relating to the administration of the electronic state business daily. HB 4012 amends Section 2155.083 of the Government Code to conform language to existing policies and practices, requiring the Comptroller to operate the Electronic State Business Daily (Daily) for state agencies and other eligible entities to advertise pre-solicitation notices, solicitations, and contract awards. The bill would remove the requirement that state agencies cooperate with the Comptroller in making the Daily available and prohibit certain entities from charging a fee for businesses to access it. HB 4012 requires state agencies that will award a procurement contract estimated to exceed \$25,000 in value to post certain contract information in the Daily.

Information Technology

HB 9 by Ashby/Huffman - Relating to the development and funding of broadband and telecommunications services. HB 9 creates the Texas Broadband Infrastructure Fund (BIF), contingent upon passage of HJR 125. The fund will be administered by the Comptroller and consists of appropriations, transfers, dedicated revenue, investment and interest earnings, gifts, grants, and donations. The Texas Treasury Safekeeping Trust Company will manage the BIF, maintaining liquidity to meet the needs and preserve the purchasing power of the fund.

Money in the BIF can be used for purposes of expanding broadband and telecommunications across the state, per Government Code Chapter 490I, as well as providing funding for 9-1-1 and Next Generation 9-1-1 services, the Pole Replacement Program, matching funds for federal money for the Broadband Equity, Access, and Deployment (BEAD) Program, expanding broadband access in economically distressed communities, and administration and enforcement costs.

HB 2060 By Capriglione/Parker - Relating to the creation of the artificial intelligence advisory council. HB 2060 amends the Government Code to create a seven-member Artificial Intelligence Advisory Council to study and monitor artificial intelligence systems. One member of the committee will be an academic professional specializing in ethics employed by a public or private institution of higher education, and another member will be an academic professional specializing in artificial intelligence systems employed by a public or private institution of higher education. Both these individuals will be appointed by the Governor. HB 2060 requires each executive and legislative branch state agency that uses appropriated money, not later than July 1, 2024, to submit to DIR, the Council, and the applicable standing legislative committees an inventory report of all automated decisions systems that are being developed, employed, or procured by the agency. The bill requires the council, not later than March 1, 2024, and in consultation with DIR, to prescribe the form, contents, and manner of submission of the report. The bill's effective date is June 13, 2023.

SB 271 by Johnson/Shaheen - Relating to state agency and local government security incident procedures. SB 271 amends the Government Code to require local entities to report security incidents to the Department of Information Resources in the same manner as state agencies and institutions. The bill clarifies the current definition of "security incident" to incorporate cyberattacks that do not involve a data breach. The bill's effective date is September 1, 2023.

SB 768 by Parker/Capriglione - Relating to the process for notifying the attorney general of a breach of security of computerized data by persons doing business in this state. SB 768 amends the current requirement under Section 521.053 of the Business and Commerce Code that an agency that is required to disclose or provide notification of a breach of system security notify the office of the Attorney General as soon as practicable. It changes the deadline to the 30th day, rather than the 60th day, after the date on which the person determines that the breach occurred if the breach involves at least 250 residents of this state. The bill requires that the notification under this subsection be submitted electronically using a form accessed through the Attorney General's internet website and include certain information. The bill's effective date is September 1, 2023.

SB 1238 by Nichols/Ashby - Relating to broadband development. SB 1238 adapts the broadband framework established by HB 5. SB 1238 updates the definition of broadband access and adopts standards for what constitutes served, underserved, and unserved locations for that purpose. It also revises the metrics to be utilized for the creation of the state's broadband map in recognition of the fact that we now have, for the first time, location-based broadband data available. Finally, SB 1238 alleviates conflicts in state statute with federal guidelines for deployment of federal funds, where necessary. The bill's effective date is June 1, 2023.

SB 1893 by Birdwell/Anderson - Relating to prohibiting the use of certain social media applications and services on devices owned or leased by governmental entities. In December of 2022, Governor Abbott directed state agency leaders, via executive order, to immediately ban state employees from downloading

or using TikTok on any government-issued devices, including cell phones, laptops, tablets, desktop computers, and other devices capable of Internet connectivity. SB 1893 puts into statute provisions that would allow the Governor, by proclamation, to identify social media applications that pose a risk to the state. Governmental entities would be required to adopt policies prohibiting the installation of these social media applications. The Department of Information Resources, working with the Department of Public Safety, will publish and list on their website prohibited social media applications. Governmental entities have sixty days after an application is listed to adopt policies to comply with the state. The bill does provide exceptions for law enforcement and developing or implementing information security measures. The bill's effective date is June 14, 2023.

Facilities

HB 679 by Bell/Schwertner – Relating to limitations on the use of workers' compensation insurance experience modifier values in soliciting and awarding public construction contracts. HB 679 amends current law relating to limitations on the use of workers' compensation insurance experience modifier values in soliciting and awarding public construction contracts. The bill prohibits a governmental entity from requesting or requiring a contractor to include an experience modifier in a bid, proposal, qualification, offer, or other response submitted as part of a selection process. An experience modifier is defined as a factor expressed as a value that is assigned to an employer seeking to purchase state required worker's compensation insurance policy.

HB 2518 by Bell/Nichols – Relating to required lease terms for public property leased to a nongovernmental entity, creating a criminal offense. HB 2518 applies to leases of public property between a governmental entity (GE) and a third party. The bill requires that all leases of public property contain certain language requiring the lessee to obtain performance and payment bonds on any construction work performed under the lease. The lessee must provide a notice of commencement to the GE at least 90 days before commencement of the construction which must include copies of the required bonds. The GE may notify the lessee within 10 days if the commencement notice does not include the required bonds. If the GE fails to obtain a payment bond from the contractor or fails to include language in a lease as required by the bill, the GE has the same liability as the surety under the bond. HB 2515 waives TAMUS' sovereign immunity protection in the situation where TAMUS fails to obtain performance and payment bonds from its non-governmental lessees that enter into a public work contract. The bill's effective date is September 1, 2023.

HB 2965 by Vasut/Creighton – Relating to certain construction liability claims concerning public buildings and public works. HB 2965 prohibits statute under Government Code Chapter 2272 (Certain Construction Liability Claims) from being waived. A purported waiver would be in violation of these provisions and considered void. The bill's effective date is September 1, 2023.

HB 3485 by Bell/Johnson – Relating to a contractor's or subcontractor's right to elect not to proceed with additional work under a contract. HB 3485 allows vendors, contractors, and subcontractors to elect to not proceed with public work contracts and private owner-directed work contracts under certain conditions. The bill authorizes a vendor, contractor, or subcontractor to elect to not proceed with additional work directed by a governmental entity under a public work contract, or directed by an owner under a private contract if:

• the vendor or subcontractor did not receive a written, fully executed change order for the additional work; and

 the aggregate actual or anticipated value of the additional work under the contract terms plus any previous additional work for which the vendor or subcontractor did not receive a written, fully executed change order would exceed 10 percent of the vendor's or subcontractor's original contract amount.

A vendor or subcontractor who elects to not proceed with additional work would not be responsible for any damages associated with the election to not proceed. The bill's effective date is September 1, 2023.

VETO

SB 2453 by Menéndez/Hernandez - Relating to certain regulations adopted by governmental entities for the building products, materials, or methods used in the construction of residential or commercial buildings. SB 2453 amends Section 3000.002 of the Government Code by adding certain energy codes, energy and water conservation design standards, and high-performance building standards to the list of exceptions allowed by statute relating to the regulation of building materials and methods by a national model code. The bill requires the State Energy Conservation Office (SECO) to adopt the energy efficiency chapter of the International Residential Code.

Benefits

HB 3414 by Oliverson/Hancock - Relating to the statewide all payor claims database. HB 3414 revises provisions of the Insurance Code pertaining to the data and information collected by the Texas All Payor Claims Database. The bill adds Chapter 1601 plans (TAMUS and UTS) as those that provide information into the database (payor). The bill also includes language adding a representative from either UT System or A&M System to sit on the advisory group. The bill's effective date is June 11, 2023.

HB 4141 by Guillen/Hughes - Relating to a study conducted by the Teacher Retirement System of Texas on the feasibility of offering alternative service retirement benefits to peace officers who are members of the retirement system. Under current law, campus peace officers who are members of the Teacher Retirement System of Texas (TRS) are entitled to fewer pension benefits and have to work much longer than other state officers. The Employees Retirement System of Texas (ERS) provides more attractive pension benefits to state officers through participation in the law enforcement and custodial officer supplemental (LECOS) retirement fund. HB 4141 seeks to address this discrepancy by requiring TRS to conduct a study on the feasibility of offering campus officers who are currently TRS members alternative service retirement benefits that are similar to those provided to members participating in the ERS LECOS fund. Employers of TRS police officers will be required to submit necessary information to TRS to conduct the study. TRS is directed to prepare and submit the report to the Legislature not later than December 31, 2024. The bill's effective date is September 1, 2023.

HB 4990 by Bonnen/Kolkhorst – Relating to the Texas Pharmaceutical Initiative and a governing board and advisory council for the initiative. HB 4990 establishes the Texas Pharmaceutical Initiative to provide cost-effective access to prescription drugs and other medical supplies for employees, dependents, and retirees of public higher education systems and institutions, Employees Retirement System members, Teacher Retirement System members, persons confined by the Texas Department of Criminal Justice or the Texas Juvenile Justice Department, and individuals served by a program operated or administered by the health and human services system. The bill establishes a governing board for the initiative that would be administratively attached to the Health and Human Services Commission. The board would be required to develop and submit a business plan on implementing the initiative to the governor, the Legislature, and the Legislative Budget Board by October 1, 2024.

HB 4990 also establishes the Texas Pharmaceutical Initiative Advisory Council to advise the board; the Chancellor of the Texas A&M University System or his appointee serve on the council. The bill's effective date is June 13, 2023.

SB 10 by Huffman/Bonnen – Relating to certain benefits paid by the Teacher Retirement System of Texas. SB 10 provides a cost-of-living increase and a one-time payment to certain retirees in the Teacher Retirement System. SB 10 will provide an increase in the monthly annuity for most categories of Teacher Retirement System (TRS) members who retired on or before August 31, 2020. The amount of the increase would be 2.0 percent of the annuitant's monthly benefit if the member retired after August 31, 2013, but on or before August 31, 2020. The amount of the increase would be four percent of the annuitant's monthly benefit if the member retired after August 31, 2001, but on or before August 31, 2013. The amount of the increase would be six percent of the annuitant's monthly benefit if the member retired on or before August 31, 2001. The monthly annuity increase provision of the bill would take effect in January of 2024, contingent on approval by the voters of an associated constitutional amendment (HJR 2).

SB 10 also provides a onetime payment, not later than September of 2023, to most categories of members in payment status that are age 70 or older by the month before the payment is made. The amount of the one-time payment would be \$7,500 if the member is age 75 or older by the month before the month in which the one-time payment is made. The amount of the one-time payment would be \$2,400 if the member is age 70 but younger than 75 by the month before the month in which the one-time payment is made.

SB 1040 by Kolkhorst/Oliverson - Relating to health benefit plan coverage of a transplant of an organ that originated from or is transplanted in a country known to have participated in forced organ harvesting. SB 1040 prohibits certain health benefit plan issuers (including TAMUS) from covering a human organ transplant or post-transplant care if the transplant operation was performed in China or another country known to have participated in forced organ harvesting, or if the human organ to be transplanted was procured by a sale or donation originating in China or another country known to have participated in forced organ harvesting. The bill's effective date is September 1, 2023.

Risk Management

HB 679 by Bell/Schwertner — **Relating to limitations on the use of workers' compensation insurance experience modifier values in soliciting and awarding public construction contracts.** HB 679 amends current law relating to limitations on the use of workers' compensation insurance experience modifier values in soliciting and awarding public construction contracts. The bill prohibits a governmental entity from requesting or requiring a contractor to include an experience modifier in a bid, proposal, qualification, offer, or other response submitted as part of a selection process. An experience modifier is defined as a factor expressed as a value that is assigned to an employer seeking to purchase state required worker's compensation insurance policy.

HB 2314 by Canales/Kolkhorst – Relating to filing death benefits claims under the workers' compensation system. HB 2314 amends the Labor Code to give a person, including an eligible surviving parent of a deceased employee, filing death benefits claim under the workers' compensation system the option of filing the claim with an insurance carrier as an alternative to filing with the division of workers' compensation of the Texas Department of Insurance. The bill requires an insurance carrier, at the time

the carrier receives a person's claim for death benefits, to create and maintain a record documenting receipt of the claim and provide written notice to the division that the person filed the claim. The bill's effective date is June 10, 2023.

HB 2468 by Burrows/Perry - Relating to the entitlement of an injured employee to lifetime income benefits under the workers' compensation system. HB 2468 extends lifetime income benefits to first responders. Lifetime income benefits would be available to those who were rendered permanently unemployable by serious bodily injury in the course and scope of their duties. Benefits would be paid out until the employee's death.

HB 2468 also makes changes to the types of injuries that would qualify certain employees for lifetime income benefits. The bill removes the requirement that a brain injury resulted in incurable insanity or imbecility and adds a requirement that the brain injury resulted in a permanent major neurocognitive disorder that rendered the employee incapable of performing daily routine self-care tasks without supervision or permanently unemployable. HB 2468 modifies requirements for burns to include third degree burns covering the majority of one foot or of one hand or one foot and the face. The bill's effective date is September 1, 2023.

Human Resources

HB 915 by Craddick/Parker - Relating to a requirement that employers post notice of certain information regarding reporting instances of workplace violence or suspicious activity. HB 915 amends the Labor Code to require each employer in the state to post a notice to employees of the contact information for reporting instances of workplace violence. The bill requires the Texas Workforce Commission (TWC), by rule and in consultation with Department of Public Safety, to prescribe the form and content of the notice. The bill requires TWC to adopt the rules not later than March 1, 2024. The bill's effective date is September 1, 2023.

HB 1486 by Gerdes/Whitmire - Relating to the adoption of a mental health leave policy for certain telecommunicators. HB 1486 amends the Government Code to require each state agency or a political subdivision that employs a full-time telecommunicator to develop and adopt a policy allowing full-time telecommunicators who experience a traumatic event in the scope of that employment to use mental health leave. The bill subjects a telecommunicator leave policy to the requirements and content provisions of a mental health leave policy adopted by a law enforcement agency for peace officers. The bill's effective date is September 1, 2023.

SB 1376 by Parker/Wilson - Relating to an employment preference for members of the military and their spouses for positions at state agencies. SB 1376 amends various sections of the Government Code relating to employment preference for members of the military and their spouses for positions at state agencies. The bill allows for veterans to transfer veteran hiring preferences benefits to their spouses. The bill's effective date is September 1, 2023.

SB 2214 by Blanco/Noble - Relating to compensatory time off for certain state employees. SB 2214 amends Chapter 662 of the Government Code relating to compensatory time off for certain state employees. This bill will allow a peace officer compensatory time off for working holidays that fall on the weekend. The bill's effective date is September 1, 2023.

Reporting

HB 4510 by Smithee/Schwertner - Relating to reporting of certain information by state agencies and counties, including information related to appropriated money, activities of certain consultants, and tax revenue. HB 4510 grants the Comptroller's staff additional time to compile the annual comprehensive financial report by moving the submission deadline for most state agencies to November 1 for unaudited reports or to December 15 for audited reports. HB 4510 retains the current November 20 deadline for public institutions of higher education. The bill's effective date is September 1, 2024.

SB 999 by West/ T. King - Relating to the requirement that providers of active shooter training at public schools and institutions of higher education obtain a certificate issued by the Texas Commission on Law Enforcement. SB 999 requires all companies that provide active shooter training to students or employees at a public school or institution of higher education to both use certified instructors and possess a TCOLE certification at the company level. The bill's effective date is September 1, 2023.

Bills With a Reporting or Posting Requirement

HB 400 by Klick/Kolkhorst – Relating to innovation grant programs to support residency training programs in psychiatric specialty fields and recruitment, training, and retention programs in behavioral health fields.

HB 617 by Darby/Alvarado – Relating to a pilot project to provide emergency telemedicine medical services and telehealth services in rural areas.

HB 1488 by Rose/Miles – Relating to sickle cell disease health care improvement and the sickle cell task force.

SB 1238 by Nichols/Ashby – Relating to broadband development.

SB 2040 by Springer/Clardy – Relating to the continuation and transfer of the regulation of willed body programs to the Texas Funeral Service Commission, the regulation of willed body programs, non-transplant anatomical donation organizations, and anatomical facilities, and the creation of the State Anatomical Advisory Committee; requiring registration; authorizing fees; authorizing an administrative penalty.

SB 2193 by LaMantia/Frank – Relating to programs established and operated by federally qualified health centers to provide primary care access to certain employees.

Bill Analysis Task Force

The following is a listing of those individuals that served as analysts on the Bill Analysis Task Force during the 88th Legislative Session.

Academic Related Issues

Ken Poenisch

Facilities/Construction Related Issues

James Davidson

Finance Related/General Operation Issues

Jeff Zimmerman Wade Wynn

Equal Opportunity/Diversity Issues

Nicole Roberson

Information Technology Related Issues

Mark Stone

Health Science Center

Laurie Charles

HR/Benefit/Workers Comp Related Issues

Adam Davidson Henry Judah Jessica Palacios Sheri Meyer

Research Related Issues

Jon Mogford

Student Affairs

Brandon Griggs

Legal Related Issues

Andrea Pereira Ashlea Hewlett Bret Davis Brain Bricker Brooks Moore

Claudene Marshall David Halpern Elinore Tecson Gina Joseph

Glenda Rogers Jan Faber

Jan Faber
Jennifer Wright
Jerry Brown
Jorge Canales
Julie Masek
Kate Pharr

Lynda Cook Mark Kelley Melisa Jones Steve Garrett Tom Silver

Texas Division of Emergency Management

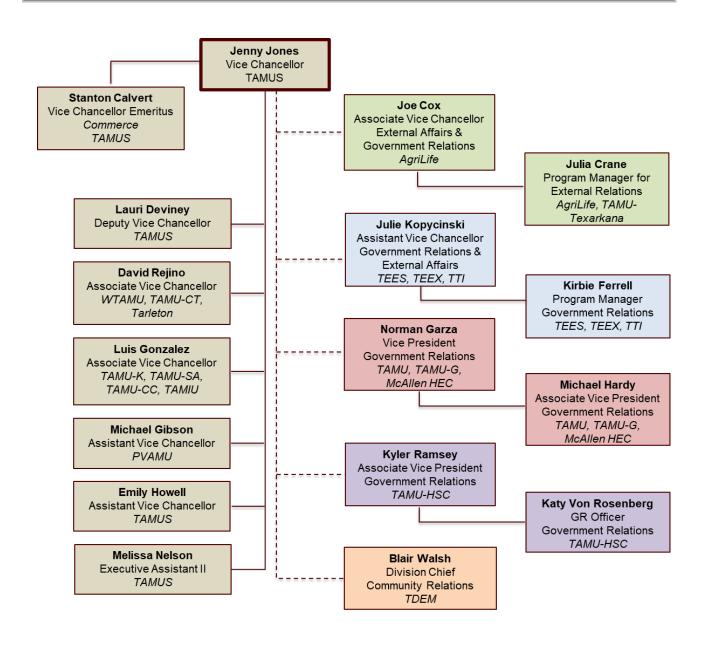
Ashley Hyten
Blair Walsh

Seth Christensen

Treasury/Investment Related Issues

Maria Robinson

State Relations Team



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