THE UNIVERSITY OF TEXAS SYSTEM OFFICE OF GOVERNMENTAL RELATIONS



Summaries of Legislation Impacting Higher Education 89th Legislature, Regular Session September 2025 This page is intentionally left blank

Foreword

This document, compiled by The University of Texas System Office of Governmental Relations (OGR), outlines the proceedings of the Regular Session of the 89th Texas Legislature as they relate to higher education. It serves as a resource for officers, employees of institutions, and System administration who must be familiar with or are responsible for implementing new legislative actions. The OGR Legislative Intern, Elizabeth Tomoloju, in conjunction with OGR staff and policy analysts, has prepared brief overviews of individual bills and guidance for implementation.

Each bill is arranged by subject matter under broad categories, such as academic affairs and health affairs. It is important to note that some bills fall under multiple categories and are therefore reiterated in various corresponding sections. Within each broad category, the bills are catalogued by their bill number, not by significance, and all House bills are listed before the Senate bills. The summaries outline the key provisions of each bill that directly or indirectly affect higher education and deliver a primary evaluation of the bill's impact. Brief directives on implementation, along with insights on which offices and institutions should be aware of the bill, are included. For those requiring additional information, OGR can be contacted for more detailed guidance.

The purpose of each summary is to convert the bill language into a clear and concise format, providing enough information to determine if an in-depth review or the development of an executive plan is necessary. The summary does not replace a comprehensive analysis tailored to the specific needs of an office or institution. The full text of each bill, along with its legislative history and other relevant details, can be found online at https://capitol.texas.gov/, a website managed by the Texas Legislative Council, a nonpartisan government agency serving both chambers of the Texas Legislature and offering additional legislative resources.

All feedback on enhancing this publication in the coming years is greatly appreciated, as we strive to continually support UT System offices and institutions by providing accessible information on pertinent legislation and actionable guidance for implementation.

NOTE: This document does <u>not</u> include bills passed during the Second Called Special Session.

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Academic Affairs

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Academic Affairs

PUBLIC SCHOOL FINANCE

H.B. 2 - Buckley - Relating to public education and public school finance.

House Bill 2 represents one of the largest increases in public school funding in recent years, prioritizing investments aimed at significantly improving teacher retention, special education outcomes, and other critical areas identified by the legislature. The bill includes key provisions to improve teacher preparation, certification, and support in Texas, including a \$187 million investment in teacher preparation and certification programs to phase out uncertified teachers by 2030. Districts will receive direct funding to increase the number of certified teachers. Student teachers will be provided with stipends and there will be increased support for "grow your own" programs to recruit local talent. The bill also waives certification exam fees for bilingual and special education teachers and introduces a \$1,000 mentorship stipend for experienced teachers who mentor new teachers on the job. School districts will receive a one-time payment of \$3,000 for each mentee teacher.

Implementation: Colleges of education that want to implement Texas's key initiatives to improve teacher preparation, certification, and support need to adapt their teacher preparation programs to the new pathways available for students seeking teacher certification. This includes strengthening partnerships with school districts to align program offerings with local needs, especially in high-need areas like bilingual and special education, where waived certification exam fees can be leveraged to attract candidates. Colleges of education should support "grow your own" pipelines by recruiting local talent and utilizing state-funded stipends to provide financial support for student teachers. Collaboration with districts should also extend to co-designing mentorship programs, allowing experienced teachers to receive stipends for guiding new educators. Through increased enrollment capacity, targeted recruitment, and data-driven evaluation of outcomes, colleges of education will play a central role in advancing the quality and availability of certified teachers across Texas.

Effective Date: The bill has an immediate effective date, however, certain articles take effect September 1, 2025, 2026, 2027, and 2028.

Responsible Party: OAA and Colleges of Education

Rulemaking Authority: Texas Education Agency, TEA Commissioner, and State Board for Educator Certification

DISCIPLINE IN SCHOOLS

<u>H.B. 6</u> – Leach – Relating to discipline management and access to telehealth mental health services in public schools.

House Bill 6 amends the Texas Education Code to clarify admission criteria for open-enrollment charter schools, reform school discipline management, and ensure mental health service access for Texas public

school students through telehealth. This bill clarifies the conditions under which charter schools may exclude students based on disciplinary history, prioritizing student safety in environments that include child-care services. Teachers and other professional employees in school districts are given further protection from disciplinary actions when they report violations of Chapter 37 of the Education Code or act in good faith to maintain classroom order. The criteria for classroom removal are clarified and broadened, strengthening the authority of teachers regarding classroom management. Additionally, the bill introduces a more structured approach to suspensions, detailing the conditions and duration for inschool and out-of-school suspensions. Other key provisions include a virtual expulsion program and a telemedicine program to provide school districts with mental health services. These changes will take effect beginning with the 2025–2026 school year.

Implementation: Institution charter schools that include a child-care facility will need to update their admissions policies to include the exclusion of students who have been convicted of a criminal offense that would prevent their admission to a similar district campus. The language should clearly outline the disciplinary issues that will exclude students from admission, including placement in a disciplinary alternative education program or a juvenile justice alternative education program, engagement in conduct related to expulsion, and juvenile court adjudication. Additionally, independent school districts and charter schools need to revise their discipline policies and student code of conduct to reflect the new requirements. Staff should be informed and trained on their immunity protections when reporting disciplinary violations, and schools must expand special education support to include crisis prevention training. For expelled students, schools need to develop or adopt a virtual expulsion program to ensure continued education access. Schools also need to establish systems to provide telehealth-based mental health services, including processes for obtaining parental consent for minors and ensuring compliance with student data privacy laws.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: TEA Commissioner

APPLIED SCIENCES PATHWAY PROGRAM

H.B. 20 - Gates - Relating to establishing the Applied Sciences Pathway program.

House Bill 20 establishes the Applied Sciences Pathway Program, which is designed to allow high school students to simultaneously earn their diplomas and industry-recognized certificates through partnerships between school districts or charter schools and institutions of higher education. The program targets highwage, high-growth fields and provides a structured, non-duplicative sequence of courses starting in 11th grade. Approved partnerships must offer eligible students opportunities for both classroom instruction and work-based learning and be governed by formal articulation agreements. The commissioner of education is empowered to approve substitute career and technology education credits toward high school graduation, revise eligible industries every five years starting in 2027–2028, and adopt necessary

administrative rules. Student participation counts toward full-time attendance, and the program complements, rather than replaces, existing dual credit and career education opportunities.

Implementation: Institutions that wish to implement the Applied Sciences Pathway Program must establish a formal partnership with a local school district or open-enrollment charter school through an articulation agreement. Institutions can then collaborate with the district to design a non-duplicative, sequential course of study that enables eligible 11th and 12th-grade students to concurrently earn high school credits and a level one or level two certificate in a high-wage, high-growth industry. Institutions will be tasked with providing qualified instructors, access to appropriate facilities, and any necessary work-based learning opportunities. Additionally, Institutions will have to align their certificate offerings with those approved by the commissioner of education, ensure program accessibility for all eligible high school students, and comply with all reporting, curriculum, and instructional requirements set forth by the commissioner's rules.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, Provost Office, and UT Charter Schools

Rulemaking Authority: TEA Commissioner

HIGHER EDUCATION GOVERNANCE AND TRANSPERANCY

<u>H.B. 27</u> – King – Relating to courses in personal financial literacy and economics for high school students in public schools.

House Bill 27 amends Section 28.025 of the Texas Education Code to revise curriculum requirements for the foundation high school program. The changes require students to complete three social studies credits, including one credit in U.S. history, at least one-half credit in government, one-half credit in personal financial literacy, and one credit in either economics, world geography, or world history. A new provision allows students to meet the personal financial literacy requirement by completing an advanced placement (AP) course approved by the State Board of Education (SBOE) for its comparable rigor. Additionally, a previous provision (Section 28.025(b-22)) regarding personal financial literacy and economics is repealed. These changes apply beginning with students entering ninth grade in the 2026–2027 school year.

Implementation: Educational institutions need to update their graduation requirements and course offerings to align with the revised standards starting with the 2026–2027 school year. This includes ensuring that all students entering ninth grade that year are enrolled in a foundation high school program that includes one-half credit specifically in personal financial literacy, distinct from economics. Institutions must revise academic planning materials, course catalogs, and counseling guidance to reflect the changes and coordinate with the State Board of Education to identify and offer any approved AP courses that meet the new financial literacy requirement. Faculty may need professional development or

certification updates to teach the revised or newly required courses. Additionally, schools should inform students, parents, and staff of the new requirements well in advance to ensure a smooth transition.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: State Board of Education

ACTIVE SHOOTER EVENTS

<u>H.B. 33</u> – McLaughlin – Relating to active shooter incidents at primary and secondary school facilities and other emergencies.

House Bill 33 serves to strengthen safety measures against active shooter incidents in Texas schools, bolstering the security of students and staff in educational settings. This bill requires schools to conduct comprehensive security reviews for any new or renovated school facility, and each school district and open-enrollment charter school are required to have at least one breaching tool and one ballistic shield available on campus. Institutions must also add a recovery of services to their multihazard emergency operations plan.

The Advanced Law Enforcement Rapid Response Training Center, established under Section 96.42, is tasked with creating a reporting template for local law enforcement agencies and emergency medical services providers to use when evaluating their response to active shooter incidents at schools. Additionally, the center is required to develop a training program for peace officers and emergency medical services personnel that teaches them how to respond to active shooter situations.

The Texas Division of Emergency Management is required to create a guide on preparing for and responding to an active shooter incident. They are also responsible for creating a plan for first responders involved in a shooting. The plan will focus on the psychological impact of active shooter events on first responders and outline mental health resources available to them. Other key provisions include certificate requirements and continuing education for public information officers, a new Texas Commission on Law Enforcement rule for reporting responses to an active shooter event, identification of training programs or courses that are approved for EMS training, and an expansion of grant guidelines to all first responders and telecommunicators.

Implementation: Institution Charter Schools must ensure they have one breaching tool and one ballistic shield available on campus, and if not, coordinate efforts to acquire the required equipment. Institutions need to update their multihazard emergency operations plan to address how they will resume essential services in the aftermath of an emergency event. Schools should also coordinate with law enforcement to schedule and participate in regular active shooter drills and integrate standardized training protocols provided by the Advanced Law Enforcement Rapid Response Training Center. Additionally, Peace officers at both line officer and supervisor levels will need to complete both National Incident

Management System and Incident Command System training to fulfill the new emergency response management training requirement.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools and ODOP

Rulemaking Authority: Texas Commission on Law Enforcement, Texas Division of Emergency

Management, and Department of State Health Services.

HIGHER EDUCATION FUNDS

H.B. 42 - Wilson - Relating to the amount and allocation of the annual constitutional appropriation to certain agencies and institutions of higher education and to the permissible uses of that money.

Under current law, public institutions of higher education in Texas receive state funding for construction and other capital needs through either the Permanent University Fund (PUF) or the Higher Education Fund (HEF), with the HEF designated for institutions not eligible for PUF income. The Texas Legislature regularly reviews and adjusts HEF appropriation levels and allocation methodologies. In response to institutional growth and inflation-related reductions in purchasing power, the Texas Higher Education Coordinating Board, in collaboration with HEF-eligible institutions, is seeking increased appropriations. House Bill 42 addresses this need by proposing revised annual allotments from the HEF to applicable institutions starting in fiscal year 2026. The bill includes alternative allotment schedules contingent on the outcome of a proposed constitutional amendment by the 89th Legislature, which would establish a permanent fund to support the capital needs of the Texas State Technical College System.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

SEXUAL ASSAULT AND OTHER SEX OFFENSES

H.B. 47 – Howard – Relating to sexual assault and other sex offenses.

House Bill 47 proposes key reforms to strengthen Texas's response to sexual assault by addressing critical gaps in existing law. It would allow survivors to break leases regardless of where the assault occurred, ban registered sex offenders from working as rideshare drivers, and extend court delay protections to

adult survivors. The bill also mandates expanded post-assault healthcare, including 30 days of follow-up care and enhanced trauma-informed training for ER personnel. It further improves support through expanded SANE certifications and legal resource information. Finally, it requires biennial data reporting by sexual assault response teams to boost accountability and improve statewide services.

Implementation: To implement the reforms, institutions need to update campus policies and procedures to align with the bill's survivor-centered, trauma-informed approach. This includes revising housing policies to allow survivors to break leases regardless of where the assault occurred, partnering with local healthcare providers to ensure access to 30 days of post-assault care, and training campus health center staff in trauma-informed practices. Institutions can also strengthen their collaboration with law enforcement and legal aid organizations to support survivors through court proceedings and legal processes. Additionally, institutions should require background checks that align with the bill's restrictions on offenders in sensitive roles and ensure sexual assault response teams regularly report data to university leadership for transparency and service improvement.

Effective Date: September 1, 2025

Responsible Party: OAA, UTS Compliance, and Student Affairs

Rulemaking Authority: Texas Physician Assistant Board

PUBLIC SCHOOL MATERIALS

<u>H.B. 100</u> – Leo Wilson – Relating to the purchase, adoption, and use of instructional materials by public schools.

House Bill 100 strengthens oversight of instructional materials used in Texas public schools by prohibiting the use of state Instructional Materials and Technology Allotment funds to purchase any materials included on the State Board of Education's (SBOE) list of rejected instructional materials. It requires the SBOE to give at least 45 days' notice before officially rejecting a material, allowing time for revisions. School districts and open-enrollment charter schools are prohibited from adopting or using any instructional or open educational resource materials on the rejected list. However, they may still use local funds to purchase non-rejected instructional materials outside the state-adopted list. These changes aim to ensure educational content meets state standards while allowing some local flexibility.

Implementation: Independent school districts (ISDs) will have to review and revise their instructional materials adoption policies to ensure compliance with the updated Education Code. This includes establishing procedures to verify that no materials adopted or purchased, whether traditional or open educational resources, appear on the SBOE's list of rejected instructional materials. Curriculum and purchasing teams must coordinate closely with the SBOE's published lists during selection processes and before using state Instructional Materials and Technology Allotment funds. ISDs should also train staff involved in instructional material adoption and update internal approval workflows to incorporate the new 45-day review window. Additionally, districts should communicate these changes to school leaders and

instructional staff and establish a clear process for using local funds to purchase materials not on the rejected list when needed.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and UT Charter Schools

Rulemaking Authority: N/A

EARLY REGISTRATION FOR STUDENTS AT IHES

<u>H.B. 102</u> – Wilson – Relating to early registration for certain students at public institutions of higher education.

House Bill 102 adds Section 51.986 to the Education Code, requiring public higher education institutions that offer early registration to any student group to also offer it to students in ROTC programs, corps of cadets, senior military colleges' corps of cadets, and maritime academies. The Texas Higher Education Coordinating Board will establish rules to implement this provision, which takes effect starting with early registration for the spring 2026 semester.

Implementation: Institutions need to identify and maintain a current list of students eligible for early registration—those enrolled and in good standing in ROTC programs, a corps of cadets, or a maritime academy—through coordination with program leaders. Institutions should then revise their registration policies to include these groups wherever early registration is offered to others, ensuring compliance with the law. Student information systems may need updates to flag eligible students for priority registration windows. Clear communication with students, advisors, and administrative staff will be essential to ensure smooth execution beginning with the spring 2026 registration cycle.

Effective Date: September 1, 2025.

Responsible Party: OAA and Enrollment Managers

Rulemaking Authority: Texas Higher Education Coordinating Board

NAME, IMAGE, LIKENESS (NIL)

<u>H.B. 126</u> – Tepper – Relating to the compensation and professional representation of prospective student athletes and student athletes participating in intercollegiate athletic programs at certain institutions of higher education.

House Bill 126 amends Section 51.9246 of the Texas Education Code to clarify and expand rules governing student athletes' rights to earn compensation for the use of their name, image, or likeness

(NIL). It prohibits institutions from preventing student athletes from profiting off their NIL or obtaining legal representation for related matters. The law permits compliance with rules or court orders from governing athletic organizations in light of the House v. NCAA settlement agreement, which allows institutions to distribute funds directly to student athletes. The bill strikes provisions prohibiting entering into agreements with student athletes prior to enrollment or for recruiting purposes. Additionally, NIL agreements with prospective athletes under age 17 are prohibited unless they are already enrolled. The bill applies only to compensation paid after its effective date and becomes effective immediately.

Implementation: Universities in Texas need to revise their policies and procedures related to student athlete compensation to ensure compliance with the amended Section 51.9246 of the Texas Education Code. This includes formally recognizing student-athletes' rights to earn compensation for the use of their name, image, or likeness (NIL) and obtaining legal representation for NIL matters. Institutions must also update their compliance protocols to align with evolving rules and court orders from athletic governing bodies, particularly in light of the House v. NCAA settlement and direct NIL payments to student-athletes. Recruiting practices should be reviewed to eliminate previously prohibited agreements with prospective athletes, while ensuring that NIL agreements are not made with individuals under age 17 unless they are already enrolled. Additionally, universities should establish clear guidance and communication for stakeholders to distinguish between NIL agreements and impermissible recruitment incentives and should implement these changes in accordance with the act's effective date.

Effective Date: Immediate Effective Date.

Responsible Party: OAA/OGC and Athletic Departments/General Counsel

Rulemaking Authority: N/A

REGULATION OF UNIVERSITY GIFTS AND DONATIONS

<u>H.B. 127</u> – Wilson – Relating to measures to protect institutions of higher education from foreign adversaries and to the prosecution of the criminal offense of theft of trade secrets.

HB 127 establishes the Higher Education Research Security Council (HERSC), comprised of university research security officers appointed by each Board of Regents, to establish best practices for institutions of higher education and provide training for research security officers. The bill places restrictions on institutions and employees receiving gifts from foreign adversary governments, businesses, organizations, and political parties; institutions are directed to include this prohibition in their ethics policy and create a mechanism for employees to report being offered such a gift. Additionally, it requires vetting, approval, and disclosure of acceptance of some institutional gifts from individuals from foreign adversary nations, and requires federal Section 117 reports to be submitted to the Texas Higher Education Coordinating Board. Institutions will be required to certify compliance with best practices for entering into academic partnerships with foreign adversary entities, and are prohibited from entering into an academic partnership with a foreign adversary that compromises autonomy or allows harmful influence.

The bill requires additional screening of certain foreign researchers being hired, in accordance with a risk-based framework to be established by the Research Security Council, and prohibits an institution from employing a researcher who fails to disclose substantial required information under certain circumstances. Requires institutions to establish a risk-based framework for employment-related foreign travel approval and monitoring, and maintain records related to and annually report employment-related travel to foreign adversary nations to the Board of Regents. Additionally, the bill stipulates that student organizations may not receive gifts from or contract with foreign adversaries and must certify compliance to the institution annually, and directs the HERSC and THECB to review and publish a list of education software owned or controlled by a foreign adversary that may not be used. The bill also increases penalties for theft of trade secrets if found to be on behalf of a foreign agent, foreign government, or foreign instrumentality. HB 127 stipulates that the Board of Regents certify compliance with the legislation beginning with FY 2027, and requires a periodic compliance audit by the State Auditor.

Implementation: Universities should review and update their current policies relating to foreign gifts, foreign travel, and academic partnerships, as well as submit federal Section 117 reports to THECB. Once the HERSC sets parameters, universities may need to update policies and train staff to handle screening of certain research-related hires. Student organization leaders should be made aware of restrictions on gifts and contracts with foreign adversary entities and be provided with a process to certify compliance. A process should be created for institutions to submit required travel reports to the Board. Additional software may be added to the prohibited technologies list once the study is completed.

Effective Date: September 1, 2025; sections related to gifts, best practices for academic partnerships, screening of hires for research positions, and employment materials submissions apply beginning in the academic year after the Council adopts standards related to those sections.

Responsible Party: OAA, OHA, Compliance, Risk Management, HR, OGC, External Relations, Contracts and Procurement, Office of the Board of Regents, OTIS, and Institutions

Rulemaking Authority: Texas Higher Education Coordinating Board

SISTER-CITY AGREEMENTS

H.B. 128 – Orr – Relating to certain sister-city agreements between governmental entities and foreign countries and communities.

House Bill 128 aims to strengthen international partnerships while protecting national security by regulating sister-city agreements. It encourages agreements with U.S. allies, including major non-NATO allies and Taiwan, while prohibiting partnerships with foreign adversaries or their communities. The bill requires governmental entities to withdraw from existing sister-city agreements with adversarial nations by October 1, 2025.

Implementation: Institutions should review all existing and proposed sister-city or institutional partnerships with foreign communities to ensure compliance with the law. This involves assessing whether any partner institutions are in countries designated as foreign adversaries and, if so, initiating the process to terminate those agreements by the required deadline. Simultaneously, institutions should strengthen ties with institutions in U.S.-allied countries, including those designated as major non-NATO allies and Taiwan, to foster academic exchange, research collaboration, and cultural understanding. Establishing internal guidelines and working with legal and international affairs offices will help ensure that future partnerships align with state and federal regulations.

Effective Date: September 1, 2025

Responsible Party: OGC and Chief Legal Offices

Rulemaking Authority: N/A

BIOLOGICAL SEX INFORMATION

H.B. 229 – Troxclair – Relating to general definitions for and collection of governmental information regarding biological sex.

House Bill 229 defines "biological sex" in Texas law as strictly male or female based on reproductive anatomy and requires all governmental entities collecting vital statistics for public health, legal, or administrative purposes to classify individuals as either male or female. It asserts that biological sex is immutable and foundational to differences in physical capacity, vulnerability, and social experience, particularly for women. The bill formalizes definitions for terms like "male," "female," "man," "woman," and related terms, excluding the recognition of a third sex.

Implementation: Universities need to update their data collection systems to classify individuals strictly as male or female when gathering vital statistics for purposes such as compliance with anti-discrimination laws and public health, crime, economic, or other data reporting. Universities should ensure that all staff are trained on the legal definitions and requirements, and that accommodations for intersex individuals are provided in accordance with state and federal laws, without recognizing a third sex category.

Effective Date: September 1, 2025.

Responsible Party: OIRA and IR Directors

Rulemaking Authority: N/A

TEXAS ARMED SERVICES SCHOLARSHIP

H.B. 300 - Wilson - Relating to the Texas Armed Services Scholarship Program.

House Bill 300 enhances the Texas Armed Services Scholarship Program by doubling the award amount to the greater of \$30,000 or the average cost of attendance at Texas higher education institutions. It expands eligibility to students enrolled in ROTC or similar commissioning programs and requires annual proof of participation or acceptance into the Texas State Guard officer program. The Governor and Lieutenant Governor must now appoint recipients by September 30 each year, and scholarships are limited to four academic years. A new scholarship coordinator role is created to support students and institutions. These reforms, effective from the 2025–2026 academic year, aim to strengthen support for students pursuing military service and improve program transparency and administration.

Implementation: Institutions should first establish clear internal processes for verifying student eligibility, including documentation of enrollment and participation in ROTC or similar military programs. Financial aid and military liaison offices should coordinate to track scholarship duration and ensure compliance with the four-year limit. Institutions should designate a point of contact—potentially the new scholarship coordinator or a liaison—to communicate with the state and support students in meeting documentation deadlines. Additionally, institutions must align their administrative timelines with the September 30 appointment deadline and update relevant policies, websites, and student advisement materials to reflect the new scholarship amount and requirements.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Financial Aid Office

Rulemaking Authority: Texas Higher Education Coordinating Board

CIVICS INSTRUCTION IN PUBLIC SCHOOLS

<u>H.B. 824</u> – Jones – Relating to the inclusion of civics instruction in public school government curriculum requirements for high school students.

House Bill 24 directs the State Board of Education to update requirements for the government component of the high school social studies curriculum to include essential knowledge and skills that develop a student's civic knowledge.

Implementation: Independent school districts (ISDs) need to review the updated government curriculum standards adopted by the State Board of Education to identify the new essential knowledge and skills related to civic education. ISDs can then revise their local curriculum guides and instructional materials to align with these changes, ensuring that key civic topics are fully integrated into lesson plans. Teachers will need to receive professional development and resources to effectively deliver the revised content, with an emphasis on promoting students' understanding of civic responsibilities, government structure,

and democratic principles. Additionally, ISDs may assess and adjust existing assessments to ensure they reflect the updated standards, supporting consistent implementation across campuses.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, Colleges of Education, and UT Charter Schools

Rulemaking Authority: N/A

COURSE LEVELS OFFERED AT SUL ROSS UNIVERSITY

<u>H.B. 1022</u> – Morales – Relating to the course levels offered at Sul Ross State University Rio Grande College.

House Bill 1022 amends Section 96.01 of the Education Code to broaden the scope of educational offerings at Sul Ross State University. It removes the designation of Sul Ross State University Rio Grande College as an "upper-level" institution, allowing it to operate as an educational center in Del Rio, Eagle Pass, and Uvalde without limiting instruction to upper-level courses. The change takes effect on January 1, 2028.

Implementation: N/A

Effective Date: September 1, 2025

Responsible Party: N/A

Rulemaking Authority: N/A

TUITION AND LAB FEE EXEMPTION FOR CERTAIN PARAMEDICS

<u>H.B. 1105</u> – Cole – Relating to the exemption of tuition and laboratory fees at public institutions of higher education for certain paramedics.

House Bill 1105 adds Section 54.3532 to the Texas Education Code, requiring public institutions of higher education to exempt tuition and laboratory fees for paramedics employed by a Texas political subdivision who are enrolled in emergency medical services (EMS) courses. The exemption does not cover deposits for property use, additional tuition charged under certain sections for resident undergraduates and graduate students, or most distance education courses exceeding a set enrollment limit. To continue receiving the exemption, students must make satisfactory academic progress. The Texas Higher Education Coordinating Board (THECB) is responsible for establishing rules to govern eligibility, certification requirements, distance education limitations, and a uniform list of eligible degree programs. This exemption takes effect beginning with the fall 2025 semester.

Implementation: Institutions of higher education need to update their tuition and fee policies to reflect the new exemption for eligible paramedics enrolled in EMS courses, beginning with the fall 2025 semester. Institutions should coordinate with the THECB to ensure compliance with all rules regarding eligibility, certification levels, and applicable degree programs. Processes must be established to verify a student's employment as a paramedic by a Texas political subdivision and to monitor their academic progress for continued eligibility. Additionally, financial aid and registrar systems need to be updated to apply exemptions accurately while excluding ineligible fees such as certain additional tuition charges or deposits. Special attention should be given to managing enrollment caps for distance education courses to comply with the exemption limits. Clear communication and guidance must be provided to staff and students to ensure smooth implementation.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, Registrar, and Financial Aid Offices

Rulemaking Authority: Texas Higher Education Coordinating Board

TEMPORARY EDUCATOR CERTIFICATION

<u>H.B. 1178</u> – Cunningham – Relating to the creation of a temporary educator certificate for educators certified by other states.

House Bill 1178 creates a streamlined process for issuing temporary teaching certificates to educators that are certified in other states. It requires the State Board for Educator Certification (SBEC) to immediately grant a temporary certificate to qualified applicants who hold a valid, non-temporary teaching credential from another state and a bachelor's degree from an accredited institution. These temporary certificates are valid for up to one year—or up to three years for military spouses—and cannot be renewed. SBEC retains the authority to rescind the certificate if the applicant is later found ineligible. The bill repeals prior provisions related to temporary certification, consolidating and clarifying the process to help address teacher shortages and support workforce mobility across state lines.

Implementation: Independent school districts (ISDs) need to update their hiring policies and human resources procedures to align with the new temporary certification rules established by SBEC. HR staff must be trained to recognize and accept the new temporary certificates issued to out-of-state educators, ensuring that eligible candidates can begin teaching immediately upon receipt of the certificate. ISDs should also establish a process for monitoring certificate expiration dates, particularly noting the different timelines for military spouses, and provide support to these educators as they work toward full Texas certification within the allowed time frame. Additionally, coordination with SBEC will be essential to stay informed about any updates to eligibility or rule changes related to this certification pathway.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, Colleges of Education, and UT Charter Schools

<u>TUITION AND FEE EXEMPTION – DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES</u>

<u>H.B. 1211</u> – Lujan – Relating to tuition and fee exemptions at public institutions of higher education for certain students who were under the conservatorship of the Department of Family and Protective Services.

House Bill 1211 amends Section 54.366(a) of the Education Code to extend the age limit for students to qualify for a tuition and fee exemption. Under the revised law, students are eligible for the exemption, including for dual credit and joint high school—college credit courses, if they enroll by their 27th birthday instead of the previous limit of 25. The change takes effect beginning with tuition and fees charged for the fall 2025 semester, while any charges before that term remain subject to the previous law.

Implementation: Public institutions need to update their admissions, advising, and financial aid processes to reflect the extended eligibility for tuition and fee exemptions up to age 27. This includes revising internal policies, training staff on the updated criteria, and ensuring that enrollment systems and financial aid software recognize and apply the exemption accurately for qualifying students. Institutions should also collaborate with local high schools and outreach programs to inform prospective and current students, particularly those participating in dual credit or early college initiatives, about the expanded age eligibility. Additionally, clear communication through websites, orientation materials, and advising sessions will be essential to ensure that eligible students can take full advantage of the exemption starting in fall 2025.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, UT Charter Schools, and Registrar Office

Rulemaking Authority: N/A

WIRELESS COMMUNICATIONS DEVICES IN PUBLIC SCHOOLS

<u>H.B. 1481</u> – Fairly – Relating to school district and open-enrollment charter school policies regarding student use of personal communication devices.

House Bill 1481 amends Section 37.082 of the Texas Education Code to require all school districts and open-enrollment charter schools to adopt and enforce a written policy prohibiting student use of personal communication devices, such as cell phones, on school property during the school day. The policy must include disciplinary measures and may allow for the confiscation and disposal of devices, following written notice to parents. Exceptions must be made for students with documented needs under

individualized education plans (IEPs), Section 504 plans, or other medical or safety requirements. The Texas Education Agency (TEA) will provide model policy language on its website to support implementation (See <u>Guidance Document for House Bill (HB) 1481 Implementation</u>). This requirement does not apply to adult education programs operated under adult high school charters. Districts and charter schools must adopt the required policy within 90 days of the law's effective date.

Implementation: Independent school districts (ISDs) should first develop or revise their written policy to clearly prohibit student use of personal communication devices during the school day on campus, incorporating required disciplinary actions and procedures for device confiscation and disposal with proper parental notification. ISDs must ensure exceptions are made for students with IEPs, Section 504 plans, or documented medical needs. Staff and administrators should receive training on the new policy and enforcement procedures, and communication efforts need to inform students and parents about the rules and consequences. Districts should plan to coordinate with the Texas Education Agency to utilize the model policy language provided and set timelines to adopt and enforce the policy within the mandated 90-day period. Institutions should monitor for instances where one or more school districts share resources such as in the case of dual credit or require multi-factor authentication (MFA) from a personal device for virtual coursework. In the case of the usage of MFA, IHEs will need to maintain their security integrity.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools; Office of the CIO, OGC, CISO

Rulemaking Authority: N/A

TIER FUNDING FOR COMMUNITY COLLEGES

<u>H.B. 1868</u> – Leo Wilson – Relating to a study on changes to performance tier funding for dual credit or dual enrollment courses under the public junior college state finance program and the capacity of the state's workforce to teach dual credit or dual enrollment courses.

House Bill 1868 adds Section 130A.1011 to the Texas Education Code, directing the Texas Higher Education Coordinating Board (THECB) to study the feasibility and financial and policy impacts of reducing the required semester credit hours for dual credit or dual enrollment course sequences to nine credit hours for performance tier funding purposes. The THECB is tasked with assessing specific criteria and may consult with the Texas Education Agency and higher education institutions during the study. A report detailing the findings and any recommendations, including ways to support expanding the dual credit instructor workforce, must be submitted to the legislature by December 1, 2026. This provision expires on September 1, 2027.

Implementation: To support the study required under Section 130A.1011, institutions of higher education can collaborate with the THECB by providing data and insights on current dual credit and dual

enrollment course sequences, including credit hour requirements and student outcomes. Institutions can also assist in evaluating the fiscal and policy impacts of potentially reducing credit hour thresholds and participate in discussions or surveys related to workforce capacity for dual credit instructors. Additionally, institutions may review their course offerings and instructor qualifications to help inform recommendations for expanding and supporting the dual credit teaching workforce. This collaboration would help ensure that the THECB's report to the legislature is informed by practical, institution-level experience and needs.

Effective Date: Immediate Effective Date.

Responsible Party: OIRA and IR Directors

Rulemaking Authority: N/A

BUILDING BETTER FUTURES PROGRAMS

<u>H.B. 2081</u> – Bucy – Relating to the establishment of the Building Better Futures Program to support educational and occupational skills training opportunities and support services for students.

House Bill 2081 establishes the Building Better Futures Program within the Texas Education Code to expand educational and vocational training for students with intellectual and developmental disabilities at eligible public and private higher education institutions. Administered by the Texas Higher Education Coordinating Board, the program promotes inclusive learning environments, support services, and provides competitive funding. It sets eligibility requirements for both institutions and students, mandates the awarding of completion certificates, and clarifies that credits earned are not transferable to degree programs.

Implementation: Eligible institutions may apply for funding to develop such postsecondary programs for students with intellectual and developmental disabilities on their campuses, provided they first obtain approval from the U.S. Department of Education.

Effective Date: Immediate Effective Date

Responsible Party: OAA and Schools of Social Work

Rulemaking Authority: Texas Higher Education Coordinating Board

STATE INFORMATION TECHNOLOGY INTERNSHIP

<u>H.B. 2768</u> – Capriglione – Relating to the development of a state information technology apprenticeship credential offered by public junior colleges or public technical institutes to address shortages in the state information resources workforce.

House Bill 2768 adds Section 2054.0702 to the Texas Government Code, authorizing state agencies to partner with public junior colleges or technical institutes to offer programs that will allow participants to earn a state information technology apprenticeship credential. This bill is aimed at addressing workforce shortages in state information resources. The programs offered under this bill must be approved by the Texas Higher Education Coordinating Board (THECB), develop skills for senior IT positions, and include a one-year apprenticeship with a relevant state agency or affiliated organization. Apprenticeships may be registered with the U.S. Department of Labor or recognized industry programs with flexible academic and training requirements. The Department of Information Resources and state auditors are tasked with updating career ladders and job classifications to allow an associate degree combined with this credential to substitute for a bachelor's degree. Funding for these programs can come from tuition, agency funds, and public or private grants or donations.

Implementation: Institutions such as public junior colleges or technical institutes must first seek approval from the THECB to offer the state information technology apprenticeship credential program. Then, they need to develop a curriculum aligned with industry and workforce standards that prepares students for senior-level IT positions and incorporates a one-year apprenticeship in partnership with state agencies or related organizations. Institutions should collaborate closely with employer partners to design flexible course schedules and on-the-job training components. Additionally, institutions should plan to coordinate with the Department of Information Resources and state agencies to align credential recognition with career ladders and job classifications. To support the program financially, institutions may utilize tuition, seek funding from state agencies, and pursue grants or donations from public and private sources.

Effective Date: September 1, 2025.

Responsible Party: OTIS and Financial Aid/Career Services

Rulemaking Authority: N/A

NURSING SCHOOL APPLICATIONS

<u>H.B. 2851</u> – Howard – Relating to including nursing school applications in a consolidated application service.

House Bill 2851 requires services that provide centralized application platforms for medical and dental schools in Texas—such as the Texas Health Education Service—to also include nursing school applications. To facilitate this expansion, the service must create an advisory board made up of representatives from Texas nursing programs and experts in nursing admissions. The board is tasked with

developing recommendations and an implementation plan for incorporating nursing applications into the consolidated system, which must be published online by January 1, 2026. The advisory board will be dissolved on September 1, 2027. The consolidated application system for nursing schools will go into effect for students applying for admission in the fall of 2027.

Implementation: Nursing schools and the designated centralized application service, such as the Texas Health Education Service, must collaborate to integrate nursing program applications into the existing medical and dental school application platform by the 2027 fall admission cycle. Nursing programs will participate in the advisory board to provide input on application requirements and ensure alignment with program standards. The board must develop and publish an implementation plan by early 2026 to guide the transition, including timelines, technical integration, and communication strategies. Nursing schools will need to update their admissions processes to accept applications through the consolidated system, train admissions staff on the new procedures, and inform prospective students about the streamlined application process to ensure a smooth and coordinated rollout.

Effective Date: September 1, 2025.

Responsible Party: OAA, OHA, and Schools of Nursing

Rulemaking Authority: N/A

UTEP STUDENT UNION FEE

H.B. 2853 – Perez – Relating to student union building fees at The University of Texas at El Paso.

House Bill 2853 amends Section 54.535(a) of the Education Code to give the University of Texas System Board of Regents more flexibility in setting the student union fee at the University of Texas at El Paso (UTEP). It removes specific dollar caps per semester and instead allows the fee to be adjusted annually, provided it does not increase by more than 10% over the previous year without approval through a student vote. The fee must still be used solely for financing, constructing, operating, maintaining, or improving the student union building, including its demolition. The revised fee structure will apply beginning with the spring 2026 semester, and the act takes effect on September 1, 2025.

Implementation: UTEP needs to update its internal financial systems, billing procedures, and public communications to reflect the removal of the fixed dollar caps and the new 10% annual increase threshold. The university should establish a clear process for proposing and approving fee increases, including organizing student elections if proposed increases exceed the allowable limit without a vote. Additionally, UTEP should conduct student outreach and engagement efforts to educate the campus community about the purpose of the fee, particularly if funds are intended for significant renovations or demolition of the current student union. Administrative units such as Student Affairs, Business and Finance, and the Office of the Registrar should collaborate to ensure transparent implementation beginning with the spring 2026 semester.

Effective Date: September 1, 2025.

Responsible Party: OAA and UTEP

Rulemaking Authority: N/A

THECB CLINICAL TRAINING STUDY

<u>H.B. 2856</u> – Howard – Relating to a study by the Texas Higher Education Coordinating Board on the feasibility of implementing a statewide system for coordinating clinical training placements.

House Bill 2856 aims to address the lack of a centralized system for coordinating clinical training placements in Texas. The bill requires the Texas Higher Education Coordinating Board (THECB) to study the feasibility of developing regional portals to assist students in reserving clinical rotations at health care facilities. The study must include the number of regions needed to adequately support higher education institutions and students that require clinical training, the cost of establishing regional portals, and the necessary maintenance, support, and staff to establish and maintain the portals. A written report with the study's findings and recommendations will be due to state leaders and relevant legislative committees by December 1, 2026. This provision will expire on September 1, 2027.

Implementation: The THECB should begin by gathering data from healthcare facilities, educational institutions, and students to understand current clinical placement challenges. Then, they will need to collaborate with key stakeholders to define potential regional boundaries and estimate costs for creating and maintaining digital portals that streamline clinical placement reservations. The board must also assess staffing needs and technical requirements to support portal operations. Throughout the study, the THECB will need to engage with legislative committees and policymakers to ensure alignment with state priorities. Finally, the THECB must compile and submit a comprehensive report by December 1, 2026, to guide future legislative or administrative actions regarding clinical training placements. Health-related institutions that require clinical training for their students should stay informed on the information included in the report and look out for any legislative action that follows as a result of the report's findings.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, OHA, Medical Schools and Schools of Nursing

Rulemaking Authority: N/A

STUDENT FINANCIAL ASSISTANCE

<u>H.B. 3041</u> – Paul – Relating to measures to support the enrollment of students with a nontraditional secondary education at public institutions of higher education, including eligibility for certain student financial assistance programs.

House Bill 3041 seeks to enhance access to public higher education in Texas for students with nontraditional secondary education, with a particular focus on The University of Texas at Austin. Beginning in the fall of 2026, institutions will modify their admissions process to prioritize qualified nontraditional applicants based on standardized test scores rather than class rank, ensuring more equitable consideration alongside traditionally educated peers. Institutions will also be required to provide clear guidance to school districts and students on admission benchmarks and percentile ranks for applicants evaluated under this alternative pathway. Additionally, the bill mandates that uniform admissions criteria be applied to all high school students enrolling in dual credit courses, regardless of school type. Financial aid programs will be updated to recognize specific nontraditional educational experiences as alternatives to conventional eligibility requirements. To promote transparency, the Texas Higher Education Coordinating Board must publicly post information regarding the financial assistance available to high school students.

Implementation: If the University of Texas at Austin reaches the 75 percent enrollment capacity designated for first-time resident undergraduate students but chooses to grant admission to students in excess of that percentage, under the amendments in Section 51.803, the university is required to admit nontraditional students based on an established benchmark test score instead of percentile rank. The University of Texas at Austin will need to establish this benchmark test score based on the college entrance exam scores of previous applicants who completed a nontraditional secondary education and were admitted in the academic year two years prior to the current academic year.

Beginning with the fall 2026 academic semester, institutions of higher education that sort applicants by high school graduating class rank in their admissions process are required to assign a class rank to nontraditional high school applicants. Institutions should develop a new process that matches nontraditional students to the median ranks held by other students with similar college entrance exam scores. They will need to calculate the median score on all college entrance exams for each class rank in the previous admissions cycle and publish the information on their website. To ensure compliance and smooth implementation by the fall 2026 semester, admissions staff must be informed of the new changes, and school districts, junior-level high school students, and parents should be provided with relevant information on benchmark scores and expanded financial assistance eligibility.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and GAI Admission Offices

Rulemaking Authority: N/A

FENTANYL PREVENTION DRUG POISONING AWARENESS

<u>H.B. 3062</u> – Guerra – Relating to fentanyl prevention and drug poisoning awareness education for students enrolled in public institutions of higher education.

House Bill 3062 requires all institutions of higher education in Texas, including private and independent colleges, to provide research-based fentanyl prevention and drug poisoning awareness education to incoming undergraduate students during their first semester or term, starting with the fall 2026 semester. The instruction must cover topics such as suicide prevention, fentanyl abuse and addiction prevention, awareness of campus and community resources, and general health education related to substance use among young adults. The education can be delivered online and may be provided by the institution itself or through authorized external entities or representatives.

Implementation: Institutions of higher education must develop or adopt evidence-based fentanyl prevention and drug poisoning awareness programs tailored for incoming undergraduate students. These programs should be integrated into orientation activities or early semester coursework to ensure timely delivery. Institutions can offer the instruction through online modules or in-person sessions, potentially partnering with public health organizations or certified external providers to enhance content quality. Staff should be trained to facilitate or oversee the program, and communication efforts should inform students about available local and campus resources. Systems for tracking student completion must be established to ensure compliance and evaluate the program's effectiveness over time.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Student Affairs

Rulemaking Authority: N/A

VIEW OF THE CAPITOL

H.B. 3114 - Geren - Relating to the view of the State Capitol.

House Bill 3114 amends the Government Code to redefine the term "capitol view corridor" and clarifies that the regulations protecting views of the Texas State Capitol do not apply to construction, renovation, or equipment projects related to the Darrell K Royal-Texas Memorial Stadium. However, it sets a new height limit for the stadium and its related improvements—except for the north end—prohibiting them from exceeding 670 feet above sea level, slightly raising the previous limit of 666 feet.

Implementation: UT Austin will need to review and update its campus planning and construction policies to reflect the revised definition of the capitol view corridor and the specific exemptions for the Darrell K Royal-Texas Memorial Stadium. The university's facilities and planning departments must ensure that any future renovations or equipment upgrades at the stadium comply with the new height restriction of 670 feet above sea level, except for the north end. Coordination with state regulatory bodies

should be maintained to confirm compliance, and all relevant stakeholders should be informed of the updated guidelines to guide project approvals and design processes moving forward.

Effective Date: September 1, 2025.

Responsible Party: OAA and UT Austin Office of Facilities Planning

Rulemaking Authority: N/A

POLYTECHNIC COLLEGE AT SAM HOUSTON

<u>H.B. 3204</u> – Metcalf – Relating to the Polytechnic College at Sam Houston State University, including the college's eligibility to participate in certain programs.

House Bill 3204 establishes the Polytechnic College at Sam Houston State University, replacing the former Josey School of Vocational Education and expanding its mission to deliver comprehensive career and technical education. The college will now serve a broader population beyond individuals over 18, offering intensive courses that lead to career and technical education certificates as defined by the Texas Higher Education Coordinating Board. It will be funded in the same manner as a state public college. The bill also amends the definition of an eligible institution in Texas education law to include the Polytechnic College, granting it access to federal and state grant programs. Grant eligibility begins with the fall 2026 semester, with earlier eligibility for the TRUE Program starting in fall 2025.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

HEALTH PROFESSIONS WORKFORCE COUNCIL

<u>H.B. 3801</u> – Orr – Relating to the establishment of the Health Professions Workforce Coordinating Council and a workgroup on nursing career pathways and the abolition of the statewide health coordinating council and the nursing advisory committee of that council.

House Bill 3801 establishes the Health Professions Workforce Coordinating Council within the Department of State Health Services (DSHS) to develop a strategic plan that will ensure a robust health care workforce in Texas. The council, composed of appointed members from various state agencies, is tasked with compiling workforce data, preparing biennial strategic plans, and forming workgroups,

including a nursing advisory committee primarily staffed by nurses. The nursing advisory committee will advise on nursing workforce trends and policy priorities. The council also oversees efforts to align certification pathways for nursing-related professions and reports findings to the legislature. The bill abolishes the previous Statewide Health Coordinating Council, transferring its functions and resources to the new council within DSHS. The council must publish its initial strategic plan by October 2026 and continue efforts to address critical workforce shortages through coordination with education and health agencies.

Implementation: The Department of State Health Services is required to establish the Health Professions Workforce Coordinating Council by appointing members from designated state agencies and stakeholders. Once established, the council should begin compiling health workforce data from relevant sources and forming workgroups, including a nursing advisory committee, to analyze trends and develop strategies. DSHS will need to provide administrative support and ensure the council publishes its strategic workforce plan by the required deadlines. The council should coordinate with educational institutions, licensing boards, and healthcare employers to align training and certification pathways, especially for nursing-related professions. Existing resources and funding previously allocated to the abolished council must be redirected to support these efforts, enabling the council to guide policy and workforce development initiatives across the state.

Effective Date: September 1, 2025.

Responsible Party: OAA and OHA

Rulemaking Authority: N/A

EMERGENCY NOTIFICATIONS FOR UNIVERSITIES

<u>H.B. 4361</u> – Ward Johnson – Relating to establishing policies regarding the timely issuance of emergency notifications at public institutions of higher education.

House Bill 4361 requires the Texas Higher Education Coordinating Board (THECB), in collaboration with higher education administrators, faculty, staff, and students, to establish standardized rules for timely emergency notifications on college campuses. These rules must comply with the Jeanne Clery Campus Safety Act and include issuing alerts through the existing Emergency Alert System. The THECB is tasked with adopting these rules as soon as possible following the law's effective date.

Implementation: The THECB must first consult with representatives from institutions of higher education—including administrators, faculty, staff, and students—to gather input on best practices for emergency notifications. Next, the THECB should draft standardized procedures that align with the Jeanne Clery Campus Safety Act and incorporate the use of the state's Emergency Alert System. Once developed, the THECB must formally adopt these rules and communicate them to all public institutions of higher education in Texas. Institutions will then be required to integrate these standardized procedures

into their campus safety protocols to ensure timely and coordinated emergency alerts for their communities.

Effective Date: Immediate Effective Date.

Responsible Party: ORM, SWC, OAA, ODOP, and Student Affairs

Rulemaking Authority: Texas Higher Education Coordinating Board

COMPETENCY BASED BACCALAUREATE DEGREE

H.B. 4848 – Harris Davila – Relating to requiring that competency-based baccalaureate degree programs be offered at certain public institutions of higher education.

House Bill 4848 requires university system administrations, with approval from the Texas Higher Education Coordinating Board (THECB), to ensure that at least one institution within their system offers competency-based baccalaureate degree programs in high-demand fields. These programs must keep the total cost to students at or below half the average cost of attendance, with annual cost adjustments based on inflation starting in the 2027–2028 academic year. The THECB is authorized to adopt rules to oversee and implement these requirements, which will take effect beginning in the 2026–2027 academic year.

Implementation: Each university system administration needs to identify high-demand fields based on the THECB guidelines and coordinate with institutions in their system to develop competency-based baccalaureate degree programs in those areas. University systems should submit program proposals to the THECB for approval to ensure compliance with cost and quality standards. Institutions must design programs that allow students to progress by demonstrating mastery of skills, keeping tuition costs at or below half the average cost of attendance. The THECB is required to monitor and adjust cost limits annually for inflation and issue necessary rules and guidance to support consistent implementation across systems. Regular reporting and oversight will ensure programs meet demand and affordability goals starting in the 2026–2027 academic year.

Effective Date: September 1, 2025.

Responsible Party: OAA and Provost Office

Rulemaking Authority: Texas Higher Education Coordinating Board

LUBBOCK REESE REDEVELOPMENT AUTHORITY

<u>H.B. 5092</u> – Tepper – Relating to the operation and dissolution of the Lubbock Reese Redevelopment Authority and to agreements between Texas Tech University and the authority.

House Bill 5092 updates the governance and operations of the Lubbock Reese Redevelopment Authority to strengthen its role in advancing national security-related technology and critical infrastructure. It amends the Special District Local Laws Code by adding key definitions aligned with state and federal standards, such as "critical infrastructure" and "national security-related technology." The authority's mission is expanded beyond commercial redevelopment to include support for national security research, enabling formal partnerships with Texas Tech University. The bill also grants new powers for entering agreements and establishes procedures for transferring ownership of assets to Texas Tech or the City of Lubbock upon the authority's dissolution.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

DIPLOMA DESIGNATION

<u>H.B. 5180</u> – Wilson – Relating to the issuance of a diploma to a student graduating from a public institution of higher education that has undergone a merger, acquisition, or name change.

House Bill 5180 requires institutions of higher education that undergo a merger, acquisition, or name change during a student's enrollment to provide that student with two diplomas upon graduation: one displaying the institution's original name at the time of the student's enrollment, and one with the updated name. This applies only if the student graduates within six years of the institutional change. Additionally, institutions cannot charge students any extra fees for receiving the second diploma. This policy will apply starting with diplomas awarded in the 2025–2026 academic year.

Implementation: Institutions need to update their graduation and diploma issuance processes to ensure that students who graduate within six years of a merger, acquisition, or name change automatically receive two diplomas: one reflecting the institution's name at their enrollment and one with the current name. Institutions must coordinate their registrar and diploma production offices to create and distribute both diplomas at no additional cost to the student. Clear communication with students about this option and its timeline should be established, and internal systems should be adjusted to track eligibility based on enrollment and graduation dates relative to the institutional change.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Registrar Office

Rulemaking Authority: N/A

TEXAS AEROSPACE RESEARCH

<u>H.B. 5246</u> – Bonnen – Relating to the administration, powers, and duties of the Texas Space Commission and Texas Aerospace Research and Space Economy Consortium, to other governmental entities regarding aerospace, aviation, and space exploration initiatives and activities, and to the abolishment of the spaceport trust fund.

House Bill 5246 restructures the Texas Space Commission and related agencies to strengthen the state's leadership in aerospace, aviation, and space exploration. It dissolves the spaceport trust fund, transferring duties to the general revenue fund while preserving existing contracts. The Commission's role is redefined to focus on both civil and commercial space strategy, including the development of a statewide strategic plan. The aerospace and aviation office's mission are expanded to support research and economic growth, while a reformed advisory committee will guide job creation and investment. Enhanced grant programs will support infrastructure and workforce development, with new confidentiality measures for sensitive funding decisions to maintain integrity and encourage interagency collaboration.

Implementation: Institutions—particularly those involved in aerospace, aviation, or space-related programs—should align their strategic priorities with the Texas Space Commission's forthcoming statewide plan. This may include expanding research initiatives, pursuing grant opportunities focused on space infrastructure and workforce training, and collaborating with the aerospace and aviation office or advisory committees. Institutions should designate a liaison to monitor Commission updates, ensure compliance with new confidentiality requirements during grant processes, and coordinate interagency partnerships. Institutions that designate a liaison are Texas Aerospace Research and Space Economy Consortium members. Additionally, academic programs in relevant fields may be updated or expanded to support the state's workforce development goals and attract investment in space and aeronautics sectors.

Effective Date: September 1, 2025.

Responsible Party: OAA and VPs of Research

Rulemaking Authority: Texas Space Commission

IN-STATE TUITION TO BENEFIT MILITARY PROGRAMS

<u>H.B. 5646</u> – Wilson – Relating to admission of and resident tuition rates and fees at public institutions of higher education for certain students in military-related programs.

House Bill 5646 amends the Education Code to support students involved in military-related programs at Texas higher education institutions. It requires senior military colleges and general academic institutions with a corps of cadets to consider an applicant's intent to enlist in the U.S. military or join the corps of cadets as part of the admissions process. Additionally, it allows students enrolled and in good standing in a Reserve Officers' Training Corps (ROTC) program, a corps of cadets, or a corps of midshipmen to pay in-state tuition rates, regardless of their residency status. However, this in-state tuition status does not qualify them as Texas residents for purposes of state financial aid programs. These changes apply beginning with tuition and fees charged for the fall 2025 semester.

Implementation: Universities need to update their admissions policies to include an applicant's intent to enlist in the military or participate in a corps of cadets as a factor in admissions decisions for relevant programs. The admissions application and review process should be modified to capture and evaluate this information. Additionally, universities' registrar and financial aid offices should update tuition classification procedures to ensure that eligible students enrolled in ROTC programs, corps of cadets, or corps of midshipmen are charged in-state tuition rates starting in fall 2025, while also clearly distinguishing these students from those eligible for state financial aid based on residency. Staff training, system updates, and communication with prospective and current students will be critical to ensure smooth implementation and compliance with the new law.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Registrar Office

Rulemaking Authority: N/A

EDUCATION SAVINGS ACCOUNT

<u>S.B. 2</u> - Creighton - Relating to the establishment of an education savings account program.

Senate Bill 2 creates an Education Savings Account (ESA) Program in Texas to expand educational choices for families. It defines key terms, outlines eligibility requirements, and designates the comptroller to oversee the program and manage funds. The program allows participating students to receive state support for approved education-related expenses beyond the public education system. Funding is capped at \$1 billion for the initial biennium, with spending limitations based on income levels. Up to five certified educational assistance organizations may be approved to administer the program. The bill also includes compliance measures, audit procedures, and a process for objections and appeals.

Implementation: The Education Savings Account (ESA) Program will be implemented by the Texas Comptroller's office, which will oversee the program and manage the distribution of funds to eligible students. Families who meet the outlined eligibility criteria can apply to participate, receiving state funds capped at \$1 billion for the first two years. Approved educational assistance organizations—up to five certified entities—will administer the accounts and help families access approved education-related expenses beyond traditional public schools. The program will enforce spending limits based on family income and ensure compliance through regular audits and monitoring. Additionally, the program will establish clear procedures for handling objections and appeals to maintain transparency and accountability throughout implementation.

Effective Date: Immediate Effective Date.

Responsible Party: N/A

Rulemaking Authority: Comptroller of Public Accounts and Texas Education Agency

THE DEMENTIA PREVENTION RESEARCH INSTITUTE

<u>S.B. 5</u> – Huffman – Relating to the creation of the Dementia Prevention and Research Institute of Texas.

Senate Bill 5 establishes the Dementia Prevention and Research Institute of Texas (DPRIT) to advance research and improve prevention and treatment of dementia, Alzheimer's, Parkinson's, and related disorders. Codified in Chapter 101A of the Health and Safety Code, the legislation outlines the Institute's structure, including a nine-member Oversight Committee appointed by state leadership to reflect Texas's diversity. The Institute will award grants to educational and research institutions, implement strict compliance and conflict-of-interest policies, and publish annual reports and audits. A Sunset review is set for 2035. The bill also ties the Institute's activation to voter approval of a constitutional amendment by the end of 2025, which would authorize up to \$3 billion in funding.

Implementation: Under this bill, UT institutions would be eligible to apply for grants from DPRIT, so long as no employees of that UT institution are members of the Institute's oversight, compliance, or peer review committees. The bill requires DPRIT to form a Higher Education Advisory Committee, one member of which would be appointed by the University of Texas System Chancellor.

Effective Date: The Act will take effect on December 1, 2025, contingent upon the approval of a constitutional amendment by voters. If the proposed amendment is not approved, the Act will have no effect.

Responsible Party: OAA, OHA, and Office of Institutional Research and Analysis

Rulemaking Authority: DPRIT Oversight Committee

TEN COMMANDMENTS IN PUBLIC CLASSROOMS

S.B. 10 - King - Relating to the display of the Ten Commandments in public school classrooms.

S.B. 10 requires all public elementary and secondary schools in Texas to display a durable poster or framed copy of the Bible's Ten Commandments in a visible location in every classroom starting in the 2025–2026 school year. The display must measure at least 16 inches by 20 inches and include only the specified text of the Ten Commandments in a size and font readable from anywhere in the room. Schools without such displays must accept and post any qualifying donated copies, and they are permitted—but not required—to use district funds to purchase them. The bill mandates compliance from all public schools, regardless of other laws.

Implementation: Texas public schools must first ensure awareness of the bill's requirements, which includes displaying a durable poster or framed copy of the Ten Commandments in a conspicuous location in every classroom, with specific dimensions and text. Schools should assess all classrooms to identify those lacking the required display and prioritize accepting qualifying donated posters that meet the bill's specifications. If donations are insufficient, schools may choose to purchase compliant posters using district funds. Once the posters are acquired, staff will need to install them in accordance with the bill before the start of the 2025–2026 school year. The school should maintain records of compliance for oversight and accountability.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

PRAYER AND RELIGIOUS TEXTS IN PUBLIC SCHOOLS

<u>S.B. 11</u> – Middleton – Relating to a period of prayer and reading of the Bible or other religious text in public schools.

Senate Bill 11 authorizes the governing bodies of nonsectarian public school districts and openenrollment charter schools to vote on adopting a policy that allows for a daily, optional period of prayer and reading of religious texts. Student and employee participation requires signed consent from students' parents or guardians and from employees. This will include an acknowledgment of voluntary participation and a waiver of legal claims related to the Establishment Clause or similar laws. The bill prohibits delivery of prayer or readings over public address systems and requires that these activities do not replace instructional time. Policies must be designed to prevent non-consenting individuals from being within hearing range of the activities and may limit participation in designated areas or times. Consent may be revoked at any time but must be resubmitted for participation to resume. The Attorney General is tasked with supporting compliance, providing model forms, and defending districts or schools against related lawsuits—with the state covering costs only when represented by the Attorney General. The bill also clarifies that voluntary, private prayer remains permissible regardless of policy adoption. This legislation takes effect with the 2025–2026 school year and requires a decision by each district or charter governing body within six months of the bill's effective date.

Implementation: Charter schools not affiliated with a religious organization must first have their governing bodies adopt a resolution by record vote approving a policy that allows for a daily, voluntary period of prayer and reading of religious texts. Schools must create a policy that aligns with the bill's requirements, including securing signed consent forms from students' parents or guardians and from employees, which acknowledge voluntary participation and include a legal waiver of claims. The policy must ensure the activity occurs outside instructional time and only in spaces where all present have submitted consent forms, potentially before school in designated classrooms or campus-wide if all individuals have consented. The school must prohibit the use of public address systems for the activity and ensure that no non-consenting individuals can hear or be physically present during the prayer or reading. An administrator must oversee implementation, manage consent forms and revocations, and ensure full compliance with legal and logistical requirements. The school may request guidance and a model consent form from the Texas Attorney General.

Effective Date: September 1, 2025

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

PARENTAL RIGHTS IN PUBLIC SCHOOL EDUCATION

<u>S.B. 12</u> – Creighton – Relating to parental rights in public education, to certain public school requirements and prohibitions regarding instruction, diversity, equity, and inclusion duties, and social transitioning, and to student clubs at public schools.

Senate Bill 12 significantly expands parents' involvement in public education, emphasizing parents' fundamental rights to control their child's moral and religious training, educational instruction, and medical, psychiatric, and psychological treatment. Key provisions include a ban on assistance with social transitioning, increased parental access to instructional materials and curricula, and required parental engagement policies. The bill also prioritizes transparency and accountability within districts by establishing a formal and detailed grievance process.

Additionally, the legislation adds Section 11.005 to Chapter 11 of the Texas Education Code, explicitly prohibiting diversity, equity, and inclusion (DEI) duties. DEI duties include actions that Influence hiring based on race, sex, color, or ethnicity; promote special benefits based on race, color, or ethnicity; and develop or implement policies or activities that reference race, color, ethnicity, gender identity, or sexual orientation. School districts are not authorized to assign DEI duties to any employees and are directed to prevent employees and contractors from participating in related activities. Under this section, districts are

required to adopt policies and procedures for disciplining employees or contractors who engage in or assign DEI duties. The bill outlines that this section is not intended to restrict the formation of contracts with underutilized businesses, the teaching of state and federal holidays or commemorative months, students' first amendment rights, or efforts to eliminate unlawful discriminatory practices. All changes will take effect beginning in the 2025–2026 school year.

Implementation: Independent school districts and charter schools need to revise their policies to ensure they align with the expanded parental rights, including clearly outlining procedures for parental consent in areas such as social transitioning, health assessments, and student club participation. Schools should review and revise their staff training materials, informing them of new legal restrictions, particularly regarding communication with students about sensitive topics. Schools also need to eliminate or restructure any DEI roles not mandated by law and review extracurricular offerings to ensure compliance with restrictions on clubs related to sexual orientation or gender identity. Additionally, schools should enhance systems for parental engagement by providing regular academic updates, updating their websites to ensure parental access to instructional materials and curricula, facilitating parent-teacher meetings, and establishing clear channels for parental input on educational and health-related matters. New oversight and accountability procedures for district employees and contractors will be necessary to implement the provisions in this bill, and the superintendent of each district or charter school must certify to the Texas Education Agency that their district or school is in compliance by September 30 of each year.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools

Rulemaking Authority: Texas Education Agency and Commissioner of Education

LIBRARY MATERIALS IN PUBLIC SCHOOLS

<u>S.B. 13</u> – Paxton – Relating to a school district's library materials and catalog, the establishment of local school library advisory councils, and parental rights regarding public school library catalogs and access by the parent's child to library materials.

Senate Bill 13 expands parental rights over school library access and content, requiring school districts to implement greater transparency and oversight. Parents now have the right to view records of their child's library material usage and submit lists of books they do not want their child to check out. The bill defines terms such as "harmful material," "indecent content," and "profane content" to guide what materials may be restricted. Schools must also create procedures for parents to challenge library content and disclose new library acquisitions publicly for 30 days, with school board approval required for all purchases and donations. Additionally, if a sufficient number of parents petition for it, schools must form a local school library advisory council to help shape material policies based on community standards. The advisory council will be required to follow the notice and minutes publication procedures under the Texas Open Meetings Act.

Implementation: Institution charter schools need to establish or revise policies to allow parents access to records of their child's library usage and enable them to submit lists of restricted materials for their child. Schools need to define and apply the terms "harmful material," "indecent content," and "profane content" when evaluating library holdings, and they must create a clear, accessible process for parents to challenge specific materials. Procedures should be put in place to publicly disclose any new library acquisitions for 30 days and to ensure all purchases or donations receive school board approval. Additionally, if the required number of parents petitions for it, schools must form a local library advisory council to provide recommendations that reflect community values. Staff training and system updates will be necessary to manage compliance and maintain transparent communication with families.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

INCLUSION UNDERSTANDING OF COMMUNIST REGIMES

<u>S.B. 24</u> - Campbell - Relating to the inclusion of an understanding of communist regimes and ideologies in the essential knowledge and skills for the social studies curriculum for certain public school students.

Senate Bill 24 requires the State Board of Education (SBOE) to incorporate instruction on communist regimes and ideologies into the social studies curriculum for grades 4 through 12, beginning with the 2026–2027 school year. The curriculum must include age-appropriate content covering the history, tactics, and atrocities of communist regimes, such as the Cultural Revolution, the Holodomor, the Great Terror, the Cambodian genocide, and communist movements in Cuba and Latin America. It must also provide a comparative analysis of communist and totalitarian ideologies versus U.S. principles of freedom, democracy, individual rights, and free enterprise. Additional topics include the evolution and spread of communist ideologies, modern threats posed by communist regimes, and first-person accounts from victims. The SBOE must adopt and publish standards for this instruction by July 31, 2026, seek input from victims and relevant organizations, and may incorporate materials from existing educational programs that meet these standards.

Implementation: Charter schools need to align their social studies curriculum for grades 4 through 12 with the standards adopted by the State Board of Education (SBOE) by the 2026–2027 school year. Once the SBOE publishes the required curriculum standards, academic leadership and curriculum coordinators should review and revise existing lesson plans to incorporate age-appropriate instruction on the history, tactics, and global impact of communist regimes, as well as comparative analyses of communism and U.S. founding principles. Schools need to include content on historical atrocities, modern threats, methods of ideological spread, and firsthand accounts from victims, using approved resources or integrating materials from qualified educational programs. Additionally, schools may seek support from organizations dedicated to commemorating victims of communism to enrich instruction. Staff

development or training may also be needed to prepare educators to teach this sensitive and complex content effectively and in accordance with state standards.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, Colleges of Education, and UT Charter Schools

Rulemaking Authority: N/A

HIGHER EDUCATION GOVERNANCE AND TRANSPERANCY

S.B. 37 – Creighton – Relating to the governance of public institutions of higher education, including review of curriculum and certain degree and certificate programs, a faculty council or senate, training for members of the governing board, and the establishment, powers, and duties of the Texas Higher Education Coordinating Board Office of the Ombudsman.

Senate Bill 37 introduces significant reforms to curriculum oversight, institutional governance, and accountability in Texas public higher education. The legislation mandates that general education curricula be reviewed every five years by the governing board of each institution of higher education, with a focus on cost to students, compliance with non-discrimination principles, and transparency in curricular changes. Institutions are required to review minor and certificate programs every five years, using workforce data to justify the continuation of low-enrollment programs. Final curricular authority remains with institutions under Board oversight, and non-active courses may be removed from the official catalog. A new General Education Curriculum Advisory Committee is tasked with providing recommendations to the Texas Higher Education Coordinating Board (THECB) by November 2026.

In governance, Boards of Regents now have approval authority over provost-level hires and may overturn hiring decisions on vice presidents and deans, with all actions reported to the Governor and Legislature. Governing boards have the sole power to establish a faculty council or senate, and prior to establishing faculty councils or senates, a governing board must adopt a policy for the selection of the faculty council's or senate's members following the eligibility criteria under Section 51.3522(b). Institutions must establish faculty senates or councils with defined membership, limited authority, and transparent operations. These bodies serve in an advisory capacity only and may not use institutional resources for non-advisory statements. Existing faculty senates or councils will be dissolved effective September 1, 2025, unless reauthorized in accordance with the new requirements.

The law also formalizes shared governance, asserting that ultimate decision-making authority lies with the governing board, while presidents must evaluate academic leadership annually. Executive searches for university presidents require at least two members of the institution's governing board on the committee, and only administrators may make final decisions in faculty grievances or hiring.

Additionally, the legislation establishes an Office of the Ombudsman within the THECB to investigate complaints related to curriculum review, governance processes, DEI issues, and hiring decisions. The

ombudsman, appointed by the Governor, holds civil investigative authority and must report findings to the state auditor and Legislature. The legislation also requires enhanced training for Regents on fiscal and governance responsibilities.

Implementation:

General Education Curriculum Review

The governing board of each institution of higher education is required to conduct a comprehensive review of the general education curriculum established by the institution at least once every five years. The board may appoint a committee to assist in the reviews and make recommendations to the governing board. Each higher education institution will need to submit an annual update to the governing board regarding any changes to the curriculum. A certification of compliance must be submitted to the THECB and legislative committees of jurisdiction no later than January 1 of each year.

Review of Minor Degrees and Certificate Programs

Every 5 years, the president or chief executive officer (CEO) of each institution of higher education must adopt and implement a process for reviewing minor degree and certificate programs using the criteria under Section 51.989(c). Subsequently, the Board must approve or deny any decision to consolidate or eliminate any program made by the president or CEO.

General Education Curriculum Advisory Committee

The THECB must establish an advisory committee to review the core curriculum requirements of institutions of higher education. This will require the THECB to call for nominations from presidents or CEOs, chancellors, and chief academic officers at all institutions. During the selection process, the THECB must ensure equal representation of members from two and four-year institutions on the advisory committee. Once formed, the advisory committee needs to produce a report on its findings and recommendations and provide the report to THECB by November 1, 2026. The THECB needs to review and submit the findings and recommendations to the Legislature by December 31, 2026.

Institutional Governance

The governing board of each higher education institution is granted the authority to approve or deny the hiring of a new provost or deputy, associate, or assistant provost by each institution under the board's control and management. Additionally, the board can overturn any hiring decision for the position of vice president or dean. If an institution's hiring decision is denied, they must take the necessary actions to ensure compliance; this could include rescission of the employment offer, termination of the employment, or termination of the employment agreement. The governing board must submit a report on any hiring which the board approved or denied to the governor, the lieutenant governor, the speaker, and each member of the legislature.

Faculty Council or Senate

The governing board of each higher education institution needs to adopt a policy that guides the selection of the council's or senate's members. The policy must ensure adequate representation of each college and school of the institution, require the members to be faculty members, and limit the number of members to

not more than 60. The president or CEO of each institution must appoint a presiding officer, associate presiding officer, and secretary from the members of the faculty council or senate. The governing board, Presidents or CEOS, and faculty of each institution must be informed of all new provisions under Section 51.3522 and the risk of abolishment if established faculty councils do not meet the requirements by September 1, 2025.

Responsibility of President

The president or CEO of each higher education institution needs to conduct annual evaluations for individuals who hold the positions of vice president, provost, dean, or a similar leadership position and report to the institution 's governing board regarding any decision to remove an individual from a position.

Presidential Search Committee

Executive search committees for President or CEO must include at least two members of the institution's governing board with at least one of those members serving as the chair.

Governing Board Training

The governing board training must be expanded to include an overview of the legislature, the General Appropriations Act, the state budget, the commitment the members of the governing board are making to the institutions of higher education under the board 's control, and their commitment to the state and its taxpayers. Board members need to be informed of new training requirements, and upon completion, they must sign a sworn statement affirming their understanding of assigned duties and responsibilities.

Office of the Ombudsman:

The THECB must create the Office of the Ombudsman, and the governor will need to appoint the Ombudsman. The office is required to investigate complaints concerning Section 51.315, Section 51.3522, Section 51.3525, Section 51.3541, Section 51.9431, and Section 61.0522. If an institution is under investigation, the THECB must submit a report to its governing board, including the office 's final determination regarding the investigation and recommendations based on the conclusions of the investigation. The office must send annual reports to the governor, the lieutenant governor, the state auditor, and the chair of each standing legislative committee with jurisdiction over higher education regarding the number of complaints of noncompliance received, the number of investigations conducted, and a summary of the results of investigations.

Effective Date: Effective September 1, 2025, with implementation beginning January 1, 2026

Responsible Party: Board of Regents, OGC, OHA, and OAA

Rulemaking authority: Texas Higher Education Coordinating Board

PUBLIC SCHOOL SAFETY FOR CERTAIN INDIVIDUALS

<u>S.B. 57</u> – Zaffirini – Relating to provisions and plans by public schools to ensure the safety of individuals with disabilities or impairments during a mandatory school drill or a disaster or emergency situation.

Senate Bill 57 introduces key provisions to enhance the safety of students with disabilities during school drills and emergencies. School districts are now required to incorporate the commissioner of education's guidelines for accommodating students with disabilities into their multihazard emergency operations plans. These accommodations must be documented and communicated clearly among staff and the district's school safety committee to ensure effective response. The legislation also mandates changes to the composition of the safety committee, requiring the inclusion of a classroom teacher and a special education administrator as superintendent designees. Additionally, it establishes specific, research-based guidelines to ensure both physical and psychological safety for students and staff with disabilities during emergency situations.

Implementation: Institution charter schools should first update their multihazard emergency operations plans to include specific accommodations for students with disabilities, following guidelines from the commissioner of education. This will require collaboration with special education staff to identify individual needs and ensure that those specific accommodations are documented and communicated to all relevant personnel, including the school safety committee. Schools should also revise the composition of their safety and security committees to include both classroom teachers and special education administrators appointed by the superintendent. Additionally, staff need to receive training on research-based practices for supporting the physical and psychological safety of students with disabilities during emergencies and drills, ensuring that all protocols are inclusive and effectively executed.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: Commissioner of Education

HANDBOOK ON PARENTAL RIGHTS EDUCATION

S.B. 204 – Paxton – Relating to a handbook on parental rights in education and training requirements on parental rights in education for a member of the board of trustees of a school district.

Senate Bill 204 requires the Texas Education Agency (TEA) to create and maintain a Parent Rights Handbook by January 1, 2026, outlining all parental rights in their child's education, including enforceable student rights. The handbook must be in plain language, updated annually, and accessible in a searchable format on the TEA website. Additionally, the bill mandates the State Board of Education (SBOE) to develop a training program on parental rights for school district trustees, with curriculum

support from TEA. This training must be available by April 1, 2026, and trustees who take office before January 1, 2026, must complete it by September 1, 2026.

Implementation: Independent school districts (ISDs) will need to take several steps. First, once the Texas Education Agency (TEA) publishes the Parent Rights Handbook, ISDs must ensure that it is distributed and accessible to parents, possibly by linking it to the district's website and referencing it in school communications. Second, ISDs must ensure that all current and future board of trustees' members complete the required training on parental rights. Trustees who take office before January 1, 2026, must complete the training by September 1, 2026, while those who take office afterward will need to complete it as part of their onboarding. ISDs should monitor training availability from the State Board of Education (SBOE) and work internally or with regional education service centers to facilitate timely participation. Additionally, ISDs may need to track training completion for compliance and reporting purposes.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

EXCUSED ABSENCES FROM PUBLIC SCHOOLS

<u>S.B. 207</u> – Paxton – Relating to excused absences from public school for certain students to attend mental health care appointments.

Senate Bill 207 amends the Education Code to clarify that public school districts must excuse a student's temporary absence for an appointment with a mental health professional, provided the student attends school either before or after the appointment on the same day. This change ensures that mental health appointments are treated the same as other health care appointments for attendance purposes. The bill takes effect starting with the 2025–2026 school year.

Implementation: School districts should update their attendance policies and staff training materials to explicitly include mental health appointments as excused absences, provided the student attends school before or after the appointment on the same day. Attendance clerks, counselors, and administrators should be informed of the change to ensure consistent application. Districts should also communicate the updated policy to students and families through handbooks, websites, and newsletters, clarifying acceptable documentation for mental health appointments. Additionally, student support services staff should coordinate with local mental health providers to facilitate understanding of the attendance policy and support students' well-being while maintaining compliance with state law.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

ESTABLISHING RESIDENCY FOR PUBLIC SCHOOL CHILDREN

S.B. 226 – West – Relating to establishing residency for children who are the subject of parental child safety placement agreements for purposes of admission into public schools.

Senate Bill 226 allows a parent or guardian involved in a parental child safety placement agreement to establish a child's residency for public school enrollment by presenting a letter from the Department of Family and Protective Services (DFPS). The letter must confirm that the child is under such an agreement and resides at an address within the school district. Starting in the 2025–2026 school year, school districts must accept this letter as valid proof of residency. Additionally, any new parental child safety placement agreement must include a DFPS-provided letter with the child's temporary address and language stating that the letter serves as proof of residency for school enrollment purposes. Agreements made before the bill's effective date will follow the previous law.

Implementation: Independent school districts (ISDs) need to update their enrollment policies and procedures to recognize a letter from the Department of Family and Protective Services (DFPS) as valid proof of residency for students under a parental child safety placement agreement. Staff responsible for student admissions need training on how to identify and process these DFPS letters, ensuring that students residing in the district under such agreements are promptly enrolled. Districts may also need to update enrollment forms, internal documentation systems, and communication materials to reflect this new form of residency verification, effective beginning with the 2025–2026 school year. Coordination with DFPS and awareness campaigns for families could further support smooth implementation.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

ELIGIBILITY REQUIREMENTS TO PRACTICE

S.B. 262 - Perry - Relating to eligibility requirements to practice public accountancy.

Senate Bill 262 updates the requirements for becoming a certified public accountant (CPA) in Texas. Applicants must now either complete 150 semester hours of education with a focus on accounting or hold a bachelor's degree in accounting or equivalent education. Those with only a bachelor's degree must also complete two years of relevant work experience, as determined by the state board. The legislation also gives the Texas State Board of Public Accountancy more flexibility in accepting CPA exam results from

other states, provided the exams met Texas standards at the time and the other state's requirements are comparable.

Implementation: Universities need to revise their academic advising and curriculum planning for accounting students to ensure alignment with the updated CPA eligibility requirements in Texas. This includes clearly communicating to students that they now have two primary pathways: completing 150 semester hours with an accounting focus or earning a bachelor's degree in accounting plus completing two years of relevant work experience. Academic departments may consider offering guidance or structured pathways to support both options. Additionally, universities could collaborate with employers to facilitate internships or job placements that fulfill the work experience requirement. Admissions and career services should be updated to reflect these changes and assist students pursuing CPA licensure under the new rules.

Effective Date: August 1, 2026

Responsible Party: OAA and Schools or Colleges of Business

Rulemaking Authority: Texas State Board of Public Accountancy

VIOLATION OF STUDENT CODE OF CONDUCT

<u>S.B. 326</u> – King – Relating to the procedure for determining whether a student's violation of a public school's or public institution of higher education's student code of conduct was motivated by antisemitism.

Senate Bill 326 adds new provisions to Texas Education Law to address student behavior related to antisemitism. It requires school districts and public colleges and universities to use the state-defined definition of antisemitism when evaluating potential conduct violations. The legislation seeks to protect students from antisemitic behavior while also preserving free speech rights, clarifying that disciplinary action cannot be based solely on protected speech unless it is accompanied by conduct that violates school policies.

Implementation: We are in compliance. Our Free Speech policies include the antisemitism language, and any violations are addressed through our Student Code of Conduct. This structure was put in place following the Governor's Executive Order issued in 2024.

Effective Date: Immediate Effective Date. The act starts with the 2025-2026 school year for K-12 schools and the 2025–2026 academic year for institutions of higher education.

Responsible Party: OAA, OGC, and Office of Student Affairs

Rulemaking Authority: N/A

PERIOD FOR APPLICANT ADMISSION

<u>S.B. 365</u> – Eckhardt – 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.

Senate Bill 365 allows public colleges and universities in Texas to disregard academic credits or grades earned more than 10 years before a student's intended enrollment, with exceptions for coursework completed within the past five years. Institutions must create and publish policies detailing how they apply this rule, including the timeframe for considering past coursework. Disregarded credits will not count toward degree requirements or funding calculations for new baccalaureate programs. The changes take effect starting with the fall 2025 semester and apply only to students enrolling from that point forward.

Implementation: Each public institution of higher education must develop and adopt an admissions policy in accordance with the new guidelines. This policy must specify the time period during which an applicant's past course credits or grades will be considered. It should also be posted on the institution's official website and submitted to the Texas Higher Education Coordinating Board.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Registrar Office

Rulemaking Authority: Texas Higher Education Coordinating Board

UNIVERSITY INTERSCHOLASTIC LEAGUE (UIL) PARTICIPATION

<u>S.B. 401</u> – Paxton – Relating to participation by non-enrolled students in University Interscholastic League-sponsored activities.

Senate Bill 401 amends the Education Code to require public schools participating in University Interscholastic League (UIL) activities to offer non-enrolled students, who meet UIL eligibility standards, the same opportunity to participate as enrolled students, unless the school district or charter school governing body adopts a policy to decline such participation by a specified UIL deadline. If a student's assigned school has adopted this policy, the student may instead participate in UIL activities at the geographically closest school that does not have such a policy. This law takes effect starting in the 2025–2026 school year.

Implementation: UIL will implement this by updating its eligibility rules and guidelines to ensure non-enrolled students who meet participation criteria are given the opportunity to compete at schools that allow such participation. UIL will establish clear deadlines for schools to adopt policies declining non-enrolled student participation and communicate these deadlines and policies to member schools. Additionally, UIL will develop procedures for determining the closest eligible school for students whose

assigned school opts out, ensuring fair access and compliance with the new law starting in the 2025–2026 school year.

Effective Date: Immediate Effective Date.

Responsible Party: UT Austin UIL

Rulemaking Authority: N/A

ACCREDITATION

<u>S.B. 530</u> - Sparks - Relating to the accreditation of certain postsecondary educational institutions in this state or of certain programs offered by those institutions.

Senate Bill 530 updates the Texas Education Code to broaden the framework for accrediting post-secondary institutions. It removes specific references to a single accrediting agency, allowing recognition of multiple accrediting bodies and increasing flexibility. The Texas Higher Education Coordinating Board will oversee institutional accreditation to ensure eligibility for federal financial aid. The legislation also protects students at public universities from being required to take more credit hours than necessary unless academically justified. Public junior colleges seeking to offer bachelor's degrees must develop long-term plans for accreditation and faculty hiring to maintain high educational standards.

Implementation: Institutions should evaluate current accreditation status to ensure they are accredited by a recognized accrediting agency as defined under the updated law. Institutions should also update internal policies and documentation to reflect the broader definition of recognized accrediting agencies, removing references that limit recognition to the Southern Association of Colleges and Schools.

Effective Date: September 1, 2025.

Responsible Party: OAA and Provost Office

Rulemaking Authority: N/A

SCHOOL DISTRICTS IN EMERGENCY OR CRISIS

S.B. 569 – Bettencourt – Relating to the provision of virtual education in public schools and to certain waivers and modifications by the commissioner of education to the method of calculating average daily attendance in an emergency or crisis for purposes of preserving school district funding entitlements under the Foundation School Program during that emergency or crisis; authorizing a fee.

Senate Bill 569 repeals the existing Education Code provisions related to the state virtual school network and instead authorizes public school districts and open-enrollment charter schools to offer instruction through hybrid and virtual courses. It allows these schools to operate full-time virtual and hybrid campuses, shifting certain rules previously applied to the state virtual school network to now apply to virtual and hybrid courses provided under the new framework.

Implementation: Independent school districts (ISDs) must develop and expand virtual and hybrid learning options within their existing schools or establish dedicated full-time virtual or hybrid campuses. Districts will need to align their course offerings and operations with the updated Education Code provisions, ensuring compliance with the standards previously applicable to the state virtual school network. This includes creating policies, training staff, and investing in technology infrastructure to support online instruction, while also communicating the new educational options to students and families to increase accessibility and flexibility in learning.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: Commissioner of Education

MENTAL HEALTH PROFESSIONAL EDUCATION LOANS

S.B. 646 – West – Relating to repayment of certain mental health professional education loans.

Senate Bill 646 expands the definition of "mental health professional" eligible for education loan repayment assistance to include licensed master social workers, licensed professional counselor associates, licensed marriage and family therapist associates, and certified school counselors with a relevant master's degree. It allows mental health professionals to provide services in public schools as an alternative to state hospitals or community-based settings to qualify for loan repayment. The bill revises funding caps, increasing maximum repayment amounts for various professionals and adding new caps for associates and counselors. It also authorizes additional one-time and extended repayment incentives based on language skills, rural practice, and continued service beyond three years. The Texas Higher Education Coordinating Board (THECB) may market the program and contract third parties for outreach. These changes apply to applications submitted on or after September 1, 2025, while earlier applications remain governed by previous law.

Implementation: Universities must update their counseling and mental health programs to inform eligible students—such as master's-level social workers, counselor associates, marriage and family therapist associates, and certified school counselors—about the expanded loan repayment assistance opportunities. Universities should collaborate with the THECB to provide accurate information and resources regarding eligibility, application processes, and new repayment caps. They may also enhance outreach efforts, including promoting the program to students fluent in needed languages or interested in

practicing in rural areas. Additionally, universities financial aid and career services offices will need to integrate these updates into their advising and support services to help graduates maximize benefits and encourage careers serving Texas public schools.

Effective Date: September 1, 2025.

Responsible Party: OAA, Registrar, and Financial Aid Offices

Rulemaking Authority: N/A

REPORT BY THE TEXAS HIGHER EDUCATION COORDINATING BOARD

S.B. 769 – Menendez – Relating to a report by the Texas Higher Education Coordinating Board regarding enrollment and success in higher education for students with disabilities.

Senate Bill 769 adds Section 61.06642 to the Texas Education Code, directing the Texas Higher Education Coordinating Board to produce a detailed report on the enrollment and success of students with disabilities in higher education by December 1, 2027. The report will cover enrollment data, barriers to access, effective policies, available accommodations, and how information about students' rights is shared. It will also include recommendations for improving support. Public institutions must supply the necessary data, and the reporting requirement will expire on September 1, 2028.

Implementation: Institutions must collect and report data on enrollment and success of students with disabilities, identify barriers to access, and document supportive policies and practices. They should also compile information on available accommodations and evaluate how effectively they communicate students' rights under disability laws. Institutions are responsible for submitting this information to the Texas Higher Education Coordinating Board to support a statewide report due by December 1, 2027.

Effective Date: September 1, 2025.

Responsible Party: OAA and Compliance Office (ADA)

Rulemaking Authority: N/A

<u>UNIVERSITY SEXUAL HARASSMENT POLICIES</u>

<u>S.B. 800</u> – Zaffirini – Relating to a public institution of higher education's sexual harassment, sexual assault, dating violence, and stalking resources and policy orientation.

Senate Bill 800 amends the Education Code to strengthen student safety and awareness around sexual misconduct and stalking. It requires all postsecondary institutions to mandate that entering freshmen and undergraduate transfer students attend an orientation on the institution's policies regarding sexual harassment, assault, dating violence, and stalking during their first term. The orientation must include a video detailing Title IX coordinators, reporting procedures, available support services, and resources for survivors. Additionally, student ID cards must now include contact information for the National Suicide Prevention Lifeline, the Crisis Text Line, and the National Sexual Assault Hotline, with optional listings for local campus or community resources. These changes take effect with the 2025–2026 academic year and apply to ID cards issued on or after the law's effective date.

Implementation: Universities must update their mandatory orientation program for new freshmen and undergraduate transfer students to include comprehensive information on sexual harassment, assault, dating violence, and stalking policies, ensuring the required video content featuring Title IX coordinators, reporting procedures, and support resources is included. The orientation program can be offered online or in-person during students' first semester. Additionally, universities' ID card systems need to be revised to print the required sexual assault hotline contact information on all new student identification cards issued after the law's effective date. Coordination among the Title IX office, student affairs, IT, and campus security is essential to ensure consistent messaging, compliance with the new requirements, and timely updates starting with the 2025–2026 academic year.

Effective Date: September 1, 2025.

Responsible Party: OAA, Student Affairs, and Title IX Officers

Rulemaking Authority: N/A

EXCUSED ABSENCES FROM PUBLIC SCHOOL

<u>S.B. 1049</u> - King - Relating to excused absences from public school for the purpose of attending a released time course.

Senate Bill 1049 requires public school districts and open-enrollment charter schools to adopt a policy that allows students to be excused from school for 1 to 5 hours per week to attend released time courses—religious instruction offered by private entities. The policy must ensure written parental consent, require the private entity to keep and share attendance records, assign transportation responsibility to the private entity or family, and hold the private entity liable for students during the course. The policy should prohibit use of district funds for the courses, beyond minimal costs, and restrict course offerings on school property unless under a neutral community access policy. The policy must not interfere with families' ability to access released time courses, and students attending such courses must be excused from school accordingly.

Implementation: Independent school districts (ISDs) must develop and adopt a formal policy by January 1, 2026, that outlines the procedures for excusing students to attend released time courses in religious instruction. Districts must require written consent from parents or guardians, ensure that private providers

maintain and share attendance records, and assign responsibility for student transportation and liability to the private entity or family. Districts need to prohibit the use of district funds for these courses except for minimal costs and restrict courses from being held on school property unless allowed under a neutral community access policy. Districts should also ensure the policy supports parental rights to request released time without interference and will officially excuse students attending these courses from school for the designated hours.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

CALCULATION FOR HIGH SCHOOL GPA

S.B. 1191 – Creighton – Relating to the development of a standard method of computing a student's high school grade point average.

Senate Bill 1191 amends the Education Code to require the Texas Commissioner of Education to develop a standardized method for calculating high school GPAs that assigns additional weight to honors, Advanced Placement (AP), International Baccalaureate (IB), OnRamps dual enrollment, and dual credit courses. The weighting must be equal for AP, IB, OnRamps, and certain dual credit courses not listed in the Workforce Education Course Manual, while allowing a different weight for dual credit courses that are included in the manual. Once developed, school districts are required to use this standardized GPA calculation method. The commissioner is tasked with creating this method as soon as practicable after the law takes effect.

Implementation: Independent School Districts (ISDs) need to update their grading policies, student information systems, and transcript reporting to apply the new weighting method for honors, AP, IB, OnRamps, and dual credit courses as defined by the Texas Commissioner of Education. Training for counselors, teachers, and administrative staff will be essential to ensure accurate GPA computation and clear communication with students and parents. Simultaneously, universities, especially those receiving dual credit or OnRamps students, should adjust their admissions review processes to align with the new weighted GPA standards, updating application evaluation criteria and advising systems to reflect the standardized GPA. Both ISDs and universities should collaborate to ensure consistent understanding and seamless credit recognition, supporting smoother transitions from high school to higher education under the updated system.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, UT Charter Schools, and Registrar Office

Rulemaking Authority: N/A

COLLEGE ENTRANCE EXAMS

S.B. 1241 – Middleton – Relating to college entrance examinations considered for admission to certain public institutions of higher education.

Senate Bill 1241 revises the Texas Education Code by removing specific standardized test score options—ACT College Readiness Benchmarks and SAT scores of at least 1,500 out of 2,400—from the criteria for automatic undergraduate admission to general academic teaching institutions. This change also applies to students who do not qualify for automatic admission but seek authorization to apply. These new provisions take effect on September 1, 2027, and apply to admissions beginning in the fall semester of 2028. The Texas Higher Education Coordinating Board (THECB) is directed to conduct a study to evaluate which college entrance exams, and associated scores should be considered valid for admissions purposes. The study must identify reliable exams and determine adequate performance scores, with a report due to state leadership by August 1, 2026. The study-related provisions expire on September 1, 2027.

Implementation: Institutions must update admissions policies to remove ACT College Readiness Benchmarks and SAT 1500 out of 2400 criteria by fall 2028. Institutions will need to communicate changes to internal staff, high school counselors, and prospective students and revise websites, brochures, and application systems accordingly. Admissions personnel should be trained on the updated standards, and institutions should monitor the Texas Higher Education Coordinating Board's study, adequately preparing to adopt any new exam recommendations by August 2026. It is essential that institutions manage the transition period to ensure pre-2028 applicants are assessed under existing rules. Coordination with legal and compliance teams will be necessary throughout the process.

Effective Date: September 1, 2025.

Responsible Party: OAA and Office of Admissions

Rulemaking Authority: N/A

HIGHER EDUCATION RESEARCH SECURITY COUNCIL

S.B. 1273 – Hughes – Relating to establishing the Higher Education Research Security Council.

Senate Bill 1273 establishes the Texas Higher Education Research Security Council. The council will make a quarterly convening council of research security officers (RSOs) to develop state-wide research security protocols, establish accreditation for security excellence, create an annual training program for tier-one universities, and submit an annual report to the relevant committees and the attorney general of Texas

NOTE: Due to similar language passing in HB 127 after SB 1273 was passed, the language establishing the Higher Education Research Security Council in HB 127 will override this bill.

Implementation: N/A

Effective Date: N/A

Responsible Party: N/A

Rulemaking Authority: N/A

TEXAS BICENTENNIAL COMMISION

S.B. 1350 – Hughes – Relating to a commission to coordinate celebrations of the bicentennial anniversary of Texas' independence.

Senate Bill 1350 establishes the Texas Bicentennial Commission to plan and coordinate activities celebrating the state's 200th anniversary. The 23-member commission includes public appointees and legislative, agency, and cultural leaders, with appointments due by December 1, 2025. Members serve staggered six-year terms, meet at least quarterly, and may hire staff to carry out administrative duties. The commission will promote, coordinate, and sanction bicentennial events, develop branding and merchandise, and report on the economic impact of the celebrations by September 1, 2037. It may accept funding through gifts, grants, or donations. The director of the Institute of Texan Cultures at The University of Texas at San Antonio is an ex officio member of the board

Implementation: Institutions can designate a liaison to coordinate with the Texas Bicentennial Commission, align academic and cultural programming with commission goals, host or support bicentennial events, and integrate Texas history into curricula. Institutions may also engage students through internships or volunteer opportunities, use approved commission branding, contribute to economic impact reporting, and seek funding through grants or donations. These actions will position institutions as collaborative partners in celebrating Texas's bicentennial.

Effective Date: September 1, 2025.

Responsible Party: OAA and UTSA Institute of Texan Cultures

Rulemaking Authority: Texas Bicentennial Commission

COMMUNITY COLLEGE FINANCE PROGRAM

S.B. 1400 - Kolkhorst - Relating to a study on measurable outcomes for certain transfer students for performance tier funding under the public junior college state finance program.

Senate Bill 1400 directs the Texas Higher Education Coordinating Board (THECB) to study the feasibility and impacts of changing transfer requirements for performance tier funding to include students previously enrolled at general academic teaching institutions. The study will examine the fiscal effects, students' prior postsecondary experiences, the types and amounts of services these students need, and related academic or workforce outcomes. The THECB must submit a report with findings and recommendations to the legislature by December 1, 2026. The bill's provisions expire on September 1, 2027.

Implementation: The THECB must collaborate with its standing advisory committee on junior college funding to design and conduct a comprehensive study. This will involve collecting and analyzing data on student transfer patterns, prior postsecondary experiences, service needs, and academic and workforce outcomes. The THECB will need to assess the fiscal and policy implications of including previously enrolled transfer students in performance funding calculations. The board must coordinate stakeholder input, manage the research process, and prepare a detailed report with findings and recommendations to present to the legislature by the December 1, 2026, deadline. Throughout the process, the THECB should ensure compliance with statutory requirements and maintain communication with relevant educational institutions and policymakers.

Effective Date: Immediate Effective Date.

Responsible Party: N/A

Rulemaking Authority: N/A

TEXAS MENTAL HEALTH PROFESSION PIPELINE

S.B. 1401 – West – Relating to the creation of the Texas Mental Health Profession Pipeline Program by the Texas Higher Education Coordinating Board.

Senate Bill 1401 establishes the Texas Mental Health Profession Pipeline Program through the Texas Higher Education Coordinating Board (THECB) to expand the mental health workforce by creating clear pathways from public junior colleges to bachelor's and postbaccalaureate programs that lead to licensure in various mental health professions. Participating institutions—public and private colleges and universities offering relevant degree programs—must partner with junior colleges to ensure students can transfer credits without loss, complete a bachelor's degree in less than two years, and gain automatic admission into qualifying graduate programs if academic and capacity requirements are met. The bill outlines roles for the THECB, including identifying and approving field of study curricula and promoting the program online. Institutions must submit annual reports detailing enrollment, transfer success, graduation timelines, program capacity, and resources. The program targets specialties such as psychology, counseling, psychiatric nursing, social work, school psychology, and marriage and family therapy. Implementation begins with the adoption of rules by the THECB to support seamless student progress from community college through licensure.

Implementation: Institutions should first designate themselves as a participating institution and partner with one or more public junior colleges to develop a guided transfer pathway for students pursuing mental health professions. This includes aligning curricula to ensure that students who complete a field of study or earn a "Texas Direct" associate degree can transfer without losing credits and complete a bachelor's degree within two years. Institutions must also establish criteria for automatic admission into postbaccalaureate programs, subject to academic qualifications and program capacity. Faculty and administrative staff should coordinate to ensure adequate clinical placements and supervision are available, and institutions must annually report student outcomes, program capacity, resource allocation, and average completion time to the THECB. Additionally, institutions should collaborate with the THECB to ensure program information, including field of study curricula and outcomes data, is accurately reflected on the THECB website.

Effective Date: September 1, 2025.

Responsible Party: OAA and Student Affairs

Rulemaking Authority: Texas Higher Education Board

SCHOOL ASSESSMENT INSTRUMENTS

<u>S.B. 1418</u> – Campbell – Relating to the terminology used to refer to certain assessment instruments administered to public school students.

Senate Bill 1418 amends the Education Code by updating references from "ACT-Plan" to "PreACT" in provisions concerning specific assessments given to public school students and criteria for academic distinction designations for school districts and campuses. Additionally, the legislation eliminates an outdated reference to the SAT Subject Tests from the statute requiring the commissioner of education to establish how satisfactory performance on such tests may fulfill certain assessment requirements.

Implementation: Independent school districts (ISDs) should first update their internal policies, assessment procedures, and documentation to reflect the replacement of the "ACT-Plan" with the "PreACT." They need to coordinate with counselors, testing coordinators, and curriculum staff to ensure the correct assessments are administered and appropriately integrated into student planning and academic distinction tracking. ISDs should also communicate these changes to students, parents, and staff through updated guidance materials and information sessions. Additionally, any references to the now-removed SAT Subject Tests in district policies or college readiness planning tools need to be reviewed and revised to align with the updated state requirements.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools

Rulemaking Authority: N/A

TAMU BOARD PURCHASE AUTHORITY

S.B. 1468 - Schwertner - Relating to the authority of the board of regents of the Texas A&M University System to construct, acquire, improve, extend, and equip utility systems located on university system property.

Senate Bill 1468 amends the Education Code to expand the Texas A&M University (TAMU) System's authority to construct and acquire power plants, as well as water and sewer systems, on TAMU System property in Brazos County. The bill removes outdated language, clarifies the board of regents' ability to provide and charge for utility services—including water, sewer, steam, power, and electricity—to all campus facilities, and allows cost allocation between revenue-generating and other campus buildings. It also updates the board's authority to acquire property, not just land, for utility purposes.

Implementation: N/A

Effective Date: Immediate Effective Date.

Responsible Party: N/A

Rulemaking Authority: N/A

REPORT ON HEALTH PHYSICS EDUCATION

S.B. 1534 - Zaffirini - Relating to a study and report by the Texas Higher Education Coordinating Board regarding health physics education in this state.

Senate Bill 1534 requires the Texas Higher Education Coordinating Board (THECB), working with the Texas Workforce Commission, to study health physics education in Texas. The study must identify gaps in training programs at public higher education institutions and assess workforce needs in nuclear energy and radiological safety fields. THECB must submit a report with findings and recommendations to relevant legislative committees by December 1, 2026. The bill's requirements expire on September 1, 2027.

Implementation: The Texas Higher Education Coordinating Board (THECB) needs to partner with the Texas Workforce Commission to conduct a thorough study on health physics education within Texas public higher education institutions. The THECB should gather data, engage relevant stakeholders, and

analyze findings to prepare a comprehensive report. By December 1, 2026, the THECB will submit this report, including recommendations for legislative or other actions, to the appropriate senate and house committees overseeing higher education and workforce development. The study and reporting process will conclude by September 1, 2027.

Effective Date: September 1, 2025.

Responsible Party: OIRA and IR Directors

Rulemaking Authority: N/A

USE EPINEPHRINE DELIVERY DEVICE

S.B. 1619 - Zaffirini - Relating to the use of an epinephrine delivery device by certain entities.

Senate Bill 1619 updates various Texas codes to replace references to "epinephrine auto-injector" with "epinephrine delivery device" in laws governing the use of epinephrine in schools, higher education institutions, emergency settings, and other designated facilities. The bill broadens the definition to include both auto-injectors and nasal sprays approved by the FDA for treating anaphylaxis, ensuring flexibility in emergency response options. It also maintains a specific definition for "epinephrine auto-injector" in contexts governed by the Emergency Health Care Act and pharmacy-related provisions.

Implementation: Institutions should update policies and training to include all FDA-approved epinephrine delivery devices, such as auto-injectors and nasal sprays, revise procurement to allow purchasing these devices, and ensure emergency response plans reflect the expanded definitions. Coordination with health, legal, and compliance teams will ensure adherence to state law and effective management of anaphylaxis emergencies on campus.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Office of Student Affairs/Legal/Compliance

Rulemaking Authority: N/A

FORENSIC ANALYST APPRENTICE PROGRAM

<u>S.B. 1620</u> – Huffman – Relating to establishment of the Texas forensic analyst apprenticeship pilot program.

Senate Bill 1620 requires the Office of Court Administration (OCA) to establish the Texas Forensic Analyst Apprenticeship Pilot Program to expand the forensic science workforce. In collaboration with the

Texas Forensic Science Commission, OCA will contract with academic institutions and accredited crime laboratories to provide training and apprenticeship opportunities. The commission will set eligibility rules, prioritize long-term retention, award apprentice positions, and consult with crime lab directors to assess workforce needs.

Implementation: Institutions should partner with the OCA and the Texas Forensic Science Commission to develop and offer forensic apprenticeship programs, update curriculum to meet pilot program requirements, and collaborate with accredited crime laboratories to place and support apprentices. Institutions should also establish application and selection processes aligned with eligibility criteria, provide training and mentorship to apprentices, and coordinate with stakeholders to promote workforce retention and meet regional forensic needs.

Effective Date: September 1, 2025.

Responsible Party: OAA/Provost Office

Rulemaking Authority: Texas Forensic Science Commission

OUTCOMES BASED FUNDING MODEL FOR COMMUNITY COLLEGES

S.B. 1786 - Creighton - Relating to public higher education.

Senate Bill 1786 enhances coordination among the Texas Education Agency (TEA), Texas Higher Education Coordinating Board (THECB), and Texas Workforce Commission (TWC) to streamline competitive grant programs supporting career and technical education aligned with state workforce goals. It requires TWC to conduct biennial regional labor market assessments to help institutions better align programs with workforce demands. The bill also updates eligibility for dual credit courses under the Financial Aid for Swift Transfer (FAST) program and expands performance funding criteria for public junior colleges, including designating credentials of value based on return on investment and workforce needs. THECB is authorized to adopt rules, including emergency procedures, to implement these changes and ensure alignment with long-term higher education and workforce strategies. The bill also improves workforce data reporting requirements to support labor market analysis and funding decisions.

Implementation: Higher education institutions that have opted into the FAST program, offering dual credit courses at no cost to disadvantaged students, must review and adjust their policies to reflect the revised eligibility criteria under Section 28.0095 of the Education Code.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Provosts

Rulemaking Authority: Texas Higher Education Coordinating Board

TEXAS LEADERSHIP SCHOLARS PROGRAM

<u>S.B. 2055</u> - West - Relating to participation in the Texas Leadership Scholars Program.

Senate Bill 2055 amends the Education Code to update the Texas Higher Education Coordinating Board's (THECB) rulemaking authority for administering the Texas Leadership Scholars Program. The legislation clarifies that eligible institutions are any general academic teaching institutions as defined by law. It also changes scholarship limits to allow students up to four years of funding per program, requires that each eligible institution receives at least one research scholarship, with additional awards based partly on the number of doctoral degrees awarded, and prohibits the THECB from limiting program participation or favoring students from certain institutions. The THECB must adopt rules to implement these changes as soon as practicable.

Implementation: The THECB needs to revise its rules governing the Texas Leadership Scholars Program to reflect the new requirements, including ensuring each eligible general academic teaching institution receives at least one research scholarship and adjusting scholarship limits to four years per program for each student. The THECB must update its allocation process to distribute additional research scholarships based on doctoral degrees awarded by institutions and ensure no preference or restrictions exclude any eligible institutions or their students. The THECB will communicate these rule changes to participating institutions and oversee compliance to ensure fair access and distribution of scholarships under the revised guidelines.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Enrollment Managers

Rulemaking Authority: Texas Higher Education Coordinating Board

TEXAS RESEARCH INCENTIVE PROGRAM

S.B. 2066 - Huffman - Relating to the repeal of the Texas Research Incentive Program.

Senate Bill 2066 repeals Subchapter F, Chapter 62, Education Code, which establishes the Texas Research Incentive Program.

Implementation: Participating institutions should discontinue all activities related to the Texas Research Incentive Program, including stopping new applications for program funds and phasing out reliance on its incentives.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and UT Arlington, UT Dallas, UT El Paso and UT San Antonio

FRANCHISE TAX CREDIT R&D EXPENSES

S.B. 2206 – Bettencourt – Relating to a franchise tax credit for, and the application of sales and use taxes to, certain research and development expenses.

Senate Bill 2206, effective January 1, 2026, establishes a new franchise tax credit for research and development (R&D) expenses conducted in Texas, replacing existing provisions set to expire in December 2026. The bill defines "qualified research expenses" based on IRS Form 6765 and allows credits for eligible entities, with enhanced rates for those collaborating with Texas public or private higher education institutions. Depending on past R&D activity, credits range from 4.361% to 10.903% of eligible expenses. Unused credits can be carried forward up to 20 years, though credits cannot be transferred except through full asset transfers. The legislation also allows refundable credits for certain small or exempt businesses. To ensure transparency, the comptroller must report biennial estimates on credit usage and maintain deposits to the property tax relief fund. Entities must amend filings if federal R&D figures change, and the bill repeals previous R&D tax incentives while preserving accrued credits under former law.

Implementation: Universities—particularly their research administration and finance offices—need to establish or strengthen systems to support partnerships with private entities seeking to claim franchise tax credits for research conducted in Texas. This will involve clearly documenting collaborative R&D activities, ensuring that qualifying research expenses are properly tracked and reported, and maintaining records that align with IRS Form 6765 standards. Universities may also develop standardized contracting language to reflect eligibility requirements and facilitate compliance with the new tax credit structure. Additionally, outreach to industry partners can be expanded to promote collaboration opportunities, emphasizing the increased tax credit benefit (up to 10.903%) for companies partnering with public or private institutions of higher education.

Effective Date: January 1, 2026.

Responsible Party: OAA and VPs for Research

Rulemaking Authority: Texas Comptroller of Public Accounts

UNIVERSITY FEES

S.B. 2231 – Hinjosa – Relating to requiring the Texas Higher Education Coordinating Board to waive fees for admission applications submitted to public institutions of higher education during certain periods.

Senate Bill 2231 amends the Texas Education Code to designate the second full week of October as Free College Application Week. During this week, the Texas Higher Education Coordinating Board (THECB) will allow individuals to apply for undergraduate admission to any Texas public institution of higher education without paying an application fee. The THECB may adopt rules to implement these provisions, which take effect starting with the 2025–2026 academic year.

Implementation: Public institutions must waive application fees during the designated Free College Application Week each October. Institutions' admissions offices will need to update application systems to automatically remove fees for applications submitted during that week and ensure coordination with the THECB guidelines and rules. Institutions should also promote the event to prospective students to encourage participation and ensure staff are prepared to manage the increased application volume during that period.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Admissions Office

Rulemaking Authority: Texas Higher Education Coordinating Board

MY TEXAS FUTURE

S.B. 2314 – Creighton – Relating to the creation of an electronic platform and submission portal, known as My Texas Future, to facilitate public high school students' awareness of and application to institutions of higher education using the electronic common admission application form.

Senate Bill 2314 requires the Texas Higher Education Coordinating Board (THECB) to create and manage My Texas Future, an online platform that helps Texas public high school students apply for college, explore direct admissions options, and view potential financial aid. Schools must annually notify students and parents about My Texas Future and the option to create or update a student profile, including the choice to opt out of data sharing. The THECB will protect student data privacy and only share information with institutions if the student consents. Institutions must include a link to My Texas Future on their admissions websites. Before high school graduation, students must decide whether to allow their data to be shared to participate in direct admissions, with certain exceptions. These provisions begin in the 2025–2026 academic year, with the graduation data-sharing requirement starting in 2026–2027.

Implementation: Institutions must prominently link the My Texas Future platform on its admissions website, enabling students to apply using the common application through MyTexasFuture.Org. Institutions should also coordinate with THECB to receive student data for the direct admissions program only from students who have opted in, ensuring compliance with privacy rules. Admissions staff must be trained on the platform's use and data confidentiality requirements, and institutions will need to update outreach materials to inform prospective students about My Texas Future and direct admissions options starting with the 2025–2026 academic year.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Enrollment Services

Rulemaking Authority: Texas Higher Education Coordinating Board

TRANSFER OF UH VICTORIA TO TAMU SYSTEM

<u>S.B. 2361</u> – Kolkhorst – Relating to the transfer of the University of Houston-Victoria to The Texas A&M University System.

Senate Bill 2361 transfers the University of Houston–Victoria (UHV) to the Texas A&M University System, establishing Texas A&M University–Victoria (TAMU-Victoria) as a general academic institution under TAMU governance. The TAMU System assumes control over UHV's operations, property, contracts, and financial obligations starting September 1, 2025, while maintaining existing student tuition, fees, and employee benefits. Students and employees transition seamlessly to TAMU-Victoria status without loss of rights or benefits. The bill also authorizes TAMU-Victoria to offer undergraduate and graduate programs, manage finances including bonds, and adopt necessary policies. A transition plan and memorandum of understanding between UH and TAMU System boards will guide the transfer process.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: Board of Regents of The Texas A&M University System

FOREIGN LANGUAGE CREDIT

<u>S.B. 2431</u> – Campbell – Relating to requiring foreign language credit opportunities for students enrolled in study abroad components or programs offered by certain institutions of higher education in this state.

Senate Bill 2431 requires Texas institutions of higher education that offer study abroad programs in non-English-speaking countries to provide students with the option to earn foreign language credit through those programs. The Texas Higher Education Coordinating Board will establish rules defining which study abroad components qualify and how students can earn such credit. This requirement will take effect starting with the 2026 –2027 academic year.

Implementation: Universities need to review and potentially revise their study abroad programs offered in non-English-speaking countries to incorporate foreign language credit options. Institutions should work with academic departments, especially foreign language faculties, to develop course structures and credit policies that align with the Texas Higher Education Coordinating Board's rules once established. Advising staff should be trained to inform students about the opportunity to earn language credit through study abroad participation. Additionally, universities will need to update their registration and transcript systems to accurately record and reflect foreign language credits earned during study abroad experiences, ensuring seamless integration into students' degree progress starting with the 2026–2027 academic year.

Effective Date: September 1, 2025.

Responsible Party: OAA and Provost Office

Rulemaking Authority: Texas Higher Education Coordinating Board

RURAL WORKFORCE DEVELOPMENT

S.B. 2448 - Sparks - Relating to rural workforce development.

Senate Bill 2448 establishes the Rural Workforce Development Grant Program, administered by the Texas Workforce Commission (TWC) in collaboration with the Texas Education Agency and the Texas Higher Education Coordinating Board. The program allows the TWC to award grants to qualified nonprofit organizations to provide technical assistance to rural public schools and higher education institutions to improve alignment and delivery of workforce training and education programs that address local skills gaps. Eligible nonprofits must demonstrate experience in supporting rural workforce development and meet criteria set by the TWC. Grant funds must be used solely for activities that enhance rural workforce readiness. The TWC is required to adopt rules, oversee proper fund use, and submit an annual report on program impact to state leaders.

Implementation: Institutions of higher education located in rural areas need to collaborate with a nonprofit organization awarded a grant under the Rural Workforce Development Grant Program. Institutions should work with the nonprofit to assess local workforce needs, align academic and technical programs with regional demand, and develop or enhance training pathways to address identified skills gaps. Institutions should also provide data and participate in regular evaluations to demonstrate program effectiveness and ensure compliance with the TWC guidelines.

Effective Date: September 1, 2025.

Responsible Party: OAA and Provost

Rulemaking Authority: Texas Workforce Commission

TASK FORCE ON MODERNIZING MANUFACTURING

<u>S.B. 2925</u> - Blanco - Relating to the establishment of the Task Force on Modernizing Manufacturing.

Senate Bill 2925 establishes a 15-member Task Force on Modernizing Manufacturing to study and recommend strategies for advancing manufacturing in Texas through automation and digital technologies. Appointed by the governor and led by the Texas Economic Development and Tourism Office (TEDTO), the task force includes representatives from various manufacturers, members of labor, workforce, and education agencies, and technology experts. The task force is charged with identifying barriers, evaluating economic impacts, and proposing policy solutions to support modernization. A final report with recommendations is due by October 1, 2026. The task force will be supported by the TEDTO and will expire on September 1, 2027.

Implementation: Institutions of higher education can support the task force's goals by aligning their academic programs and workforce training with the modernization needs of the manufacturing sector. This includes developing or expanding curricula in automation, digital technologies, and advanced manufacturing; partnering with local industry to ensure programs address current skills gaps; and contributing research on technology adoption and economic impact. Institutions can also provide expertise and input through the Texas Higher Education Coordinating Board's representative on the task force.

Effective Date: September 1, 2025.

Responsible Party: OAA and Provost

Rulemaking Authority: N/A

CAMPUS FREE SPEECH

<u>S.B. 2972</u> – Creighton – Relating to expressive activities at public institutions of higher education.

Senate Bill 2972 amends Section 51.9315 of the Texas Education Code to strengthen protections for expressive activities—such as protests, speeches, and petition by students and employees at public institutions of higher education, affirming their First Amendment rights. It clarifies that expressive activities must be lawful and not disrupt institutional operations, allows institutions to adopt reasonable time, place, and manner restrictions, and requires the designation of campus public forums. Institutions must adopt policies ensuring these rights, prohibiting specific disruptive behaviors, and establishing grievance procedures and disciplinary sanctions. The changes apply beginning in the 2025–2026 academic year.

Implementation: The governing board of each institution of higher education must formally designate specific outdoor campus areas as traditional public forums for expressive activities, consistent with First Amendment protections. The board should develop and approve detailed policies that protect the rights of students and employees to engage in peaceful speech and assembly, including protests, speeches, and distribution of materials, while clearly prohibiting unlawful acts such as harassment, threats, or disruption. These policies should impose only reasonable, content-neutral restrictions on time, place, and manner of expression, ensuring ample alternative means for expression without requiring permits. The board must also establish guidelines limiting certain disruptive behaviors, especially during critical academic periods. Procedures for grievance resolution, disciplinary sanctions for violations, and requirements for identification during official duties should be included. The finalized policies must be approved by a majority vote of the governing board and publicly posted online before the 2025–2026 academic year, ensuring transparency and adherence to constitutional free speech protections.

Effective Date: September 1, 2025.

Responsible Party: OAA, OGC, Student Affairs, and Legal Affairs

Rulemaking Authority: N/A

RELIGIOUS ORGANIZATIONS

<u>S.B. 2986</u> – Campbell – Relating to the protection from adverse action against public schools and institutions of higher education for permitting religious organization use of facilities.

Senate Bill 2986 allows Texas school districts, open-enrollment charter schools, and institutions of higher education to permit religious organizations to use their facilities for worship services and related activities, provided such use does not interfere with the primary educational mission. The religious groups must pay fair market rental or cover associated costs unless waived, agree to be liable for damages, and follow the same rental terms as non-religious organizations. The law prohibits penalties or funding denial based on allowing such use and clarifies that institutions are not required to grant access if they choose not to. Existing contracts before the law's effective date remain unaffected unless renewed or modified.

Implementation: Independent School Districts (ISD) and Universities must establish clear policies and procedures for allowing religious organizations to use their facilities. They should set guidelines ensuring that such use does not disrupt their educational activities and require organizations to pay fair market rental fees or reimburse costs like utilities and security, unless waived by the governing board. Districts and universities should create agreements holding organizations liable for any damages during their use, and they should also ensure equal rental terms are applied to religious and nonreligious groups alike. Additionally, they must communicate that allowing facility use is voluntary and not mandated, while ensuring compliance with any other applicable laws or regulations.

Effective Date: September 1, 2025.

Responsible Party: OAA, OGC, UT Charter Schools, Student Affairs, and Legal Affairs

Rulemaking Authority: N/A

FINANCIAL AID

<u>S.B. 2995</u> – West – Relating to the displacement of student financial aid at a public institution of higher education.

Senate Bill 2995 requires the Texas Higher Education Coordinating Board (THECB) to create a financial aid displacement advisory for use by public institutions of higher education, aimed at informing prospective students about the potential reduction of financial aid due to private scholarships or other factors. The advisory must include a clearly formatted statement about financial aid displacement, its occurrence in Texas, and recommendations for avoiding it, as well as a list of common reasons why gift aid may be adjusted. Public colleges and universities must include this advisory—or a link to it—in their admission application forms, along with plain-language guidance on applying for gift aid, relevant deadlines, recommendations for maximizing and protecting aid, and contact information for institutional financial aid support. The bill takes effect for the 2025–2026 academic year and requires the THECB to adopt rules for implementation.

Implementation: Universities need to update their admissions application materials to include either the full financial aid displacement advisory developed by the THECB or a clear link to it. Universities shall also provide, in plain language, guidance on how to apply for gift aid, key financial aid deadlines, and institution-specific recommendations for maximizing and preserving gift aid. Additionally, universities will need to designate a staff contact or office to support prospective students with questions about financial aid displacement. Internally, this will require coordination between admissions, financial aid, and marketing teams to ensure materials are compliant and accessible by the 2025–2026 academic year.

Effective Date: September 1, 2025.

Responsible Party: OAA and Financial Aid

Rulemaking Authority: Texas Higher Education Coordinating Board

TRANSFER

S.B. 3039 - West - Relating to the transfer of students in public higher education.

Senate Bill 3039 requires general academic teaching institutions and public junior colleges in Texas to annually report on transfer students and courses, focusing on courses for which transfer credit is denied or not applied toward a major. Institutions must detail barriers to transfer, efforts to support transfer students,

and faculty collaboration under articulation agreements. The Texas Higher Education Coordinating Board (THECB) will analyze these reports biennially and provide recommendations. Institutions must publicly list majors and courses with frequent credit denial for transparency. Rules will be adopted to ensure clarity in degree and certificate program requirements and transfer policies, and each institution must designate a transfer liaison to assist students with credit transfer and degree audits. Compliance begins in the 2025 –2026 academic year, with specific rules effective in 2026 –2027.

Implementation: Universities must establish processes that can annually track and report on transfer students and the acceptance of transfer credits, particularly noting courses and programs where credit is frequently denied. Universities should provide clear, accessible information about degree requirements and transfer policies on their websites to ensure transparency for prospective and current students. A designated transfer liaison must be appointed to serve as the main contact for transfer students, helping them navigate credit evaluations, degree audits, and articulation agreements with community colleges. Additionally, universities need to report on collaboration with faculty and regional institutions to align curricula and remove transfer barriers, while also complying with reporting deadlines and coordinating with the Texas Higher Education Coordinating Board.

Effective Date: September 1, 2025.

Responsible Party: OAA and Registrar Office

Rulemaking Authority: Texas Higher Education Coordinating Board

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H.B. 754 – Thompson/Parker – Relating to human trafficking prevention, including training for medical assistants, disclosure of human trafficking information by certain health care facilities, and protection for facility employees who report human trafficking.
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institutions of higher education for permitting religious organization use of facilities	S.B. 2972 – Creighton/Leach – Relating to expressive activities at public institutions of higher education.
the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia, Alzheimer's disease, Parkinson's disease, and related disorders in this state, and transferring to that fund \$3 billion	S.B. 2986 – Campbell/Leach – Relating to the protection from adverse action against public schools and institutions of higher education for permitting religious organization use of facilities
from state general revenue	the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia, Alzheimer's

Health Affairs

RURAL HEALTH CARE SERVICES

<u>H.B. 18</u> – VanDeaver – Relating to the establishment and administration of certain programs and services providing health care services to rural counties.

House Bill 18 tackles rural health care instability by establishing and expanding offices, programs, and services that serve rural communities in Texas. The State Office of Rural Hospital Finance, created under Section 526.0304, is tasked with providing technical assistance for certain rural hospitals and health care systems. This new office will be responsible for reporting the Rural Hospital Services Strategic Plan to the Legislature, the governor, and the Legislative Budget Board. The bill also makes changes to the required content in the strategic plan. The plan must now include a rural hospital financial needs assessment and a financial vulnerability index to quantify the likelihood of rural hospitals maintaining services, meeting financial obligations, and remaining operational. Multiple new grant programs are introduced, helping rural hospitals through financial support, emergency assistance, and innovation. Other key provisions include the launch of the Texas Rural Hospital Officers Academy, which provides training to rural hospital leaders, and the creation of the new Rural Pediatric Mental Health Care Access Program. The bill's comprehensive approach to rural health care reform aims to address the growing needs of rural hospitals, and the changes are set to take effect immediately.

Implementation: Health-related institutions and medical schools that are a part of the Texas Child Mental Health Care Consortium (TCMHCC) must develop a plan to establish the new Rural Pediatric Mental Health Care Access Program, which will expand TCHATT services to eligible rural sites. Based on this plan developed in FY 2026, TCMHCC child psychiatry access centers will be required to provide telepsychiatry services to pediatric rural hospitals and health clinics, so institutions will need to prepare staff for the increase in telepsychiatry consultations.

Effective Date: The Act will take effect immediately, and rural telemedicine centers must be implemented no later than September 1, 2026.

Responsible Party: OHA, Texas Child Mental Health Care Consortium (TCMHCC)

Rulemaking Authority: Executive Commissioner of the Health and Human Services Commission

NUTRITION SUPPORT SERVICES

<u>H.B. 26</u> – Hull – relating to authorizing Medicaid managed care organizations to offer nutrition support services in lieu of other state Medicaid plan services.

House Bill 26 requires contracts between Medicaid managed care organizations (MCOs) and the Health and Human Services Commission (HHSC) to include a provision allowing Medicaid MCOs to offer medically appropriate, cost-effective, and evidence-based mental health or substance use services or nutrition support services in lieu of services specified in the state Medicaid plan. Certain nutrition

counseling and instruction services are not covered, including home-delivered meals, food prescriptions, and grocery support. The bill also grants the HHSC the authority to establish a pilot program for pregnant individuals diagnosed with chronic health conditions and requires them to collect and analyze data on the impact of nutrition support services on the pilot program participants' maternal and infant health outcomes. The bill applies to any contract entered into or renewed on or after the effective date of September 1, 2025. If a state agency determines that a waiver or authorization from a federal agency is necessary to implement the bill, the agency is required to request the waiver and can delay implementation until the waiver or authorization is granted.

Implementation: Health-related institutions treating Medicaid patients may need to adjust billing and payment for these services to reflect changes outlined in the bill.

Effective Date: September 1, 2025.

Responsible Party: Institutions providing these medical services.

Rulemaking Authority: N/A

PERINATAL BEREAVEMENT CARE

H.B. 37 – Plesa – Relating to perinatal bereavement care provided by certain hospitals, a perinatal bereavement care initiative, and a perinatal bereavement care hospital recognition program.

House Bill 37 establishes a perinatal bereavement care initiative to support families after a stillbirth, neonatal death, or intrauterine fetal demise. Under the initiative, the Department of State Health Services DSHS can provide certain resources, including perinatal bereavement devices and training on interacting with parents and family members in a considerate and respectful manner following the loss of a fetus. The DSHS is expected to prioritize hospitals that lack access to perinatal bereavement devices, treat a greater number of high-risk maternal patients, and deliver a greater number of babies. The department is authorized to accept external funding to support the program if needed. The bill also requires hospitals with a maternal level of care designation to provide certain perinatal bereavement services to families, including perinatal bereavement care counseling options and access to any available perinatal bereavement devices during the medically recommended length of stay. Additionally, the Health and Human Services Commission must create a recognition program, in coordination with the Perinatal Advisory Council, for hospitals offering bereavement care training.

Implementation: Health-related institutions that are assigned a maternal level of care designation will need to train their clinicians who are involved with deliveries and newborn care to provide the required perinatal bereavement care services.

Effective Date: September 1, 2025.

Responsible Party: Institutions with maternal level of care designated hospital facilities.

TEXAS COMPASSIONATE-USE PROGRAM

<u>H.B. 46</u> – King – Relating to the medical use of low-THC cannabis under and the administration of the Texas Compassionate-Use Program.

House Bill 46 amends provisions related to the licensing regulation and operation of dispensing organizations under the Texas Compassionate-Use Program. The bill authorizes dispensing organizations licensed under Chapter 487 of the Health and Safety Code to operate one or more satellite locations in addition to their primary locations used to store low-THC cannabis for distribution. The DPS is tasked with adopting rules that dictate design and security requirements for new satellite locations. Additionally, the DPS is required to issue 11 licenses to dispensing organizations in Texas if they receive a sufficient number of applications from eligible organizations. The bill also expands the medical conditions for which a physician is authorized to prescribe low-THC cannabis, establishes limits for prescriptions issued by physicians, and allows patients to be prescribed pulmonary inhalation of an aerosol or vapor as a means of administration of low-THC cannabis.

Implementation: Physicians that prescribe low THC cannabis to patients on the compassionate-use registry should be informed of new prescribing limits and that prescription of pulmonary inhalation of aerosol or vapors for low THC cannabis administration is now permitted.

Effective Date: September 1, 2025.

Responsible Party: Institutions that employ physicians.

Rulemaking Authority: Public Safety Director of the Department of Public Safety and Executive Commissioner of the Health and Human Services Commission

SICKLE CELL DISEASE REGISTRY

<u>H.B. 107</u> – Ashley Simmons – Relating to the establishment of the sickle cell disease registry.

House Bill 107 adds Chapter 52B to the Health and Safety Code, requiring the Department of State Health Services (DSHS) to establish a sickle cell disease registry. The registry must include a record of sickle cell disease cases in Texas and any additional information concerning sickle cell disease cases deemed necessary by the executive commissioner of the Health and Human Services Commission (HHSC). Health care facilities are expected to provide relevant data concerning sickle cell disease cases to the DSHS in the form and manner it prescribes. The DSHS can then use this data to provide information useful to physicians, other medical personnel, and the public. An annual report that

documents the information obtained by the DSHS must be submitted to the Legislature, and the Department, in cooperation with other sickle cell disease reporting organizations and research institutions, is authorized to publish other reports that it determines are necessary to carry out the bill's purpose.

Implementation: Health-related institutions that serve sickle cell patients will be required to share necessary and appropriate data concerning sickle cell disease cases in Texas. Institutions will need to establish new procedures for sharing data with the DSHS, ensuring they protect patient confidentiality and comply with HIPAA and other applicable laws.

Effective Date: Immediate Effective Date.

Responsible Party: Institutions that serve sickle cell patients.

Rulemaking Authority: Executive Commissioner of the Health and Human Services Commission

SECURING GENETIC INFORMATION

<u>H.B. 130</u> – Bonnen – Relating to genetic information security for residents of this state.

House Bill 130 aims to protect Texas residents' genomic data from foreign adversaries by strengthening the security of genetic information. The legislation explicitly bans medical facilities, research facilities, companies, or nonprofits from using genome sequencers or software that is connected to foreign adversaries. Texas residents' genomic data cannot be stored within a country that is considered a foreign adversary. Additionally, all entities subject to the provisions of the bill must submit certification of compliance to the attorney general by December 31 of each year.

Implementation: Health-related institutions and medical schools involved in genome sequencing and genetic research will need to verify that their genome sequencing hardware, software, and data storage comply with the new requirements. Additional legal and compliance measures will likely be necessary to prevent unauthorized access to genomic data from foreign adversaries. Institutions may also need to revise their research collaborations, partnerships, and data-sharing practices to ensure compliance.

Effective Date: September 1, 2025.

Responsible Party: OHA and Institutions, with assistance as needed from OGC

Rulemaking Authority: N/A

MEDICAID REIMBURSEMENT FOR LACTATION CONSULTING SERVICES

<u>H.B. 136</u> – Hull – Relating to Medicaid coverage and reimbursement for lactation consultation services.

House Bill 136 amends the Human Resources Code to establish lactation consulting as a benefit for women who receive Medicaid. The bill requires the Health and Human Services Commission (HHSC) to provide Medicaid reimbursement for lactation consultation services delivered by lactation consultants certified by an HHSC-approved international or national certification program. The HHSC executive commissioner is tasked with creating a separate provider type for lactation consultants for purposes of Medicaid enrollment and reimbursement.

Implementation: Health-related institutions that provide lactation consulting need to be informed of Medicaid coverage and reimbursement for these services. Institutions may have to train staff on new billing processes and track Medicaid enrollment among patients seeking lactation consulting services to successfully implement these changes by September 1, 2025.

Effective Date: September 1, 2025.

Responsible Party: Institutions who provide lactation consultation services to Medicaid patients.

Rulemaking Authority: N/A

HEALTH IMPACT, COST, AND COVERAGE ANALYSIS PROGRAM

<u>H.B. 138</u> – Dean – Relating to the establishment of the Health Impact, Cost, and Coverage Analysis Program.

House Bill 138 establishes the Health Impact, Cost, and Coverage Analysis Program (HICCAP) within the Center for Health Care Data at the University of Texas Health Science Center at Houston. The program is tasked with preparing analyses of bills and joint resolutions that would impose new mandates on issuers of health benefit plans in Texas. The lieutenant governor, the speaker of the House of Representatives, or appropriate committee leadership in either house of the Legislature are authorized to request an analysis regardless of whether the Legislature is in session. The bill includes detailed criteria that will guide the analyses done by HICCAP and outlines the proper course of action in the case that an analysis cannot produce a reliable assessment. The program will be funded through fees assessed on health benefit plan issuers, and the comptroller, in consultation with the center, is required to determine the amount of the assessed fee and adjust it each state fiscal biennium to address implementation costs or deficits during the preceding year. The legislation also outlines the timeframe for reporting the results of analyses and proper procedure if a conflict of interest is found.

Implementation: The Center for Health Care Data at The University of Texas Health Science Center at Houston is required to establish the Health Impact, Cost, and Coverage Analysis Program (HICCAP). The Center will need to develop an estimate of the cost of implementing the bill for the first state fiscal

biennium in which HICCAP will operate. The Center should submit this estimate to the comptroller of public accounts as soon as possible to ensure the program is established before the deadline of January 1, 2026.

Effective Date: Immediate Effective Date.

Responsible Party: UTHealth Houston

Rulemaking Authority: Comptroller of Public Accounts

ITEMIZED BILLING FOR HEALTH CARE SERVICES

<u>H.B. 216</u> – Harris Davila – Relating to itemized billing for health care services and supplies provided by health care providers.

House Bill 216 amends the Health and Safety Code to require health care providers that request payment from a patient to also provide a written, itemized bill of the amount due for each service and supply. The itemized bill, which was previously limited to electronic delivery, can now be issued as a hard copy delivered by mail or a hard copy the patient or the patient's designee obtained at the provider's place of business. If a patient does not have an active patient profile on the provider's website, providers are required to mail, e-mail, or provide a physical copy of the itemized bill to the patient.

Implementation: Health-related institutions need to be informed of new itemized billing procedures. A review to ensure patient portal access will be necessary to be compliant with the bill.

Effective Date: September 1, 2025.

Responsible Party: Institutions

Rulemaking Authority: N/A

BIOLOGICAL SEX INFORMATION

H.B. 229 – Troxclair – Relating to general definitions for and collection of governmental information regarding biological sex.

House Bill 229 defines "biological sex" in Texas law as strictly male or female based on reproductive anatomy and requires all governmental entities collecting vital statistics for public health, legal, or administrative purposes to classify individuals as either male or female. It asserts that biological sex is immutable and foundational to differences in physical capacity, vulnerability, and social experience, particularly for women. The bill formalizes definitions for terms like "male," "female," "man," "woman," and related terms, excluding the recognition of a third sex.

Implementation: Universities need to update their data collection systems to classify individuals strictly as male or female when gathering vital statistics for purposes such as compliance with anti-discrimination laws and public health, crime, economic, or other data reporting. Universities should ensure that all staff are trained on the legal definitions and requirements, and that accommodations for intersex individuals are provided in accordance with state and federal laws, without recognizing a third sex category.

Effective Date: September 1, 2025.

Responsible Party: OIRA and IR Directors

Rulemaking Authority: N/A

EXPANSION OF DIRECT CARE AGREEMENTS

<u>H.B. 541</u> – Shaheen – Relating to the provision of direct patient care by physicians and health care practitioners.

House Bill 541 amends the Occupations Code to allow any physician or health care practitioner to enter into a direct patient care agreement. The bill clarifies that a physician or health care practitioner providing direct patient care is not an insurer or health maintenance organization (HMO) and, therefore, is not subject to regulation by the Texas Department of Insurance or required to obtain a certificate of authority. The bill also prohibits physicians or health care practitioners from billing an insurer or HMO for direct patient care that is paid under a direct patient care agreement. The provisions of the bill will apply to agreements entered on or after September 1, 2025.

Implementation: Health-related institutions that have or are interested in establishing or allowing direct patient care agreements should be aware of this expansion.

Effective Date: September 1, 2025.

Responsible Party: Institutions that offer direct patient care service agreements.

Rulemaking Authority: N/A

HUMAN TRAFFICKING PREVENTION TRAINING FOR FIRST RESPONDERS

<u>H.B. 742</u> – Thompson – Relating to human trafficking prevention, including training for first responders, disclosure of human trafficking information by certain health care facilities, and protection for facility employees who report human trafficking.

House Bill 742 aims to strengthen human trafficking prevention efforts by requiring first responders to successfully complete a training course approved by the HHSC executive commissioner on identifying,

assisting, and reporting victims of human trafficking. The bill also requires hospitals to display a sign that includes information on training requirements, recognizing trafficking, reporting procedures, and protections for employees who report suspected cases in good faith. The sign must be at least 11 by 17 inches in size, written in at least a 16-point font, easily visible to all hospital or freestanding emergency medical care facility employees, and presented in the form prescribed by the attorney general. The legislation expressly prohibits hospitals and emergency medical care facilities from retaliating against employees who report suspected human trafficking

Implementation: Health-related institutions need to share new sex trafficking prevention training requirements with their emergency medical services personnel. Additionally, hospitals and freestanding ERs must coordinate a plan to display visible signs, in the form prescribed by the Attorney General, about human trafficking training and reporting requirements.

Effective Date: September 1, 2025.

Responsible Party: Institutions with hospitals need to comply with signage requirement.

Rulemaking Authority: Health and Human Services Commission

HUMAN TRAFFICKING PREVENTION TRAINING FOR MEDICAL ASSISSTANTS

<u>H.B. 754</u> – Thompson – Relating to human trafficking prevention, including training for medical assistants, disclosure of human trafficking information by certain health care facilities, and protection for facility employees who report human trafficking.

House Bill 754 aims to strengthen human trafficking prevention efforts by requiring medical assistants to complete approved training on identifying, assisting, and reporting victims of human trafficking. The bill also requires hospitals, ambulatory surgical centers, public health clinics, birthing centers, outpatient clinics, and community health centers to display signs that include information on training requirements, recognizing trafficking, reporting procedures, and protections for employees who report suspected cases in good faith. The signs must be of a certain size and font, easily visible, and follow the form prescribed by the attorney general. The legislation expressly prohibits health care facilities from retaliating against employees who report suspected human trafficking.

Implementation: Health-related institutions need to share new sex trafficking prevention training requirements with their medical assistants. Additionally, relevant healthcare facilities must coordinate a plan to display visible signs, in the form prescribed by the Attorney General, about human trafficking training and reporting requirements.

Effective Date: September 1, 2025.

Responsible Party: Institutions with healthcare enterprises

Rulemaking Authority: Health and Human Services Commission

TEXAS MEDICAL DISCLOSURE PANEL

H.B. 923 - Garcia Hernandez - Relating to the Texas Medical Disclosure Panel.

House Bill 923 amends the Civil Practice and Remedies Code to increase the number of members on the Texas Medical Disclosure Panel (TMDP) from nine to thirteen. The TMDP, tasked with determining which medical and surgical risks healthcare providers must disclose to patients, is now required to add three members of the general public and one physician to its panel. New members must be appointed by the Executive Commissioner of the Health and Human Services Commission by January 1, 2026. The bill also prohibits the panel from taking any action requiring a vote unless most of the physicians on the panel are present, and the panel cannot take any action that would change the scope of practice authority of any physician or health care provider.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

TUITION AND LAB FEE EXEMPTION FOR CERTAIN PARAMEDICS

H.B. 1105 – Cole – Relating to the exemption of tuition and laboratory fees at public institutions of higher education for certain paramedics.

House Bill 1105 adds Section 54.3532 to the Texas Education Code, requiring public institutions of higher education to exempt tuition and laboratory fees for paramedics employed by a Texas political subdivision who are enrolled in emergency medical services (EMS) courses. The exemption does not cover deposits for property use, additional tuition charged under certain sections for resident undergraduates and graduate students, or most distance education courses exceeding a set enrollment limit. To continue receiving the exemption, students must make satisfactory academic progress. The Texas Higher Education Coordinating Board (THECB) is responsible for establishing rules to govern eligibility, certification requirements, distance education limitations, and a uniform list of eligible degree programs. This exemption takes effect beginning with the fall 2025 semester.

Implementation: Institutions of higher education need to update their tuition and fee policies to reflect the new exemption for eligible paramedics enrolled in EMS courses, beginning with the fall 2025 semester. Institutions should coordinate with the THECB to ensure compliance with all rules regarding eligibility, certification levels, and applicable degree programs. Processes must be established to verify a

student's employment as a paramedic by a Texas political subdivision and to monitor their academic progress for continued eligibility. Additionally, financial aid and registrar systems need to be updated to apply exemptions accurately while excluding ineligible fees such as certain additional tuition charges or deposits. Special attention should be given to managing enrollment caps for distance education courses to comply with the exemption limits. Clear communication and guidance must be provided to staff and students to ensure smooth implementation.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, Registrar, and Financial Aid Offices

Rulemaking Authority: Texas Higher Education Coordinating Board

DEFINITION OF CHILD ABUSE AND NEGLECT

H.B. 1106 - Shaheen - Relating to the definitions of child abuse and neglect.

House Bill 1106 amends the definition of child abuse and neglect under the Family Code by clarifying that refusal to affirm a child's chosen gender identity, a child's preferred name or pronouns, or a child's expressed sexual orientation does not fall under the definition of abuse or neglect.

Implementation: Medical providers who are mandated reporters should be informed that they are not required to report if certain individuals refuse to affirm a child's chosen gender identity, a child's preferred name or pronouns, or a child's expressed sexual orientation because these do not fall under the statutory definition of abuse or neglect.

Effective Date: September 1, 2025.

Responsible Party: Institutions with medical providers

Rulemaking Authority: N/A

<u>TUITION AND FEE EXEMPTION – DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES</u>

<u>H.B. 1211</u> – Lujan – Relating to tuition and fee exemptions at public institutions of higher education for certain students who were under the conservatorship of the Department of Family and Protective Services.

House Bill 1211 amends Section 54.366(a) of the Education Code to extend the age limit for students to qualify for a tuition and fee exemption. Under the revised law, students are eligible for the exemption, including for dual credit and joint high school–college credit courses, if they enroll by their 27th birthday

instead of the previous limit of 25. The change takes effect beginning with tuition and fees charged for the fall 2025 semester, while any charges before that term remain subject to the previous law.

Implementation: Public institutions need to update their admissions, advising, and financial aid processes to reflect the extended eligibility for tuition and fee exemptions up to age 27. This includes revising internal policies, training staff on the updated criteria, and ensuring that enrollment systems and financial aid software recognize and apply the exemption accurately for qualifying students. Institutions should also collaborate with local high schools and outreach programs to inform prospective and current students, particularly those participating in dual credit or early college initiatives, about the expanded age eligibility. Additionally, clear communication through websites, orientation materials, and advising sessions will be essential to ensure that eligible students can take full advantage of the exemption starting in fall 2025.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, UT Charter Schools, and Registrar Office

Rulemaking Authority: N/A

PRICE ESTIMATES AND BILLING REQUIREMENTS FOR HEALTH CARE FACILITIES

<u>H.B. 1314</u> – Hickland – Relating to price estimates and billing requirements for certain health care facilities.

House Bill 1314 updates medical service price and billing transparency laws. Section 324.001, Health and Safety Code, redefines "estimate" as a written statement outlining a consumer's total expected billed charges for a nonemergency elective medical service or procedure. Changes to provisions under Health and Safety Code Section 324.101 require healthcare facilities to provide patients with a written estimate of billed charges for elective procedures within five business days of a request. The estimate must be sent via email and include instructions for disputing final charges that exceed the estimate by \$400 or more, in accordance with the No Surprises Act (45 C.F.R. § 149.620). A facility that violates the requirements under Section 324.101 is subject to an enforcement action by the appropriate licensing agency and cannot pursue an action against the consumer. Additionally, the bill repeals Subchapter B of Chapter 324, which required the Department of State Health Services to publish a digital consumer guide to healthcare with information concerning pricing, billing, and other related information.

Implementation: Health-related institutions must update their billing procedures to allow patients to access a written statement outlining their expected billed charges upon request. Administrative employees should be notified that the timeline for providing estimates has been shortened to five business days. Additionally, to ensure compliance, institutions should be prepared to make necessary adjustments to current processes, including increasing administrative support and investing in changes to existing software.

Effective Date: September 1, 2025.

Responsible Party: Institutions that provide healthcare services

Rulemaking Authority: N/A

DIRECT PAYMENT FOR HEALTH CARE SERVICES

H.B. 1612 - Frank - Relating to direct payment for certain health care provided by a hospital.

House Bill 1612 caps the amount a hospital facility may charge patients not enrolled in a health benefit plan. The bill requires hospitals to accept full payment for health care services directly from an uninsured patient if requested. This request must be made no later than the 60th day after the patient received a bill or final accounting of the service provided. A hospital may only accept payments from self-pay patients that are not more than 25 percent greater than the amount generally billed for a health care service or are not more than 50 percent greater than its lowest contracted rate for the service.

Implementation: UT institutions that operate hospitals need to determine the lowest amount charged, not including Medicare, Medicaid or child health plans, for each service or good they provide because they will be capped at 150% of that rate or 125% of the amount generally billed for the service when charging patients without insurance.

Effective Date: September 1, 2025.

Responsible Party: Institutions that operate hospitals.

Rulemaking Authority: N/A

MENTAL HEALTH SERVICES FOR VETERANS

<u>H.B. 1965</u> – Garcia – Relating to a study on mental health services provided to veterans through the Texas Veterans Commission.

House Bill 1965 requires the Texas Veterans Commission (TVC) to conduct a study on strategies to improve access to mental health services through the TVC's Military Veteran Peer Network. The study is required to include recommendations on expanding the number of certified peer service coordinators who provide mental health services and must focus on the provision of certified peer service coordinators in rural communities. Once the study is complete, the commission must prepare and submit a report to the legislature containing the findings and recommendations no later than December 1, 2026.

Implementation: N/A

Effective Date: Immediate Effective Date.

Responsible Party: N/A

Rulemaking Authority: N/A

PHYSICIAN LICENSING REQUIREMENTS

<u>H.B. 2038</u> – Oliverson – Relating to the issuance by the Texas Medical Board of certain licenses to practice medicine and the authority of an insured to select certain license holders under the insured's health policy.

House Bill 2038 requires the Texas Medical Board (TMB) to create pathways for new physicians to enter the market by issuing provisional licenses to certain international physicians and providing limited licenses to certain medical school graduates.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

MEDICAL CONSULTATION PROCEDURES IN CHILD ABUSE AND NEGLECT INVESTIGATIONS

<u>H.B. 2071</u> – Hull – Relating to certain policies and procedures for health care specialty consultations in certain child abuse or neglect investigations and assessments.

House Bill 2071 amends the Family Code to require the Department of Family and Protective Services (DFPS) to share all medical records used during a child abuse or neglect investigation with the child's parent, legal guardian, or parent or guardian's attorney. All of the medical records must be provided before the Department can refer a child's case to a physician for a required specialty consultation. The DFPS and any referring provider, including the Forensic Assessment Center Network, are strictly prohibited from obstructing, preventing, or inhibiting a child's parent, legal guardian, or the parent or guardian's attorney, from obtaining medical records or documentation necessary to request an alternative opinion. Additionally, the bill prevents a medical professional who served as a member of an investigative review team or a multidisciplinary team on the case, or any health care practitioner who reviewed the case previously, from providing a forensic assessment or specialty consultation.

Implementation: Medical providers and hospitals should be informed of the provisions in this bill that prohibit any physician who was involved in reviewing a child abuse and neglect case from providing specialty consultations or forensic assessments.

Effective Date: September 1, 2025.

Responsible Party: OHA and OGC

Rulemaking Authority: N/A

ANNUAL NURSE STAFFING REPORTS

<u>H.B. 2187</u> – Howard – Relating to hospital staffing report processes and to retaliation and mandatory overtime protections for nurses.

House Bill 2187 amends the Health and Safety Code to strengthen protections for nurses and address staffing issues. Current law requires a hospital to annually report certain staffing issues to the Department of State Health Services (DSHS) even though the actual regulation of hospitals is conducted by the Health and Human Services Commission (HHSC). Under this bill, DSHS is required to provide hospitals' annual nurse staffing reports to the HHSC, allowing the two agencies to share information that could help address issues with nurse staffing. Each hospital's chief nursing officer is required to attest to the accuracy of the information in the report, and the bill expressly prohibits retaliation against nurses that choose to report staffing concerns. Additionally, the HHSC is tasked with establishing a process to provide prompt review and timely resolution of each complaint submitted under the nurse staffing chapter of the Health and Safety Code.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: Institutions with hospitals, OHA, and OGC

Rulemaking Authority: Executive Commissioner of the Health and Human Services Commission

HEALTH CARE SERVICES CONTRACT ARRANGEMENTS

<u>H.B. 2254</u> – Hull – Relating to certain health care services contract arrangements entered into by insurers and health care providers.

House Bill 2254 adds Section 1301.0065 to the Insurance Code, authorizing a preferred provider benefit plan (PPBP) or an exclusive provider benefit plan (EPBP) to contract for compensation through a value-based arrangement or a capitation arrangement.

Implementation: Health care providers may be able to contract with PPBPs or EPBPs for the type of care agreement authorized under the bill.

Effective Date: Immediate Effective Date.

Responsible Party: HRIs

Rulemaking Authority: N/A

TRAINING ON DE-ESCALATION, CRISIS INTERVENTION, AND BEHAVIORAL HEALTH

<u>H.B. 2756</u> – Thompson – Relating to training on de-escalation, crisis intervention, and behavioral health for correctional officers and certain other employees of the Texas Department of Criminal Justice.

House Bill 2756 adds Section 493.0325 to the Government Code, requiring correctional officers and certain employees of the Texas Department of Criminal Justice (TDCJ) to complete training on descalation and crisis intervention techniques and behavioral health. The Texas Department of Criminal Justice must make the training available to all relevant employees by December 1, 2025.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: UTMB Correctional Managed Care

Rulemaking Authority: N/A

NURSING SCHOOL APPLICATIONS

<u>H.B. 2851</u> – Howard – Relating to including nursing school applications in a consolidated application service.

House Bill 2851 requires services that provide centralized application platforms for medical and dental schools in Texas—such as the Texas Health Education Service—to also include nursing school applications. To facilitate this expansion, the service must create an advisory board made up of representatives from Texas nursing programs and experts in nursing admissions. The board is tasked with developing recommendations and an implementation plan for incorporating nursing applications into the consolidated system, which must be published online by January 1, 2026. The advisory board will be dissolved on September 1, 2027. The consolidated application system for nursing schools will go into effect for students applying for admission in the fall of 2027.

Implementation: Nursing schools and the designated centralized application service, such as the Texas Health Education Service, must collaborate to integrate nursing program applications into the existing medical and dental school application platform by the 2027 fall admission cycle. Nursing programs will participate in the advisory board to provide input on application requirements and ensure alignment with program standards. The board must develop and publish an implementation plan by early 2026 to guide the transition, including timelines, technical integration, and communication strategies. Nursing schools will need to update their admissions processes to accept applications through the consolidated system, train admissions staff on the new procedures, and inform prospective students about the streamlined application process to ensure a smooth and coordinated rollout.

Effective Date: September 1, 2025.

Responsible Party: OAA, OHA, and Schools of Nursing

Rulemaking Authority: N/A

PAROLEE HOSPITAL VISITS

<u>H.B. 2854</u> – Anchia – relating to the required approval of certain hospital visits as a condition of release on parole or to mandatory supervision for certain releasees and to the hospital's liability for damages resulting from those visits.

House Bill 2854 requires a parole panel to prohibit parolees from visiting a general hospital unless they received prior approval from their parole officer or need to receive medical treatment. If a parole officer approves the requested visit, they must promptly notify the appropriate law enforcement officer or law enforcement agency of the date and time of the parolee's intended visit. The Texas Department of Criminal Justice is not liable for damages resulting from the visit if they attempted to notify the appropriate law enforcement officer or agency prior to the visit. The bill also removes liability from a general hospital for any personal or other damages resulting from the visit, except in the case of gross negligence, recklessness, or intentional conduct.

Implementation: UT health institution hospitals should be aware of the tangential impacts of the bill's provisions, including limits to a hospitals' liability in certain cases. Hospitals' chief law enforcement officers need to be prepared and trained to receive notifications from parole officers.

Effective Date: September 1, 2025.

Responsible Party: UT Hospitals, OGC, and Risk Management

Rulemaking Authority: N/A

THECB CLINICAL TRAINIING STUDY

<u>H.B. 2856</u> – Howard – Relating to a study by the Texas Higher Education Coordinating Board on the feasibility of implementing a statewide system for coordinating clinical training placements.

House Bill 2856 aims to address the lack of a centralized system for coordinating clinical training placements in Texas. The bill requires the Texas Higher Education Coordinating Board (THECB) to study the feasibility of developing regional portals to assist students in reserving clinical rotations at health care facilities. The study must include the number of regions needed to adequately support higher education institutions and students that require clinical training, the cost of establishing regional portals, and the necessary maintenance, support, and staff to establish and maintain the portals. A written report with the study's findings and recommendations will be due to state leaders and relevant legislative committees by December 1, 2026. This provision will expire on September 1, 2027.

Implementation: The THECB should begin by gathering data from healthcare facilities, educational institutions, and students to understand current clinical placement challenges. Then, they will need to collaborate with key stakeholders to define potential regional boundaries and estimate costs for creating and maintaining digital portals that streamline clinical placement reservations. The board must also assess staffing needs and technical requirements to support portal operations. Throughout the study, the THECB will need to engage with legislative committees and policymakers to ensure alignment with state priorities. Finally, the THECB must compile and submit a comprehensive report by December 1, 2026, to guide future legislative or administrative actions regarding clinical training placements. Health-related institutions that require clinical training for their students should stay informed on the information included in the report and look out for any legislative action that follows as a result of the report's findings.

Effective Date: Immediate Effective Date.

Responsible Party: OAA, OHA, Medical Schools, and Schools of Nursing

Rulemaking Authority: N/A

CHIMERIC ANTIGEN RECEPTOR T-CELL THERAPY

<u>H.B. 3057</u> – Landgraf – Relating to health benefit plan coverage for chimeric antigen receptor T-cell therapy.

House Bill 3057 addresses concerns about patient access to Chimeric Antigen Receptor T-cell (CAR T) therapy, a cancer treatment that uses T-cells in a person's immune system to target and destroy cancer cells. The bill requires health benefit plans to provide coverage for CAR T therapy that is medically necessary and administered by a certified, in-network provider. Health benefit plans that are subject to the provisions of this bill include small employer health benefit plans, standard or basic health benefit plans, primary care coverage plans, basic coverage plans, or self-funded health benefit plans sponsored by a

professional employer organization. Any issuer or provider of health benefits under the state Medicaid program or child health plan program is exempt.

Implementation: Plans authorized under Chapter 1601 of the Insurance Code and administered by the UT System are subject to the requirements and prohibitions in the bill. Additionally, institutions that provide CAR T therapy and are qualified as a certified health care facility as described in the bill must now be reimbursed for their provision of the therapy when medically necessary. However, their rendition of services should not be impacted by the bill.

Effective Date: The act is effective September 1, 2025, and only applies to health benefit plans delivered, issued for delivery, or renewed on or after January 1, 2026.

Responsible Party: OHA, Office of Employee Benefits, and Institutions providing CAR-T therapy.

Rulemaking Authority: Commissioner of the Texas Department of Insurance

HARMFUL VACCINE ADVERTISEMENTS

<u>H.B. 3441</u> – Luther – Relating to the liability of vaccine manufacturers for advertising a harmful vaccine.

House Bill 3441 amends the Health and Safety Code to make vaccine manufacturers liable to an individual if the vaccine they advertised in Texas caused the individual harm or injury. Individuals are authorized to bring an action under the bill's provisions no later than the third anniversary of the date the harm or injury took place, and courts must award any claimant who wins their case the actual damages, court costs, and reasonable attorney's fees incurred in bringing the action.

Implementation: Although health related institutions and their medical providers will not be directly impacted by the legislation, they should be prepared to testify in proceedings if necessary.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: N/A

HEALTH WORKFORCE RESOURCE GUIDE

<u>H.B. 3800</u> – Orr – relating to an advisory board established to develop a resource guide that facilitates collaboration in identifying and addressing local health care workforce needs.

House Bill 3800 requires the Texas Workforce Commission (TWC) to establish an advisory board that will create a resource guide to address local health care workforce needs. The advisory board will be comprised of thirteen members, including representatives from institutions of higher education (one each from a four-year urban and rural institution), health care-related entities, and local workforce development boards. After the bill's effective date, the executive director of the TWC must appoint members to the advisory board, and the chosen board will be responsible for electing a presiding officer. The TWC is required to submit the board's resource guide to the legislature no later than November 1, 2026.

Implementation: Institutions interested in participating in the advisory committee should contact the TWC regarding their process for selecting members.

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

HEALTH PROFESSIONS WORKFORCE COUNCIL

<u>H.B. 3801</u> – Orr – Relating to the establishment of the Health Professions Workforce Coordinating Council and a workgroup on nursing career pathways and the abolition of the statewide health coordinating council and the nursing advisory committee of that council.

House Bill 3801 establishes the Health Professions Workforce Coordinating Council within the Department of State Health Services (DSHS) to develop a strategic plan that will ensure a robust health care workforce in Texas. The council, composed of appointed members from various state agencies, is tasked with compiling workforce data, preparing biennial strategic plans, and forming workgroups, including a nursing advisory committee primarily staffed by nurses. The nursing advisory committee will advise on nursing workforce trends and policy priorities. The council also oversees efforts to align certification pathways for nursing-related professions and reports findings to the legislature. The bill abolishes the previous Statewide Health Coordinating Council, transferring its functions and resources to the new council within DSHS. The council must publish its initial strategic plan by October 2026 and continue efforts to address critical workforce shortages through coordination with education and health agencies.

Implementation: The Department of State Health Services is required to establish the Health Professions Workforce Coordinating Council by appointing members from designated state agencies and stakeholders. Once established, the council should begin compiling health workforce data from relevant sources and forming workgroups, including a nursing advisory committee, to analyze trends and develop strategies. DSHS will need to provide administrative support and ensure the council publishes its strategic workforce plan by the required deadlines. The council should coordinate with educational institutions,

licensing boards, and healthcare employers to align training and certification pathways, especially for nursing-related professions. Existing resources and funding previously allocated to the abolished council must be redirected to support these efforts, enabling the council to guide policy and workforce development initiatives across the state.

Effective Date: September 1, 2025.

Responsible Party: OAA and OHA

Rulemaking Authority: N/A

MEDICAID NOTICES AND MATERIALS FOR NEWBORNS

H.B. 3940 – Johnson – Relating to the provision of certain information about Medicaid benefits in relation to newborn children.

House Bill 3940 requires the Health and Human Services Commission (HHSC) to annually provide a written notice to each managed care organization and health care provider, reminding them that if a newborn child of a Medicaid recipient has not yet been assigned a Medicaid identification number, they can accept or use the recipient's Medicaid identification number on any claim for reimbursement under Medicaid. Additionally, the notice must encourage organizations and providers to educate certain Medicaid recipients on their ability to use their Medicaid identification number until their newborn child is enrolled in Medicaid.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

DRISCIMINATION IN ORGAN TRANSPLANTS

<u>H.B. 4076</u> – Leach – Relating to prohibiting organ transplant recipient discrimination on the basis of vaccination status.

House Bill 4076 adds Section 161.474 to the Health and Safety Code, prohibiting health care providers from making transplant eligibility decisions based on an individual's vaccination status. Health care providers are authorized to consider an individual's vaccination status when making a treatment recommendation or decision only if a physician, following an individualized evaluation of the potential

transplant recipient, determined that the vaccination status was medically significant to the organ transplant.

Implementation: Medical providers should have patient-specific documentation of the decision-making process to ensure compliance with the bill. Documenting the process used to determine eligibility for organ transplant may help mitigate the risk of a claim that vaccination status was impermissibly considered.

Effective Date: September 1, 2025.

Responsible Party: Institutions that provide organ transplant services

Rulemaking Authority: Commissioner of the Health and Human Services Commission

PHYSICAL THERAPY TREATMENT WITHOUT A REFERRAL

<u>H.B. 4099</u> – Harris Davila – Relating to the treatment of a patient by a physical therapist without a referral.

House Bill 4099 authorizes a licensed physical therapist to treat a patient under Occupations Code 453.301(a) without a referral for a maximum of 30 consecutive calendar days, rather than 10 consecutive business days.

Implementation: Institutions that provide medical care, physical therapy services in particular, should be made aware that the time a patient can see a licensed physical therapist without a referral has increased from 10 consecutive business days to 30 consecutive calendar days.

Effective Date: September 1, 2025.

Responsible Party: Institutions' medical providers and physical therapists

Rulemaking Authority: Texas Board of Physical Therapy Examiners

TIMELY BILLING OF HEALTH CARE SERVICES

H.B. 4145 – Dyson – Relating to the timely billing of health care services related to a personal injury claim.

House Bill 4145 authorizes a health care provider to satisfy the timely billing requirement in Section 146.002, Civil Practice and Remedies Code, by submitting the bill to the patient's attorney by the 11th month after the date the services were provided. This only applies if the services provided are related to a personal injury claim.

Implementation: Health-related institutions should notify their medical providers about the additional protection from timely billing requirements.

Effective Date: September 1, 2025.

Responsible Party: OHA

Rulemaking Authority: N/A

CONSUMER ACCESS TO HEALTH RECORDS

<u>H.B. 4224</u> – Hull – Relating to information regarding consumer access to health care records.

House Bill 4224 requires covered entities, defined under Chapter 181 of the Health and Safety Code and including those that possess protected health information, to post on their website and at any facility instructions for a consumer to request their health care records, contact the relevant disciplinary or licensing authority, and file a consumer complaint. The bill includes an exclusion for covered entities that conduct claims processing, data processing, data analysis, utilization review, or billing on behalf of another covered entity.

Implementation: UT institutions that qualify as covered entities and do not conduct claims processing, data processing, data analysis, utilization review, or billing on behalf of another covered entity will need to post the required information on their websites and in their facilities to be in compliance with the bill.

Effective Date: September 1, 2025.

Responsible Party: UT institutions that possess protected health information and do not conduct claims processing, data processing, data analysis, utilization review, or billing on behalf of another covered entity.

Rulemaking Authority: N/A

EMERGENCY NOTIFICATIONS FOR UNIVERSITIES

<u>H.B. 4361</u> – Ward Johnson – Relating to establishing policies regarding the timely issuance of emergency notifications at public institutions of higher education.

House Bill 4361 requires the Texas Higher Education Coordinating Board (THECB), in collaboration with higher education administrators, faculty, staff, and students, to establish standardized rules for timely emergency notifications on college campuses. These rules must comply with the Jeanne Clery Campus

Safety Act and include issuing alerts through the existing Emergency Alert System. The THECB is tasked with adopting these rules as soon as possible following the law's effective date.

Implementation: The THECB must first consult with representatives from institutions of higher education—including administrators, faculty, staff, and students—to gather input on best practices for emergency notifications. Next, the THECB should draft standardized procedures that align with the Jeanne Clery Campus Safety Act and incorporate the use of the state's Emergency Alert System. Once developed, the THECB must formally adopt these rules and communicate them to all public institutions of higher education in Texas. Institutions will then be required to integrate these standardized procedures into their campus safety protocols to ensure timely and coordinated emergency alerts for their communities.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Student Affairs

Rulemaking Authority: Texas Higher Education Coordinating Board

TASK FORCE ON PATIENT SOLICITATION

<u>H.B. 4454</u> – Vo – Relating to solicitation of patients and other prohibited marketing practices, the establishment of the task force on patient solicitation, and the prosecution of certain related criminal offenses.

House Bill 4454 establishes the task force on patient solicitation and revises provisions and offenses related to marketing and patient solicitation. The task force, comprised of eight members appointed by the executive commissioner of the Health and Human Services Commission (HHSC) and the attorney general, is required to make recommendations on how to prevent conduct that promotes deceptive marketing practices and patient solicitation. Each member must have expertise in the field of health care or advertising and will not receive compensation for their services. The task force is required to submit a report to the legislature by December 1 of each even numbered year. The report must include a summary of civil, criminal, or administrative actions taken in response to illegal conduct related to deceptive marketing practices and patient solicitation and legislative recommendations for preventing such conduct.

Implementation: Institutional faculty or other employees with health care or advertising expertise interested in serving on the task force should contact HHSC or OAG to inquire about the process.

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

COVID-19 VACCINE INFORMED CONSENT REQUIREMENTS

<u>H.B. 4535</u> – McQueeney – Relating to COVID-19 vaccine administration requirements.

House Bill 4535 requires written informed consent prior to any COVID-19 vaccination. For minors or individuals that lack the mental capacity to provide informed consent, the parent, guardian, or conservator is allowed to provide written informed consent on their behalf. Additionally, the bill requires the Department of State Health Services (DSHS) to develop a standardized information sheet that gives insight into the history of the COVID-19 vaccine and the potential risks and side effects associated with COVID-19 vaccination. Any written informed consent must include an acknowledgment that the individual received the information sheet developed by DSHS.

Implementation: Health-related institutions and medical providers must be aware of this new requirement and coordinate to ensure that individuals who want to receive a COVID-19 vaccination are provided with the DSHS information sheet and complete a written informed consent document.

Effective Date: September 1, 2025.

Responsible Party: Institutions' clinical care providers

Rulemaking Authority: N/A

TEXAS PHARMACEUTICAL INITIATIVE

H.B. 4638 - Bonnen - Relating to the Texas Pharmaceutical Initiative.

House Bill 4638 amends Chapter 2177 of the Government Code, addressing the concerns that the size of the Texas Pharmaceutical Initiative's (TPI) governing board may limit effective communication and hinder board operations. The bill increases the number of governor-appointed board members from three to five and requires members to serve staggered six-year terms. Additionally, the deadline for board members to submit the TPI business plan has been moved up to June 1 of each even numbered year. The business plan, in addition to existing requirements, must include recommendations on best practices and cost savings related to the provision of pharmacy benefits. After the effective date, September 1, 2025, the governor is authorized to appoint the additional board members as required under the bill.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: Office of Employee Benefits, as members of the TPI Advisory Committee and

affected directly by TPI activities.

Rulemaking Authority: N/A

CRIMINAL HISTORY RECORDS OF PUBLIC BENEFITS PROVIDERS

H.B. 4643 - Dorazio - Relating to access to criminal history record information that relates to providers and provider applicants under Medicaid and other public benefits programs administered by the Health and Human Services Commission.

House Bill 4643 expands the authority of the Health and Human Services Commission (HHSC) and the HHSC's Office of Inspector General to obtain criminal history record information related to providers and provider applicants under public benefits programs administered by the HHSC.

Implementation: N/A

Effective Date: Immediate Effective Date.

Responsible Party: N/A

Rulemaking Authority: N/A

AUTHORIZING LICENSURE OF MOBILE STROKE UNITS UNDER HOSPITAL **LICENSES**

H.B. 4743 – Bonnen – Relating to the issuance of a single license for a hospital and a mobile stroke unit of the hospital.

House Bill 4743 amends Section 241.023 of the Health and Safety Code to allow the Texas Department of State Health Services to issue a single hospital license that covers both a hospital and its mobile stroke unit. However, this new provision is limited to mobile stroke units that are accredited by a health care accreditation organization approved by the Centers for Medicare and Medicaid Services.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: Commissioner of the Health and Human Services Commission

REPORT ON GOVERNMENTAL OPIOID ANTAGONIST PROGRAMS

H.B. 4783 – VanDeaver– Relating to a report on governmental opioid antagonist programs to reverse and prevent opioid overdoses.

House Bill 4783 would require the Health and Human Services Commission (HHSC) to prepare a biennial report evaluating the distribution of opioid antagonists in Texas to reverse and prevent opioid overdoses. The report must be submitted to the governor, the lieutenant governor, and the speaker of the House of Representatives.

Implementation: Institutions that use funds or other resources under the Department of State Health Services' opioid antagonist program will coordinate with the HHSC to provide information for the report.

Effective Date: September 1, 2025.

Responsible Party: OHA

Rulemaking Authority: N/A

JOINT ADMISSION MEDICAL PROGRAM

<u>H.B. 5154</u> – Wilson – Relating to the reporting of the Joint Admission Medical Program.

House Bill 5154 updates the Joint Admission Medical Program's (JAMP) governing statutes by expanding the objectives of the program, clarifying expectations for the chair and members of the JAMP Council, and requiring the council to add more detailed information to the biennial report. Additionally, the bill requires the program's council to develop an online feedback portal that allows students to submit anonymous or identified recommendations and complaints regarding the program. The council is expected to review complaints or recommendations submitted through the portal on a regular basis to identify potential areas for improvement. Complaints or recommendations submitted through the portal must be shared with relevant stakeholders and compiled to be included in the council's biennial report, posted on the council's website, and submitted to participating students and relevant standing committees.

Implementation: Medical schools will need to monitor and report new information that is required for the JAMP report, including the number of students who left the program each year for various reasons and expenditures for graduate scholarships awarded to participating medical students. Additionally, institutions may need to hire additional staff to address new reporting and posting requirements and solicit funds for scholarships.

Effective Date: Immediate Effective Date.

Responsible Party: Medical Schools, JAMP, and OHA

Rulemaking Authority: N/A

TEXAS AEROSPACE RESEARCH

<u>H.B. 5246</u> – Bonnen – Relating to the administration, powers, and duties of the Texas Space Commission and Texas Aerospace Research and Space Economy Consortium, to other governmental entities regarding aerospace, aviation, and space exploration initiatives and activities, and to the abolishment of the spaceport trust fund.

House Bill 5246 restructures the Texas Space Commission and related agencies to strengthen the state's leadership in aerospace, aviation, and space exploration. It dissolves the spaceport trust fund, transferring duties to the general revenue fund while preserving existing contracts. The Commission's role is redefined to focus on both civil and commercial space strategy, including the development of a statewide strategic plan. The aerospace and aviation office's mission are expanded to support research and economic growth, while a reformed advisory committee will guide job creation and investment. Enhanced grant programs will support infrastructure and workforce development, with new confidentiality measures for sensitive funding decisions to maintain integrity and encourage interagency collaboration.

Implementation: Institutions—particularly those involved in aerospace, aviation, or space-related programs—should align its strategic priorities with the Texas Space Commission's forthcoming statewide plan. This may include expanding research initiatives, pursuing grant opportunities focused on space infrastructure and workforce training, and collaborating with the aerospace and aviation office or advisory committees. Institutions should designate a liaison to monitor Commission updates, ensure compliance with new confidentiality requirements during grant processes, and coordinate interagency partnerships. Additionally, academic programs in relevant fields may be updated or expanded to support the state's workforce development goals and attract investment in space and aeronautics sectors.

Effective Date: September 1, 2025.

Responsible Party: OAA and VPs of Research

Rulemaking Authority: Texas Space Commission

THE DEMENTIA PREVENTION RESEARCH INSTITUTE

<u>S.B. 5</u> – Huffman – Relating to the creation of the Dementia Prevention and Research Institute of Texas.

Senate Bill 5 establishes the Dementia Prevention and Research Institute of Texas (DPRIT) to advance research and improve prevention and treatment of dementia, Alzheimer's, Parkinson's, and related disorders. Codified in Chapter 101A of the Health and Safety Code, the legislation outlines the Institute's structure, including a nine-member Oversight Committee appointed by state leadership to reflect Texas's

diversity. The Institute will award grants to educational and research institutions, implement strict compliance and conflict-of-interest policies, and publish annual reports and audits. A Sunset review is set for 2035. The bill also ties the Institute's activation to voter approval of a constitutional amendment by the end of 2025, which would authorize up to \$3 billion in funding.

Implementation: Under this bill, UT institutions would be eligible to apply for grants from DPRIT, so long as no employees of that UT institution are members of the Institute's oversight, compliance, or peer review committees. The bill requires DPRIT to form a Higher Education Advisory Committee, one member of which would be appointed by the University of Texas System Chancellor.

Effective Date: The Act will take effect on December 1, 2025, contingent upon the approval of a constitutional amendment by voters. If the proposed amendment is not approved, the Act will have no effect.

Responsible Party: OAA, OHA, and Office of Institutional Research and Analysis

Rulemaking Authority: DPRIT Oversight Committee

HEALTH AND NUTRITION STANDARDS

<u>S.B. 25</u> – Kolkhorst – relating to health and nutrition standards to promote healthy living, including requirements for food labeling, primary and secondary education, higher education, and continuing education for certain health care professionals

Senate Bill 25 seeks to address chronic health conditions and early mortality by promoting nutrition education, fostering healthier lifestyles, and introducing civil penalties for non-compliance with health and nutrition standards. The bill establishes the Nutrition Advisory Committee, which is tasked with developing nutritional guidelines for Texans. With an initial deadline of September 1, 2026, the committee will be required to annually prepare and submit a written report to DSHS and state leaders that summarizes scientific studies, nutritional guidelines incorporating new scientific findings, and any other recommendations the committee considers appropriate. Other key provisions in the bill include a requirement that food manufacturers create food labels that warn consumers about which ingredients are banned in other countries, mandatory daily physical education for all public school students, new course requirements for nutrition education in k-12 schools and universities, and continuing education requirements regarding nutrition and metabolic health for certain medical professionals.

Implementation: Health-related institutions may inform their physicians, nurses, physician assistants, and dietitians about the new continuing education requirements. They need to implement nutrition guidelines recommended by the Texas Nutrition Advisory Committee into curriculum requirements for medical students, nursing students, allied health majors, and other majors related to health care service to receive funding from permanent funds outlined in Chapter 63 of the Texas Education Code. Beginning with the 2027-2028 school year, charter schools offering a high school program must provide an elective course in nutrition and wellness that meets the requirements for a one-half elective credit under the

Foundation High School Program. Beginning with students enrolling on or after July 1, 2027, universities need to update core curriculum requirements to include a course in nutrition education.

Effective Date: The Act is effective September 1, 2025. The Texas Nutrition Advisory Committee guidelines must be created by September 1, 2025, and institutions must have the guidelines incorporated into their curriculum by July 1, 2027.

Responsible Party: OAA, OHA, HRIs and medical schools, GAIs, and UT Charter Schools

Rulemaking Authority: State Board of Education, Texas Higher Education Coordinating Board, Executive Commissioner of the Health and Human Services Commission, and Texas Medical Board

MEDICAL EXCEPTION TO ABORTION

<u>S.B. 31</u> – Hughes – Relating to exceptions to otherwise prohibited abortions based on a physician's reasonable medical judgment.

Senate Bill 31 amends a number of provisions in Texas law regulating abortion, including by standardizing the exception language, adding a section on what reasonable medical judgment includes, adding a new exception, providing a list of consultative activities that do not constitute aiding or abetting an abortion under Texas law, revising the definition of ectopic pregnancy, and requiring the creation of new courses by the State Bar and the Texas Medical Board (TMB) regarding abortion law.

Implementation: Health-related institutions with physicians who provide OB care will need to understand these legal changes and take the required CME course no later than June 1, 2027.

Effective Date: Immediate Effective Date.

Responsible Party: Institutions with relevant healthcare services, OGC

Rulemaking Authority: Texas Medical Board

PROHIBITING ABORTION TRAVEL ASSISTANCE

<u>S.B. 33</u> – Campbell – Relating to certain prohibited transactions and logistical support between a governmental entity and an abortion assistance entity or abortion provider for the procurement of an abortion or related services.

Senate Bill 33 seeks to prevent taxpayer funds from being used to indirectly support or facilitate out-of-state abortion services. The bill expands the prohibition under Section 2273.003, Government Code, to apply to a taxpayer resource transaction with an abortion assistance entity for the purpose of providing an abortion or abortion assistance. Government entities are also prohibited from entering into a taxpayer

resource transaction or appropriating or spending money to provide to any person logistical support for the express purpose of assisting a woman with procuring an abortion or the services of an abortion provider. The attorney general is authorized to initiate legal action against any entity engaged in prohibited transactions, with provisions for recovering misused funds, court costs, and attorney's fees.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

HIGHER EDUCATION GOVERNANCE AND TRANSPERANCY

S.B. 37 – Creighton – Relating to the governance of public institutions of higher education, including review of curriculum and certain degree and certificate programs, a faculty council or senate, training for members of the governing board, and the establishment, powers, and duties of the Texas Higher Education Coordinating Board Office of the Ombudsman.

Senate Bill 37 introduces significant reforms to curriculum oversight, institutional governance, and accountability in Texas public higher education. The legislation mandates that general education curricula be reviewed every five years by the governing board of each institution of higher education, with a focus on cost to students, compliance with non-discrimination principles, and transparency in curricular changes. Institutions are required to review minor and certificate programs every five years, using workforce data to justify the continuation of low-enrollment programs. Final curricular authority remains with institutions under Board oversight, and non-active courses may be removed from the official catalog. A new General Education Curriculum Advisory Committee is tasked with providing recommendations to the Texas Higher Education Coordinating Board (THECB) by November 2026.

In governance, Boards of Regents now have approval authority over provost-level hires and may overturn hiring decisions on vice presidents and deans, with all actions reported to the Governor and Legislature. Governing boards have the sole power to establish a faculty council or senate, and prior to establishing faculty councils or senates, a governing board must adopt a policy for the selection of the faculty council's or senate's members following the eligibility criteria under Section 51.3522(b). Institutions must establish faculty senates or councils with defined membership, limited authority, and transparent operations. These bodies serve in an advisory capacity only and may not use institutional resources for non-advisory statements. Existing faculty senates or councils will be dissolved effective September 1, 2025, unless reauthorized in accordance with the new requirements.

The law also formalizes shared governance, asserting that ultimate decision-making authority lies with the governing board, while presidents must evaluate academic leadership annually. Executive searches for

university presidents require at least two members of the institution's governing board on the committee, and only administrators may make final decisions in faculty grievances or hiring.

Additionally, the legislation establishes an Office of the Ombudsman within the THECB to investigate complaints related to curriculum review, governance processes, DEI issues, and hiring decisions. The ombudsman, appointed by the Governor, holds civil investigative authority and must report findings to the state auditor and Legislature. The legislation also requires enhanced training for Regents on fiscal and governance responsibilities.

Implementation:

General Education Curriculum Review

The governing board of each institution of higher education is required to conduct a comprehensive review of the general education curriculum established by the institution at least once every five years. The board may appoint a committee to assist in the reviews and make recommendations to the governing board. Each higher education institution will need to submit an annual update to the governing board regarding any changes to the curriculum. A certification of compliance must be submitted to the THECB and legislative committees of jurisdiction no later than January 1 of each year.

Review of Minor Degrees and Certificate Programs

Every 5 years, the president or chief executive officer (CEO) of each institution of higher education must adopt and implement a process for reviewing minor degree and certificate programs using the criteria under Section 51.989(c). Subsequently, the Board must approve or deny any decision to consolidate or eliminate any program made by the president or CEO.

General Education Curriculum Advisory Committee

The THECB must establish an advisory committee to review the core curriculum requirements of institutions of higher education. This will require the THECB to call for nominations from presidents or CEOs, chancellors, and chief academic officers at all institutions. During the selection process, the THECB must ensure equal representation of members from two and four-year institutions on the advisory committee. Once formed, the advisory committee needs to produce a report on its findings and recommendations and provide the report to THECB by November 1, 2026. The THECB needs to review and submit the findings and recommendations to the Legislature by December 31, 2026.

Institutional Governance

The governing board of each higher education institution is granted the authority to approve or deny the hiring of a new provost or deputy, associate, or assistant provost by each institution under the board's control and management. Additionally, the board can overturn any hiring decision for the position of vice president or dean. If an institution's hiring decision is denied, they must take the necessary actions to ensure compliance; this could include rescission of the employment offer, termination of the employment, or termination of the employment agreement. The governing board must submit a report on any hiring which the board approved or denied to the governor, the lieutenant governor, the speaker, and each member of the legislature.

Faculty Council or Senate

The governing board of each higher education institution needs to adopt a policy that guides the selection of the council's or senate's members. The policy must ensure adequate representation of each college and school of the institution, require the members to be faculty members, and limit the number of members to not more than 60. The president or CEO of each institution must appoint a presiding officer, associate presiding officer, and secretary from the members of the faculty council or senate. The governing board, Presidents or CEOS, and faculty of each institution must be informed of all new provisions under Section 51.3522 and the risk of abolishment if established faculty councils do not meet the requirements by September 1, 2025.

Responsibility of President

The president or CEO of each higher education institution needs to conduct annual evaluations for individuals who hold the positions of vice president, provost, dean, or a similar leadership position and report to the institution 's governing board regarding any decision to remove an individual from a position.

Presidential Search Committee

Executive search committees for President or CEO must include at least two members of the institution's governing board with at least one of those members serving as the chair.

Governing Board Training

The governing board training must be expanded to include an overview of the legislature, the General Appropriations Act, the state budget, the commitment the members of the governing board are making to the institutions of higher education under the board 's control, and their commitment to the state and its taxpayers. Board members need to be informed of new training requirements, and upon completion, they must sign a sworn statement affirming their understanding of assigned duties and responsibilities.

Office of the Ombudsman:

The THECB must create the Office of the Ombudsman, and the governor will need to appoint the Ombudsman. The office is required to investigate complaints concerning Section 51.315, Section 51.3522, Section 51.3525, Section 51.3541, Section 51.9431, and Section 61.0522. If an institution is under investigation, the THECB must submit a report to its governing board, including the office 's final determination regarding the investigation and recommendations based on the conclusions of the investigation. The office must send annual reports to the governor, the lieutenant governor, the state auditor, and the chair of each standing legislative committee with jurisdiction over higher education regarding the number of complaints of noncompliance received, the number of investigations conducted, and a summary of the results of investigations.

Effective Date: Effective September 1, 2025, with implementation beginning January 1, 2026

Responsible Party: Board of Regents, OGC, OHA, and OAA

Rulemaking authority: Texas Higher Education Coordinating Board

STATUTE OF LIMITATIONS FOR FAILURE TO REPORT CHILD ABUSE OR NEGLECT

S.B. 127 – Hall – Relating to the offense of failure to report child abuse or neglect by certain professionals and the statute of limitations for that offense.

Senate Bill 127 amends the Code of Criminal Procedure to increase the statute of limitations regarding failure to report child abuse or neglect. The statute of limitations has been increased to four years after the action is discovered in cases where failure to report is categorized as a felony, meaning that the abuse was intentionally concealed. In cases where failure to report is categorized as a Class A misdemeanor, the statute of limitations has been increased to three years after the action is discovered.

Implementation: Health-related institutions should inform their clinicians who are mandatory reporters of child abuse or neglect about the changes in statute of limitations from 3 to 4 years for felony offenses and 2 to 3 years for misdemeanor offenses.

Effective Date: September 1, 2025.

Responsible Party: Institutions with clinical practices

Rulemaking Authority: N/A

REQUIRED REPORTING OF ADVERSE VACCINE OR DRUG EVENTS

S.B. 269 - Perry - Relating to required reports of certain vaccine-related or drug-related adverse events.

Senate Bill 269 amends the Health and Safety Code to require a physician to report to the federal Vaccine Adverse Event Reporting System or the FDA through the MedWatch reporting program any serious adverse event their patient suffered after receiving a certain vaccine or drug. A physician who violates the bill's reporting requirement is subject to non-disciplinary corrective action by the Texas Medical Board (TMB) for an initial violation and disciplinary action by the TMB for each subsequent violation.

Implementation: Medical providers should be notified of new reporting requirements to ensure compliance.

Effective Date: September 1, 2025.

Responsible Party: Institutions with clinical practices

Rulemaking Authority: Executive Commissioner of the Health and Human Services Commission

VIOLATION OF STUDENT CODE OF CONDUCT

S.B. 326 - King - Relating to the procedure for determining whether a student's violation of a public school's or public institution of higher education's student code of conduct was motivated by antisemitism.

Senate Bill 326 adds new provisions to Texas Education Law to address student behavior related to antisemitism. It requires school districts and public colleges and universities to use the state-defined definition of antisemitism when evaluating potential conduct violations. The legislation seeks to protect students from antisemitic behavior while also preserving free speech rights, clarifying that disciplinary action cannot be based solely on protected speech unless it is accompanied by conduct that violates school policies.

Implementation: We are in compliance. Our Free Speech policies include the antisemitism language, and any violations are addressed through our Student Code of Conduct. This structure was put in place following the Governor's Executive Order issued in 2024.

Effective Date: Immediate Effective Date. The act starts with the 2025-2026 school year for K-12 schools and the 2025–2026 academic year for institutions of higher education.

Responsible Party: OAA, OGC, and Office of Student Affairs

Rulemaking Authority: N/A

CRIMINAL PENALTIES FOR THE PURCHASE OR SALE OF HUMAN ORGANS

S.B. 456 - Middleton - Relating to the purchase or sale of human organs.

Senate Bill 456 increases the penalty for knowingly or intentionally offering to buy, offering to sell, acquiring, receiving, selling, or otherwise transferring any human organ for valuable consideration. The penalty has increased from a class C misdemeanor to a state-jail felony. The bill also authorizes the Texas Medical Board to revoke the license of any physician who knowingly uses a human organ obtained illegally.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: OHA

PHARMACIST COMMUNICATION PROTECTIONS

<u>S.B. 493</u> – Kolkhorst – Relating to protection of certain disclosures and communications by pharmacists and pharmacies regarding prescription drug benefits.

Senate Bill 493 protects pharmacists or pharmacies that wish to inform an enrollee of any difference between the out-of-pocket cost for a prescription drug under their health benefit plan and the out-of-pocket cost without submitting a claim under their health benefit plan. Additionally, the bill automatically voids any provision in a pharmacy benefit manager's pharmacy benefit network contract that prevents the pharmacist or pharmacy from making certain disclosures to enrollees or restricts their ability to communicate with sponsors of enrollees' health benefit plans regarding certain member services.

Implementation: UT owned and operated pharmacies and pharmacists should be made aware of the new protections.

Effective Date: September 1, 2025.

Responsible Party: Institutions that operate pharmacies or employ pharmacists.

Rulemaking Authority: N/A

ACCREDITATION

<u>S.B. 530</u> – Sparks – Relating to the accreditation of certain postsecondary educational institutions in this state or of certain programs offered by those institutions.

Senate Bill 530 updates the Texas Education Code to broaden the framework for accrediting post-secondary institutions. It removes specific references to a single accrediting agency, allowing recognition of multiple accrediting bodies and increasing flexibility. The Texas Higher Education Coordinating Board will oversee institutional accreditation to ensure eligibility for federal financial aid. The legislation also protects students at public universities from being required to take more credit hours than necessary unless academically justified. Public junior colleges seeking to offer bachelor's degrees must develop long-term plans for accreditation and faculty hiring to maintain high educational standards.

Implementation: Institutions should evaluate current accreditation status to ensure they are accredited by a recognized accrediting agency as defined under the updated law. Institutions should also update internal policies and documentation to reflect the broader definition of recognized accrediting agencies, removing references that limit recognition to the Southern Association of Colleges and Schools.

Effective Date: September 1, 2025.

Responsible Party: OAA and Provost Office

Rulemaking Authority: N/A

INVESTIGATIONAL SUN PROTECTION PRODUCTS

<u>S.B. 670</u> – Hughes – relating to patient authorization to access certain investigational sun protection products.

Senate Bill 670 allows patients the option to use investigational sun protection products that have not yet received full approval from the United States Food and Drug Administration (USFDA). Patients are eligible to access these products if their physician has considered all other sun protection products currently approved by the USFDA and determined those products are less effective in comparison. Physicians must require eligible patients to sign an informed consent form before recommending or prescribing an investigational sun protection product. Additionally, the bill does not allow a cause of action to be created against manufacturers or other entities involved in caring for patients using these products, and the Texas Medical Board cannot take action against a physician's license solely based on their recommendation or prescription of these products.

Implementation: Medical providers may inform their physicians of the option to recommend and prescribe investigational sun protection products to certain patients. Additionally, providers may need to establish new procedures to provide informed consent forms to eligible patients and store the forms once they are received.

Effective Date: Immediate Effective Date.

Responsible Party: Institutions with relevant medical providers

Rulemaking Authority: Texas Medical Board

EMERGENCY OPERATIONS PLANS

<u>S.B. 672</u> – Hughes – relating to a requirement that certain hospitals submit a summary of parts of their emergency operations plans to the Health and Human Services Commission.

Senate Bill 672 adds Section 31.025 to the Health and Safety Code to require hospitals to submit a summary of the part of their emergency operations plan that addresses potential diversions due to cyber attacks or power outages. If the emergency operations plan is changed, an updated summary must be submitted within 30 days of the changes being approved. The summaries submitted to HHSC are confidential and exempt from public disclosure under Chapter 552 of the Government Code.

Implementation: To comply with the new reporting requirement, UT System hospitals with an emergency department (ED) or that regularly provide emergency services should compile a written summary of the part of their emergency operations plan that addresses diversions from the hospital's ED in the event of a cyber attack or electrical power outage.

Effective Date: September 1, 2025.

Responsible Party: Institutions with hospitals

Rulemaking Authority: N/A

REPORT BY THE TEXAS HIGHER EDUCATION COORDINATING BOARD

<u>S.B. 769</u> – Menendez – Relating to a report by the Texas Higher Education Coordinating Board regarding enrollment and success in higher education for students with disabilities.

Senate Bill 769 adds Section 61.06642 to the Texas Education Code, directing the Texas Higher Education Coordinating Board to produce a detailed report on the enrollment and success of students with disabilities in higher education by December 1, 2027. The report will cover enrollment data, barriers to access, effective policies, available accommodations, and how information about students' rights is shared. It will also include recommendations for improving support. Public institutions must supply the necessary data, and the reporting requirement will expire on September 1, 2028.

Implementation: Institutions must collect and report data on enrollment and success of students with disabilities, identify barriers to access, and document supportive policies and practices. They should also compile information on available accommodations and evaluate how effectively they communicate students' rights under disability laws. Coordination between the various offices that provide services for students with disabilities will be essential to collect and organize the data needed for the report. Institutions are responsible for submitting this information to the Texas Higher Education Coordinating Board to support a statewide report due by December 1, 2027.

Effective Date: September 1, 2025.

Responsible Party: OAA and Compliance Office (ADA)

<u>UNIVERSITY SEXUAL HARASSMENT POLICIES</u>

S.B. 800 - Zaffirini - Relating to a public institution of higher education's sexual harassment, sexual assault, dating violence, and stalking resources and policy orientation.

Senate Bill 800 amends the Education Code to strengthen student safety and awareness around sexual misconduct and mental health. It requires all postsecondary institutions to mandate that entering freshmen and undergraduate transfer students attend an orientation on the institution's policies regarding sexual harassment, assault, dating violence, and stalking during their first term. The orientation must include a video detailing Title IX coordinators, reporting procedures, available support services, and resources for survivors. Additionally, student ID cards must now include contact information for the National Suicide Prevention Lifeline, the Crisis Text Line, and the National Sexual Assault Hotline, with optional listings for local campus or community resources. These changes take effect with the 2025-2026 academic year and apply to ID cards issued on or after the law's effective date.

Implementation: Universities must update their mandatory orientation program for new freshmen and undergraduate transfer students to include comprehensive information on sexual harassment, assault, dating violence, and stalking policies, ensuring the required video content featuring Title IX coordinators, reporting procedures, and support resources is included. The orientation program can be offered online or in-person during students' first semester. Additionally, universities' ID card systems need to be revised to print the required mental health and sexual assault hotline contact information on all new student identification cards issued after the law's effective date. Coordination among the Title IX office, student affairs, IT, and campus security is essential to ensure consistent messaging, compliance with the new requirements, and timely updates starting with the 2025-2026 academic year.

Effective Date: September 1, 2025.

Responsible Party: OAA, Student Affairs, and Title IX Officers

Rulemaking Authority: N/A

LICENSING AND REGULATION OF SPEECH-LANGUAGE PATHOLOGISTS AND **AUDIOLOGISTS**

S.B. 905 - Zaffirini - Relating to the licensing and regulation of speech-language pathologists and audiologists.

Senate Bill 905 amends the Occupations Code to revise the provisions governing the minimum educational requirements for a speech-language pathologist or audiologist license applicant and remove provisions relating to provisional licenses.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: Texas Commission of Licensing and Regulation

CONTINUING EDUCATION TRACKING SYSTEMS

S.B. 912 - Blanco - Relating to the verification of health care practitioner continuing education compliance through the establishment of continuing education tracking systems.

Senate Bill 912 amends the Occupations Code to require entities that issue licenses to health care professionals to establish a continuing education (CE) tracking system that is easily accessible to all health care practitioners, licensing entity staff, and applicable CE providers. The tracking system must be established before September 1, 2026. The Texas Department of Licensing and Regulation (TDLR) is required to establish a continuing education tracking system by September 1, 2028. All continuing education tracking systems must comply with the federal Americans with Disabilities Act of 1990, and if they are cloud-based systems, they must be certified under the Texas Risk and Authorization Management Program.

Implementation: Institution health care providers with continuing education requirements, including physicians and nurses, need to use an electronic tracking system for continuing education requirements once such systems are in place. They should also verify that their continuing education requirements are accurately reflected in the new tracking system and completed on time to ensure license renewal by their licensing entity.

Effective Date: September 1, 2025.

Responsible Party: Institutions with licensed healthcare providers

Rulemaking Authority: Licensing entities that issue licenses to health care practitioners under Title 3, Health and Safety Code, excluding licensing agencies under Subtitle L, Health and Safety Code

DISCLOSURE OF SENSITIVE MEDICAL INFORMATION

S.B. 922 - Hancock - Relating to the disclosure of certain medical information by electronic means.

Senate Bill 922 amends the Occupation Code to prohibit physicians from disclosing sensitive test results to a patient or patient representative using electronic means before the third day after the result is finalized. A person that administers or controls the electronic health record of a patient is responsible for

complying with the bill, but they are not subject to civil, criminal, or administrative liability or professional disciplinary action for failing to comply.

Implementation: Health-related institutions need to ensure that their staff in charge of electronic health records and physicians are aware of the new requirements under the bill. This will enable them to comply with the bill when disclosing sensitive test results to patients and their representatives using electronic means.

Effective Date: September 1, 2025.

Responsible Party: Institutions

Rulemaking Authority: N/A

PODIATRY LICENSING AND REGULATIONS

S.B. 968 - Zaffirini - Relating to the licensing and regulation of the practice of podiatry.

Senate Bill 968 amends the Occupations Code to replace "temporary license" with "residency license," reducing confusion and clarifying the licensure requirement during residency. The bill also eliminates provisional licenses to practice podiatry by repealing Section 202.260 of the Occupations Code.

Implementation: Health-related institutions that train and provide residency programs in podiatry may need to alter the language in their outreach and human resources publications to reflect the changes in the bill. Additionally, institutions may need to advise podiatry students and residents about the language change.

Effective Date: September 1, 2025.

Responsible Party: HRIs that train and provide residency programs in podiatry

Rulemaking Authority: Texas Commission of Licensing and Regulation

INDIVIDUALIZED INVESTIGATIONAL TREATMENTS

<u>S.B. 984</u> – Bettencourt – Relating to access to individualized investigational treatments for patients with life-threatening or severely debilitating illnesses.

Senate Bill 984 adds Chapter 491 to the Health and Safety Code to allow eligible patients to receive individualized investigational treatments from manufacturers operating in an eligible health care facility. Patients are considered eligible if they have a life-threatening or severely debilitating illness, have

considered all other FDA-approved treatment options, have given informed consent, and if their physician attests to their eligibility and recommends the treatment based on an analysis of the patient's genetic profile. Health facilities are eligible to provide individualized investigational treatment if they operate under a federal assurance for the protection of human subjects under applicable federal laws and are subject to federal assurance laws, regulations, policies, and guidelines.

The bill does not create a private cause of action against a manufacturer of an individualized investigational treatment for any harm to the patient resulting from the treatment, and if the patient dies while receiving an individualized investigational treatment, the patient's heirs are not liable for any outstanding debt related to the treatment or lack of health coverage.

Additionally, a state licensing board is prohibited from taking any action against a provider's license based solely on their recommendation to an eligible patient regarding access to individualized investigative treatments, and the HHSC is prohibited from taking action that will impact a provider's participation in Medicaid.

Implementation: UT System hospitals that qualify as eligible under Section 491.051 of the Health and Safety Code should be aware that they can permit manufacturers to provide individualized investigational treatments to eligible patients.

Effective Date: September 1, 2025.

Responsible Party: UT Hospitals

Rulemaking Authority: N/A

ELECTRONIC HEALTH RECORDS

S.B. 1188 - Kolkhorst - Relating to electronic health record requirements

Senate Bill 922 adds Chapter 183 to the Health and Safety Code to establish multiple new requirements related to maintenance of and access to electronic health records (EHR). The bill restricts storage of EHRs, requiring them to be kept in the U.S. and inaccessible to people located outside the U.S. EHRs are also prohibited from storing information regarding a patient's credit score or voter registration. Other key provisions impacting EHRs include new requirements for medical history information and restrictions on artificial intelligence (AI) usage.

Additionally, the bill defines terms such as biological sex, male, female, and sexual development disorder, and it limits changes to biological sex in an EHR unless there is a clerical error or a diagnosis of a sexual development disorder. The Texas Medical Board (TMB) and Department of Insurance (DI) are tasked with ensuring each EHR prepared or maintained in Texas include a separate space to document biological sex, any information on a sexual development disorder, and whether any algorithm or decision assistance tool used in making treatment decisions was based on biological sex.

Implementation: Health-related institutions need to review their current practices for documentation and storage of EHRs and adjust as necessary. Training will be needed for staff to implement the new requirements, and institutions will have to plan for the additional time necessary to perform clerical review and verification of any information provided by an AI tool.

Effective Date: September 1, 2025.

Responsible Party: Institutions

Rulemaking Authority: Executive Commissioner of the Health and Human Services Commission, Texas Medical Board, Texas Department of Licensing and Regulation, Texas Department of Insurance, and each regulatory agency subject to Chapter 183, Health and Safety Code

<u>DEVELOPMENT AND PROVISION OF PERINATAL PALLIATIVE CARE MATERIALS</u>

S.B. 1233 - Hancock - Relating to information regarding perinatal palliative care

Senate Bill 1233 requires the Health and Human Services Commission (HHSC), in collaboration with the Department of State Health Services (DSHS) and the Palliative Care Interdisciplinary Advisory Council, to develop perinatal palliative care informational materials. The HHSC must also develop, regularly update, and publish a geographically indexed list of perinatal palliative care providers and programs in Texas, excluding abortion providers or their affiliates. The informational materials and the list of providers and programs will be posted on the HHSC website. Additionally, the HHSC, in collaboration with the DSHS, is required to develop a form for a pregnant patient to certify that they received the informational materials and the list of providers. Health care providers who have diagnosed a fetus with a life-threatening illness are responsible for providing a written copy of the perinatal palliative care informational materials, the list of the perinatal palliative care providers and programs, and the perinatal palliative care certification form to the pregnant patient.

Implementation: Health related institutions and medical providers, especially those who treat pregnant women, will need to be informed of these new requirements. Once developed and published by the HHSC, providers need to be supplied with the informational materials, the list of perinatal palliative care providers and programs, and the perinatal palliative care certification form. Training may be required to establish the proper procedure for sharing the required information and storing the signed certification form.

Effective Date: September 1, 2025.

Responsible Party: Institutions

MEDICAID PROVIDER ENROLLMENT AND CREDENTIALING PROCESSES

S.B. 1266 - Alvarado - Relating to Medicaid provider enrollment and credentialing processes.

Senate Bill 1266 amends the Government Code to ensure that providers have access to a support team that can assist them in completing the Medicaid enrollment and credentialing process using the Internet portal established under Section 532.0151, Government Code. The Health and Human Services Commission (HHSC) is required to annually evaluate the performance of the support team, posting a report on the results of the evaluation on their website no later than September 1 of each year. The bill also enables Medicaid providers to submit complaints and feedback about the support team to the HHSC. Additionally, before a Medicaid provider is disenrolled for failing to complete the enrollment revalidation process, the commission is required to notify them electronically and by mail at least 30 days before the date of disenrollment, allowing the provider to address any deficiencies in their application.

Implementation: Physicians employed by UT institutions will be able to use the services of the support team once the bill goes into effect.

Effective Date: September 1, 2025.

Responsible Party: UT institutions that employ and manage the Medicaid enrollment and credentialing of physicians

Rulemaking Authority: Health and Human Services Commission

AMENDING LIMITATIONS FOR PHYSICIANS NON-COMPETE CLAUSES

<u>S.B. 1318</u> – Schwertner – Relating to restrictions on covenants not to compete for physicians and certain health care practitioners.

Senate Bill 1318 places limitations on noncompete covenants contained in physician and other healthcare practitioners' contracts. A noncompete covenant is now enforceable only if it provides for a buyout of the covenant by the health care practitioner in an amount that is not greater than the practitioner's total annual salary and wages at the time of termination of the practitioner's contract or employment. Its enforceability also depends on the expiration date and whether it limits the geographical area subject to the covenant to no more than a five-mile radius.

Implementation: Institutions that enter into employment contracts with physicians, dentists, nurses and physicians assistants need to update those contracts to be compliant with the requirements in the bill.

Effective Date: September 1, 2025.

Responsible Party: Institutions that employ physicians and other healthcare professionals.

TEXAS MENTAL HEALTH PROFESSION PIPELINE

S.B. 1401 – West – Relating to the creation of the Texas Mental Health Profession Pipeline Program by the Texas Higher Education Coordinating Board.

Senate Bill 1401 establishes the Texas Mental Health Profession Pipeline Program through the Texas Higher Education Coordinating Board (THECB) to expand the mental health workforce by creating clear pathways from public junior colleges to bachelor's and postbaccalaureate programs that lead to licensure in various mental health professions. Participating institutions—public and private colleges and universities offering relevant degree programs—must partner with junior colleges to ensure students can transfer credits without loss, complete a bachelor's degree in less than two years, and gain automatic admission into qualifying graduate programs if academic and capacity requirements are met. The bill outlines roles for the THECB, including identifying and approving field of study curricula and promoting the program online. Institutions must submit annual reports detailing enrollment, transfer success, graduation timelines, program capacity, and resources. The program targets specialties such as psychology, counseling, psychiatric nursing, social work, school psychology, and marriage and family therapy. Implementation begins with the adoption of rules by the THECB to support seamless student progress from community college through licensure.

Implementation: Institutions should first designate themselves as a participating institution and partner with one or more public junior colleges to develop a guided transfer pathway for students pursuing mental health professions. This includes aligning curricula to ensure that students who complete a field of study or earn a "Texas Direct" associate degree can transfer without losing credits and complete a bachelor's degree within two years. Institutions must also establish criteria for automatic admission into postbaccalaureate programs, subject to academic qualifications and program capacity. Faculty and administrative staff should coordinate to ensure adequate clinical placements and supervision are available, and institutions must annually report student outcomes, program capacity, resource allocation, and average completion time to the THECB. Additionally, institutions should collaborate with the THECB to ensure program information, including field of study curricula and outcomes data, is accurately reflected on the THECB website.

Effective Date: September 1, 2025.

Responsible Party: OAA and Student Affairs

Rulemaking Authority: Texas Higher Education Board

PROVISION OF DEATH RECORDS TO LEVEL I TRAUMA FACILITIES

S.B. 1467 – Hinojosa – Relating to death records maintained by the vital statistics unit of the Department of State Health Services and provided to certain hospitals.

Senate Bill 1467 adds Section 191.012 to the Health and Safety Code, requiring the Texas Department of State Health Services (DSHS) to implement an efficient and effective procedure to provide death information to a hospital designated as a Level I trauma facility.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: N/A

USE EPINEPHRINE DELIVERY DEVICE

S.B. 1619 - Zaffirini - Relating to the use of an epinephrine delivery device by certain entities.

Senate Bill 1619 updates various Texas codes to replace references to "epinephrine auto-injector" with "epinephrine delivery device" in laws governing the use of epinephrine in schools, higher education institutions, emergency settings, and other designated facilities. The bill broadens the definition to include both auto-injectors and nasal sprays approved by the FDA for treating anaphylaxis, ensuring flexibility in emergency response options. It also maintains a specific definition for "epinephrine auto-injector" in contexts governed by the Emergency Health Care Act and pharmacy-related provisions.

Implementation: Institutions should update policies and training to include all FDA-approved epinephrine delivery devices, such as auto-injectors and nasal sprays, revise procurement to allow purchasing these devices, and ensure emergency response plans reflect the expanded definitions. Coordination with health, legal, and compliance teams will ensure adherence to state law and effective management of anaphylaxis emergencies on campus.

Effective Date: Immediate Effective Date.

Responsible Party: OAA and Office of Student Affairs/Legal/Compliance

STUDY ON PREVENTING DIABETES RELATED AMPUTATIONS

S.B. 1677 – Menendez – Relating to a study on prevention and reduction of diabetes-related amputation.

Senate Bill 1677 directs the Department of State Health Services to conduct a study on the prevention and reduction of diabetes-related amputation. The Department is expected to develop recommendations regarding best practices and improved quality of care for reducing and preventing amputations resulting from diabetic foot ulcers and peripheral arterial disease in addition to proposed policy solutions to increase access to preventative treatment. The study must be conducted in consultation with an interdisciplinary panel of experts on diabetes and related amputations, including an endocrinologist, podiatrists, a vascular surgeon, a nurse who specializes in diabetes education, and at least three individuals with lived experience. This report must be submitted to the governor and legislature no later than September 1, 2026.

Implementation: Health-related institutions that wish to be involved in shaping recommendations should report information regarding incidents of diabetes-related amputations to the DSHS for its study. This could potentially require new research software to collect and analyze the data collected.

Effective Date: September 1, 2025.

Responsible Party: HRIs

Rulemaking Authority: N/A

TEXAS OPIOID ABATEMENT FUND COUNCIL

S.B. 1901 – Huffman – Relating to the administration of the Texas Opioid Abatement Fund Council and Texas Opioid Abatement Trust Fund.

Senate Bill 1901 amends the Government Code to create clear administrative guidelines and conflict of interest provisions for the Texas Opioid Abatement Fund Council. Voting members of the Texas Opioid Abatement Fund Council are required to serve for staggered six-year terms expiring on February 1 of each odd-numbered year, and the bill repeals the requirement for any council decision or opioid abatement strategy to be approved by a minimum number of certain members of the council. Additionally, if a county or municipality fails to timely deposit opioid settlement agreement money or refuses to accept the money, the bill authorizes the money to be reallocated to the council.

Implementation: N/A

Effective Date: Immediate Effective Date.

Responsible Party: N/A

Rulemaking Authority: Texas Opioid Abatement Fund Council

REGULATIONS OF AI SYSTEMS

S.B. 1964 – Parker – Relating to the regulation and use of artificial intelligence systems and the management of data by governmental entities.

Senate Bill 1964 establishes the Department of Information Resources (DIR) as the primary regulator of artificial intelligence (AI) for state agencies and institutions of higher education (IHEs). The bill is primarily concerned with heightened scrutiny AI, which is an AI system that is specifically intended to autonomously make, or be a controlling factor in making, a consequential decision.

Implementation:

Awaiting DIR

Most actions in the bill require DIR action first, leaving much to be determined through rulemaking. The Information Technology Council for Higher Education (ITCHE) will need to work closely with the Office of General Counsel (OGC), the Information Security Office (ISO), and Systemwide Compliance (SWC), due to the focus on ethics and overlap with other legal requirements.

Required DIR actions affecting the UT System include:

- Inventory of AI systems including heightened scrutiny systems, including an evaluation of the purpose and the measures for each system
- Via rule, Development of a Code of Ethics that agencies must adopt that align with NIST AI RMF 1.0
- Via rule, develop minimum risk management standards for heightened scrutiny AI systems
- Public facing AI or that is a controlling factor in a consequential decision shall include standardized notice developed by DIR
- Confirmation by the agency of compliance with implementing AI code of ethics

Actions Not Dependent on DIR

- DMOs are now required to ensure annual posting of a high value data set. Currently, THECB handles this requirement for IHEs through a gentleman's agreement. DMO/OIRA should follow up on status of this with THECB.
- Impact Assessments: Requires state agency deploying AI (or vendor) to conduct a risk assessment that outlines risks of unlawful harm. Suggest CIO see if clarification is incoming from DIR, then ISO/Compliance/CIO can add into ISOTRAQ.
- Compliance will monitor the new Public Sector AI Advisory Board and the creation of the sandbox program.

• Everyone must report violations to DIR. (Legislation specifies actions taken against vendors by AG.)

Effective Date: September 1, 2025.

Responsible Party:

- Generally, and rulemaking: CIO will need to coordinate with ITCHE and very closely with Compliance/OGC/ISO and potentially data governance.
- Impact Assessment: Recommend ISO/CIO/Compliance discuss how this could be included in ISOTRAQ for System Admin.

Rulemaking Authority: Department of Information Resources

PEDIATRIC SUBSPECIALTY PRECEPTORSHIP PROGRAM

S.B. 1998 – Huffman – Relating to a preceptorship program in a pediatric subspecialty for medical students in this state.

Senate Bill 1998 adds Section 58.011 to the Education Code, authorizing the Texas Higher Education Coordinating Board to contract with one or more organizations to establish and operate a statewide pediatric subspecialty preceptorship program for medical students in Texas. To qualify for funding, an organization must be exempt from federal income tax or operated by a state-accredited medical school. Medical students must demonstrate an interest in pursuing a career in a pediatric subspecialty to be eligible for the program.

Implementation: N/A

Effective Date: Immediate Effective Date.

Responsible Party: THECB

Rulemaking Authority: N/A

PSYCHIATRIC BED REGISTRY

<u>S.B. 2069</u> – Zaffirini – Relating to the establishment of a work group to conduct a study on the feasibility of implementing an acute psychiatric bed registry.

Senate Bill 2069 requires the Health and Human Services Commission (HHSC) to establish a work group to conduct a study on the feasibility of implementing a statewide or regional psychiatric bed registry. The work group will include members appointed by the HHSC executive commissioner and will be required to meet periodically at the call of the elected presiding officer. By November 1, 2027, the HHSC must

submit a report summarizing the results of the study to each standing committee of the Legislature with primary jurisdiction over mental health.

Implementation: HRIs operating psychiatric beds and others with interest in this issue may be interested and have qualified faculty/staff with interest in serving on the work group.

Effective Date: September 1, 2025.

Responsible Party: HHSC

Rulemaking Authority: N/A

FRANCHISE TAX CREDIT R&D EXPENSES

<u>S.B. 2206</u> – Bettencourt – Relating to a franchise tax credit for, and the application of sales and use taxes to, certain research and development expenses.

Senate Bill 2206, effective January 1, 2026, establishes a new franchise tax credit for research and development (R&D) expenses conducted in Texas, replacing existing provisions set to expire in December 2026. The bill defines "qualified research expenses" based on IRS Form 6765 and allows credits for eligible entities, with enhanced rates for those collaborating with Texas public or private higher education institutions. Depending on past R&D activity, credits range from 4.361% to 10.903% of eligible expenses. Unused credits can be carried forward up to 20 years, though credits cannot be transferred except through full asset transfers. The legislation also allows refundable credits for certain small or exempt businesses. To ensure transparency, the comptroller must report biennial estimates on credit usage and maintain deposits to the property tax relief fund. Entities must amend filings if federal R&D figures change, and the bill repeals previous R&D tax incentives while preserving accrued credits under former law.

Implementation: Universities—particularly their research administration and finance offices—need to establish or strengthen systems to support partnerships with private entities seeking to claim franchise tax credits for research conducted in Texas. This will involve clearly documenting collaborative R&D activities, ensuring that qualifying research expenses are properly tracked and reported, and maintaining records that align with IRS Form 6765 standards. Universities may also develop standardized contracting language to reflect eligibility requirements and facilitate compliance with the new tax credit structure. Additionally, outreach to industry partners can be expanded to promote collaboration opportunities, emphasizing the increased tax credit benefit (up to 10.903%) for companies partnering with public or private institutions of higher education.

Effective Date: January 1, 2026.

Responsible Party: OAA and VPs for Research

Rulemaking Authority: Texas Comptroller of Public Accounts

DRUG DEVELOPMENT TRIALS WITH IBOGAINE

S.B. 2308 – Parker – Relating to the establishment of a consortium to conduct United States Food and Drug Administration's drug development clinical trials with ibogaine to secure the administration's approval of the medication's use for treatment of opioid use disorder, co-occurring substance use disorder, and any other neurological or mental health conditions for which ibogaine demonstrates efficacy and to the administration of that treatment.

Senate Bill 2308 adds Chapter 491 to the Health and Safety Code to facilitate the USFDA's approval of ibogaine for treating opioid use disorder, co-occurring substance use disorders, and other related neurological and mental health conditions. The bill establishes the criteria that must be met before a consortium can apply for selection by the Health and Human Services Commission (HHSC) to conduct drug development trials with ibogaine. Consortiums that apply must either include a drug developer, an institution of higher education, or a hospital. Consortiums are also required to select a lead institution of higher education from their members to represent the consortium, perform administrative functions, and submit a proposal and request for funding to the HHSC. The HHSC is responsible for selecting a consortium to conduct the clinical trials, and it is responsible for entering into an interagency contract to provide funding to implement the clinical trials. The HHSC must begin accepting proposals from consortiums before the 60th day after the bill's effective date, June 11, 2025.

Implementation: Institutions that are interested in this new research opportunity may need to do research on costs associated with employing administrative, clinical, and data management personnel for the consortium. HHSC is expected to seek RFPs.

Effective Date: Immediate Effective Date.

Responsible Party: OHA

Rulemaking Authority: Executive Commissioner of the Health and Human Services Commission

TEXAS PHYSICIAN HEALTH PROGRAM

<u>S.B. 2480</u> – Campbell – Relating to the Texas Physician Health Program and the regulation of certain occupations by the Texas Medical Board; expanding the applicability of surcharges.

Senate Bill 2480 revises provisions relating to Texas Medical Board (TMB) license surcharges used to fund the Texas Physician Health Program and queries on the National Practitioner Data Bank.

Implementation: N/A

Effective Date: September 1, 2025.

Responsible Party: N/A

Rulemaking Authority: Texas Medical Board

MEDIATION FOR DISPUTED MEDICAL CHARGES

<u>S.B. 2544</u> – Hancock – Relating to eligibility for mediation of certain out-of-network health benefit claims.

Senate Bill 2544 amends Section 1467.054(a) of the Insurance Code to establish a deadline for out-of-network providers or health benefit plan issuers or administrators that wish to request mandatory mediation. Now, requests must be made before the 180th day after they receive the initial payment for health care or medical services or supplies.

Implementation: UT institutions that file health benefit claims as an out-of-network provider and are considered a facility as defined under Section 324.001 of the Health and Safety Code should be aware of the new deadline for mandatory mediation requests detailed in the bill.

Effective Date: Immediate Effective Date.

Responsible Party: UT institutions that file health benefit claims as an out-of-network provider and are considered a facility as defined under Section 324.001 Health and Safety Code.

Rulemaking Authority: N/A

REMOTE WORK RESTRICTIONS

<u>S.B. 2615</u> – Creighton – Relating to restricting remote work by employees of public institutions of higher education.

Senate Bill 2615 restricts remote work for employees of institutions of higher education. The bill allows certain employees to be exempted from remote work restrictions, including those with medical conditions and temporary illnesses. Employees that are permitted to work remotely must be capable of working effectively with minimal supervision and be in a non-teaching position that does not require their physical presence or direct interaction with students, administration, or other employees.

Implementation: The Office of Talent and Innovation will need to revise and resubmit its UT System "Location of Work" policy draft and incorporate new prohibition language from the statute into the handbook of operating procedures (HOP 3.4.4 Telecommuting).

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation

Rulemaking Authority: Texas Higher Education Coordinating Board

CAMPUS FREE SPEECH

S.B. 2972 - Creighton - Relating to expressive activities at public institutions of higher education.

Senate Bill 2972 amends Section 51.9315 of the Texas Education Code to strengthen protections for expressive activities—such as protests, speeches, and petition by students and employees at public institutions of higher education, affirming their First Amendment rights. It clarifies that expressive activities must be lawful and not disrupt institutional operations, allows institutions to adopt reasonable time, place, and manner restrictions, and requires the designation of campus public forums. Institutions must adopt policies ensuring these rights, prohibiting specific disruptive behaviors, and establishing grievance procedures and disciplinary sanctions. The changes apply beginning in the 2025–2026 academic year.

Implementation: The governing board of each institution of higher education must formally designate specific outdoor campus areas as traditional public forums for expressive activities, consistent with First Amendment protections. The board should develop and approve detailed policies that protect the rights of students and employees to engage in peaceful speech and assembly, including protests, speeches, and distribution of materials, while clearly prohibiting unlawful acts such as harassment, threats, or disruption. These policies should impose only reasonable, content-neutral restrictions on time, place, and manner of expression, ensuring ample alternative means for expression without requiring permits. The board must also establish guidelines limiting certain disruptive behaviors, especially during critical academic periods. Procedures for grievance resolution, disciplinary sanctions for violations, and requirements for identification during official duties should be included. The finalized policies must be approved by a majority vote of the governing board and publicly posted online before the 2025–2026 academic year, ensuring transparency and adherence to constitutional free speech protections.

Effective Date: September 1, 2025.

Responsible Party: OAA, OGC, Student Affairs, and Legal Affairs

RELIGIOUS ORGANIZATIONS

<u>S.B. 2986</u> – Campbell – Relating to the protection from adverse action against public schools and institutions of higher education for permitting religious organization use of facilities.

Senate Bill 2986 allows Texas school districts, open-enrollment charter schools, and institutions of higher education to permit religious organizations to use their facilities for worship services and related activities, provided such use does not interfere with the primary educational mission. The religious groups must pay fair market rental or cover associated costs unless waived, agree to be liable for damages, and follow the same rental terms as non-religious organizations. The law prohibits penalties or funding denial based on allowing such use and clarifies that institutions are not required to grant access if they choose not to. Existing contracts before the law's effective date remain unaffected unless renewed or modified.

Implementation: Independent School Districts (ISD) and Universities must establish clear policies and procedures for allowing religious organizations to use their facilities. They should set guidelines ensuring that such use does not disrupt their educational activities and require organizations to pay fair market rental fees or reimburse costs like utilities and security, unless waived by the governing board. Districts and universities should create agreements holding organizations liable for any damages during their use, and they should also ensure equal rental terms are applied to religious and nonreligious groups alike. Additionally, they must communicate that allowing facility use is voluntary and not mandated, while ensuring compliance with any other applicable laws or regulations.

Effective Date: September 1, 2025.

Responsible Party: OAA, OGC, UT Charter Schools, Student Affairs, and Legal Affairs

Rulemaking Authority: N/A

CONSTITUTIONAL AMENDMENT TO ESTABLISH DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS

<u>S.J.R. 3</u> – Huffman – Proposing a constitutional amendment providing for the establishment of the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia, Alzheimer's disease, Parkinson's disease, and related disorders in this state, and transferring to that fund \$3 billion from state general revenue.

Senate Joint Resolution 3 proposes a constitutional amendment that will establish the Dementia Prevention and Research Institute of Texas and the Dementia Prevention and Research Fund. The Dementia Prevention and Research Fund, containing \$3 billion from state general revenue, would provide

money for research into the causes of, prevention of, and treatment for dementia, Alzheimer's disease, Parkinson's disease, and related disorders.

Implementation: N/A

Effective Date: The proposed constitutional amendment will be submitted to voters during the November

4, 2025, election.

Responsible Party: OAA, OHA, and Office of Institutional Research and Analysis

Office of the Board of Regents

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Office of the Board of Regents

NOTICE REQUIREMENTS UNDER THE OPEN MEETINGS ACT

H.B. 1522 - Gerdes - Relating to notice of a meeting held under the open meetings law.

House Bill 1522 changes the posting deadline for a governmental body's meeting agenda from 72 hours to three business days before the scheduled meeting date.

Implementation: The Office of the Board of Regents will need to amend current procedures to post by the new deadline and should adopt the procedures as soon as the bill becomes effective.

Effective Date: September 1, 2025.

Responsible Party: Office of the Board of Regents

Rulemaking Authority: N/A

OPEN MEETING EXCEPTIONS

<u>H.B. 3112</u> – Tepper – Relating to the application of the open meetings law and public information law to government information related to certain cybersecurity measures.

House Bill 3112 clarifies that a governmental body is not required to conduct an open meeting to deliberate a cybersecurity measure, policy, or contract solely intended to protect a critical infrastructure facility located in their jurisdiction.

Implementation: This provision can be added to the current list of open meetings exceptions, and the Office of the Board of Regents can refer to this statute when discussing other security measures exempt from open meetings.

Effective Date: Immediate Effective Date.

Responsible Party: Office of the Board of Regents

Rulemaking Authority: N/A

SPECIAL RIGHT OF ACCESS TO PUBLIC INFORMATION

<u>H.B. 4310</u> – Vasut– Relating to a special right of access under the public information law for a member of a governing board.

House Bill 4310 grants governing board members a special right of access to public information when they are acting in an official capacity.

Implementation: The Office of the Board of Regents will work with the Office of General Counsel to facilitate information requests made under the bill. The board office may also need to review Rule 10801 in the Regents' *Rules and Regulations* to see if changes need to be made.

Effective Date: Immediate Effective Date.

Responsible Party: Office of the Board of Regents and OGC

Rulemaking Authority: Attorney General

PUBLIC INFROMATION ACT EXEMPTIONS

S.B. 1569 – King – Relating to the availability of certain personal information of a member of the governing board of an institution of higher education, the chief executive officer of the institution, or the chief executive officer of a university system.

Senate Bill 1569 protects the personal information of Texas university officials by extending exemption from certain public disclosure requirements to members of governing boards of institutions of higher education (IHEs), chancellors, chief executive officers, and presidents of IHEs.

Implementation: The Office of General Counsel and the Texas Public Information Act (TPIA) group will be responsible for implementation, ensuring board members personal information, including information about their home address, home telephone number, emergency contact information, or social security number, are not available to the public.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: N/A

CLOSED MEETINGS TO DELIBERATE DEFENSE, MILITARY, OR AEROSPACE ISSUES

<u>S.B. 1706</u> – Hinojosa – Relating to the authority of the governing board of a state governmental body to conduct a closed meeting to deliberate an issue involving certain defense, military, or aerospace issues.

Senate Bill 1706 authorizes governing boards to conduct a closed meeting to discuss certain defense, military, or aerospace issues.

Implementation: The Office of the Board of Regents can add this exception to the current list of open meetings exceptions.

Effective Date: Immediate Effective Date.

Responsible Party: Office of the Board of Regents

Capital Projects

No bills were passed impacting Capital Projects.

Compliance & Privacy

H.B. 149 – Capriglione/Schwertner – Relating to regulation of the use of artificial intelligence sys	stems in
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H.B. 2818 – Capriglione/Parker – Relating to the artificial intelligence division within the Depart	ment of
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S.B. 800 – Zaffirini/Wilson – Relating to a public institution of higher education's sexual harassm	nent,
sexual assault, dating violence, and stalking resources and policy orientation	139
S.B. 1964 – Parker/Capriglione – Relating to the regulation and use of artificial intelligence syste	ems and
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Compliance & Privacy

PROHIBITED USE OF AI SYSTEMS

<u>H.B. 149</u> – Capriglione – Relating to regulation of the use of artificial intelligence systems in this state; providing civil penalties.

House Bill 149 establishes a comprehensive framework for regulating artificial intelligence (AI) systems in Texas. While the bill regulating AI specifically excludes institutions of higher education from the definition of "government entity," They are still required to comply with general bans, including:

- developing/deploying AI with the INTENT unlawfully discriminating against a protected class in violation of state or federal law
- developing/ distributing AI with the SOLE intent of producing, assisting, aiding, or distributing child pornography, deep fake videos in violation of the penal code
- text-based conversations where AI impersonates a child and sexual content
- manipulating human behavior in certain harmful or illegal contexts

Implementation: UT System administration and institutions should ensure no activities violate the bans. While this is unlikely, these issues appear most likely to arise in research contexts.

Effective Date: January 1, 2026.

Responsible Party: CIO, SWC, OGC, and ISO

Rulemaking Authority: Department of Information Resources

ARTIFICIAL INTELLIGENCE DIVISION

<u>H.B. 2818</u> – Capriglione – Relating to the artificial intelligence division within the Department of Information Resources.

House Bill 2818 establishes an artificial intelligence (AI) division within the Department of Information Resources (DIR). The new division is required to assist state agencies and other entities that use DIR services to implement AI for projects to replace or modernize legacy systems and other appropriate projects. Institutions of Higher Education (IHEs) are exempt from the DIR's Legacy System Modernization Strategy, so it will be critical to monitor rulemaking to fully determine impacts.

Implementation: IHEs will need to monitor rulemaking and engage as appropriate.

Effective Date: September 1, 2025.

Responsible Party: Office of the CIO, ITCHE, SWC, and OGC

Rulemaking Authority: Department of Information Resources

UNIVERSITY SEXUAL HARASSMENT POLICIES

<u>S.B. 800</u> – Zaffirini – Relating to a public institution of higher education's sexual harassment, sexual assault, dating violence, and stalking resources and policy orientation.

Senate Bill 800 amends the Education Code to strengthen student safety and awareness around sexual misconduct and stalking. It requires all postsecondary institutions to mandate that entering freshmen and undergraduate transfer students attend an orientation on the institution's policies regarding sexual harassment, assault, dating violence, and stalking during their first term. The orientation must include a video detailing Title IX coordinators, reporting procedures, available support services, and resources for survivors. Additionally, student ID cards must now include contact information for the National Suicide Prevention Lifeline, the Crisis Text Line, and the National Sexual Assault Hotline, with optional listings for local campus or community resources. These changes take effect with the 2025–2026 academic year and apply to ID cards issued on or after the law's effective date.

Implementation: Universities should create a video with all the required information and coordinate updating student ID cards. The orientation video should be publicized to Fall 2025 freshman and transfer students as soon as possible before September 1, 2025, or as soon as possible thereafter. Updated student ID cards should be issued by September 1, 2025.

Effective Date: September 1, 2025.

Responsible Party: OAA, Student Affairs, SWC, and Title IX Officers

Rulemaking Authority: N/A

REGULATION OF AI SYSTEMS

S.B. 1964 – Parker – Relating to the regulation and use of artificial intelligence systems and the management of data by governmental entities.

Senate Bill 1964 establishes the Department of Information Resources (DIR) as the primary regulator of artificial intelligence (AI) for state agencies and institutions of higher education (IHEs). The bill is primarily concerned with heightened scrutiny AI, which is an AI system that is specifically intended to autonomously make, or be a controlling factor in making, a consequential decision.

Implementation:

Awaiting DIR

Most actions in the bill require DIR action first, leaving much to be determined through rulemaking. The Information Technology Council for Higher Education (ITCHE) will need to work closely with the Office of General Counsel (OGC), the Information Security Office (ISO), and Systemwide Compliance (SWC), due to the focus on ethics and overlap with other legal requirements.

Required DIR actions affecting the UT System include:

- Inventory of AI systems including heightened scrutiny systems, including an evaluation of the purpose and the measures for each system
- Via rule, Development of a Code of Ethics that agencies must adopt that align with NIST AI RMF 1.0
- Via rule, develop minimum risk management standards for heightened scrutiny AI systems
- Public facing AI or that is a controlling factor in a consequential decision shall include standardized notice developed by DIR
- Confirmation by the agency of compliance with implementing AI code of ethics

Actions Not Dependent on DIR

- DMOs are now required to ensure annual posting of a high value data set. Currently, THECB
 handles this requirement for IHEs through a gentleman's agreement. DMO/OIRA should follow
 up on status of this with THECB.
- Impact Assessments: Requires state agency deploying AI (or vendor) to conduct a risk assessment that outlines risks of unlawful harm. Suggest CIO see if clarification is incoming from DIR, then ISO/Compliance/CIO can add into ISOTRAQ.
- Compliance will monitor the new Public Sector AI Advisory Board and the creation of the sandbox program.
- Everyone must report violations to DIR. (Legislation specifies actions taken against vendors by AG.)

Effective Date: September 1, 2025.

Responsible Party:

- Generally, and rulemaking: CIO will need to coordinate with ITCHE and very closely with Compliance/OGC/ISO and potentially data governance.
- Impact Assessment: Recommend ISO/CIO/Compliance discuss how this could be included in ISOTRAQ for System Admin.

Rulemaking Authority: Department of Information Resources

Contracts & Procurement

H.B. 4748 – Curry/Zaffirini – Relating to state agency purchasing methods and procedures, including	a
state agency multiple award contract purchasing procedure	. 142
H.B. 5061 – Leach/Schwertner – Relating to prohibiting certain activities by contractors and vendors	of
state agencies; providing administrative penalties	. 142

Contracts & Procurement

MULTIPLE AWARD PURCHASING PROCEDURE

<u>H.B. 4748</u> – Curry – Relating to state agency purchasing methods and procedures, including a state agency multiple award contract purchasing procedure.

Senate Bill 4748 adds Subchapter E to Chapter 2156 of the Government Code, authorizing the Texas Comptroller and other state agencies to use a multiple award purchasing procedure. A multiple award purchasing procedure is defined as an award of an indefinite quantity contract for one or more similar supplies or services to more than one bidder or offeror when the Comptroller or another state agency intends to order all of its actual requirements for the specified supplies or services from those contractors. The bill provides that the purchasing methods authorized under Chapter 2156 do not apply to a contract for professional services, as that term is defined by Section 2254.002 of the Government Code. As a result, professional services will continue to need to be procured as provided in Chapter 2254, Subchapter A of the Government Code.

Implementation: Chapter 2156, Government Code, is located in Title 10, Subtitle D of the Government Code. However, the best value procurement authority provided to institutions of higher education in Sections 51.9335, 73.115, and 74.008 of the Education Code states that Title 10, Subtitle D of the Government Code does not apply to the acquisition or purchase of goods and services under such statutes, except for specific laws or rules related to contracting with historically underutilized businesses or to procurement from persons with disabilities (neither of which are addressed in Chapter 2156). If UT institutions were to lose such best value procurement authority, then Chapter 2156 would apply, but this scenario appears to be unlikely. The bill might affect MD Anderson by preventing its use of the purchasing methods authorized under Chapter 2156 of the Government Code to procure professional services. Currently, unlike other UT institutions, MD Anderson is not required to procure professional services as provided in Chapter 2254, Subchapter A of the Government Code.

Effective Date: September 1, 2025.

Responsible Party: Contracts and Procurement

Rulemaking Authority: N/A

SURVEILLANCE BY CONTRACTORS AND VENDORS

<u>H.B. 5061</u> – Leach – Relating to prohibiting certain activities by contractors and vendors of state agencies; providing administrative penalties.

House Bill 5061 adds Subchapter G to Chapter 2261 of the Government Code, prohibiting any contractor or subcontractor of a state agency or vendor that is responding to a contract solicitation from directly or indirectly doing the following:

- 1. engaging in surveillance targeting:
 - a. a member of the state legislature or a person employed to support the state legislature in any capacity;
 - b. a family member of a member of the state legislature or a person employed to support the state legislature in any capacity;
 - c. a state agency employee; or
 - d. an individual making a complaint or raising concerns regarding state agency operations or contracting;
- 2. engaging in an act of intimidation, coercion, extortion, undue influence, or other similar conduct intended to influence, silence, or retaliate against a person described by (1)(a), (b), (c), or (d); or
- 3. using private or confidential information to manipulate or influence a state contracting decision or proceeding.

Additionally, there are new processes established for filing complaints of such violations and for the State Auditor and the Texas Rangers to investigate and enforce such violations.

Implementation: The bill does not appear to require specific terms to be included in a state contract, although UT System Contracts and Procurement has likely requested this. It is unlikely that Board action is required for implementation, but the new provisions will need to be implemented in the UT contracting processes (e.g., notifying people about how they can address violations of the bill by a contractor or potential vendor.)

Effective Date: September 1, 2025.

Responsible Party: OGC

Employee Benefits

H.B. 388 – Harris Davila/Hughes – Relating to uniform coordination of benefits questionnaire for healt benefit plans.	
H.B. 3057 – Landgraf/Sparks – Relating to health benefit plan coverage for chimeric antigen receptor T cell therapy	
S.B. 493 – Kolkhorst/Wharton – Relating to protection of certain disclosures and communications by pharmacists and pharmacies regarding prescription drug benefits.	146
S.B. 527 – Schwertner/Oliverson – Relating to health benefit coverage for general anesthesia in connection with certain pediatric dental services	146
S.B. 1236 – Hughes/Hefner – Relating to the relationship between pharmacists or pharmacies and healt benefit plan issuers or pharmacy benefit managers	
S.B. 1257 – Hughes/Leach – Relating to required health benefit plan coverage for gender transition adverse effects and reversals	147

Employee Benefits

UNIFORM COORDINATION BENEFITS QUESTIONNAIRE

<u>H.B. 388</u> – Harris Davila – Relating to uniform coordination of benefits questionnaire for health benefit plans.

House Bill 388 adds Subchapter D to Chapter 1203 of the Insurance Code, requiring that, beginning February 1, 2026, affected health benefit plans must use a uniform coordination of benefits questionnaire. The questionnaire will be established by the Insurance Commissioner no later than January 1, 2026. Plans authorized under Chapter 1601 of the Insurance Code are subject to the new requirement.

Implementation: The Office of Employee Benefits will need to coordinate with third party administrators to ensure that, once developed and made available, the Insurance Commissioner's uniform coordination benefits questionnaire is used for UT plans. This change must be made no later than February 1, 2026.

Effective Date: September 1, 2025.

Responsible Party: Office of Employee Benefits

Rulemaking Authority: Commissioner of Insurance

CHIMERIC ANTIGEN RECEPTOR T-CELL THERAPY

<u>H.B. 3057</u> – Landgraf – Relating to health benefit plan coverage for chimeric antigen receptor T-cell therapy.

House Bill 3057 addresses concerns about patient access to Chimeric Antigen Receptor T-cell (CAR T) therapy, a cancer treatment that uses T-cells in a person's immune system to target and destroy cancer cells. The bill requires health benefit plans to provide coverage for CAR T therapy that is medically necessary and administered by a certified, in-network provider. Health benefit plans that are subject to the provisions of this bill include small employer health benefit plans, standard or basic health benefit plans, primary care coverage plans, basic coverage plans, or self-funded health benefit plans sponsored by a professional employer organization. Any issuer or provider of health benefits under the state Medicaid program or child health plan program is exempt.

Implementation: Health benefit plans authorized under Chapter 1601 of the Insurance Code and administered by the UT System are subject to the requirements for plan years beginning on or after January 1, 2026. The Office of Employee Benefits will need to coordinate with third party administrators to ensure plans continue to operate in full compliance as of the effective date of the new requirements.

Effective Date: The act is effective September 1, 2025, and only applies to health benefit plans delivered, issued for delivery, or renewed on or after January 1, 2026.

Responsible Party: Office of Employee Benefits

Rulemaking Authority: Commissioner of Insurance

PHARMACIST COMMUNICATION PROTECTIONS

<u>S.B. 493</u> – Kolkhorst – Relating to protection of certain disclosures and communications by pharmacists and pharmacies regarding prescription drug benefits.

Senate Bill 493 protects pharmacists or pharmacies that wish to inform an enrollee of any difference between the out-of-pocket cost for a prescription drug under their health benefit plan and the out-of-pocket cost without submitting a claim under their health benefit plan. Additionally, the bill automatically voids any provision in a pharmacy benefit manager's pharmacy benefit network contract that prevents the pharmacist or pharmacy from making certain disclosures to enrollees or restricts their ability to communicate with sponsors of enrollees' health benefit plans regarding certain member services.

Implementation: The Office of Employee Benefits will need to coordinate with pharmacy benefit managers to ensure compliance in their networking contracts with pharmacists or pharmacies that are established or renewed on or after September 1, 2025.

Effective Date: September 1, 2025.

Responsible Party: Office of Employee Benefits

Rulemaking Authority: N/A

HEALTH BENEFIT PLAN COVERAGE FOR GENERAL ANESTHESIA

<u>S.B. 527</u> – Schwertner – Relating to health benefit coverage for general anesthesia in connection with certain pediatric dental services.

Senate Bill 527 prohibits health benefit plans that provide coverage for general anesthesia from excluding coverage for general anesthesia services in connection with dental services provided to members younger than 13 years of age who are unable to undergo the dental service without anesthesia due to a documented physical, mental, or medical reason. These requirements only apply in situations where the anesthesia is performed by a qualified provider of anesthesia services.

Implementation: Plans authorized under Chapter 1601 of the Insurance Code will be subject to the new coverage requirement, so the Office of Employee Benefits will need to coordinate with third party administrators to ensure plans continue to operate in full compliance as of the effective date of the bill.

Effective Date: The act is effective September 1, 2025, and only applies to health benefit plans delivered, issued for delivery, or renewed on or after January 1, 2026.

Responsible Party: Office of Employee Benefits

Rulemaking Authority: N/A

CONTRACT PROTECTIONS FOR PHARMACIES AND PHARMACISTS

S.B. 1236 - Hughes - Relating to the relationship between pharmacists or pharmacies and health benefit plan issuers or pharmacy benefit managers.

Senate Bill 1236 modifies Subchapter D, Chapter 1369, Insurance Code, to require that a group number on an identification card provided to an enrollee in an affected health benefit plan may be assigned only to enrollees in a plan to which the subchapter applies. The bill also amends Subchapter F, Chapter 1369, Insurance Code, to establish limitations on the circumstances under which an affected health benefit plan issuer or pharmacy benefit manager (PBM) may, as the result of an audit, deny or reduce a claim payment made to a pharmacist or pharmacy after adjudication of the claim. Additionally, Subchapter M, Chapter 1369, Insurance Code, is adjusted to add certain requirements in relation to contracts between health benefit plan issuers or PBMs and pharmacists or pharmacies.

Implementation: Plans authorized under Chapter 1601 of the Insurance Code and administered by UT System will be subject to the changes affecting Subchapters D and F of Chapter 1369. While the plans are not directly subject to the proposed changes to Subchapter M, the PBMs with whom the Office of Employee Benefits contracts for administration of the plans, including network contracting, will be subject to the provisions for much of their book of business. The Office of Employee Benefits will need to coordinate with pharmacy benefit managers to ensure group numbers and payment adjustments and recoupments are handled in accordance with the regulatory changes as of the effective date of the requirements.

Effective Date: The act is effective September 1, 2025, and only applies to health benefit plans delivered, issued for delivery, or renewed on or after January 1, 2026.

Responsible Party: Office of Employee Benefits

Rulemaking Authority: N/A

COVERAGE FOR GENDER TRANSITION ADVERSE EFFECTS AND REVERSALS

S.B. 1257 - Hughes - Relating to required health benefit plan coverage for gender transition adverse effects and reversals.

Senate Bill 1257 adds Chapter 1373 to the Insurance Code, requiring affected health benefit plans that provide or have provided coverage for gender transition to provide coverage for all possible adverse consequences related to a gender transition procedure or treatment, any testing or screening necessary to monitor the mental and physical health of an enrollee who has undergone gender transition medical care, and any procedure or treatment necessary to reverse an enrollee's gender transition. The coverage requirements will apply to affected plans regardless of whether the enrollee was enrolled in the plan at the time of their gender transition procedure or treatment.

Implementation: Plans authorized under Chapter 1601 of the Insurance Code and administered by UT System will be subject to the requirements in the new chapter. The Office of Employee Benefits will need to coordinate with third party administrators to ensure plans continue to operate in full compliance as of the effective date of the new requirements.

Effective Date: The act is effective September 1, 2025, and only applies to health benefit plans delivered, issued for delivery, or renewed on or after January 1, 2026.

Responsible Party: Office of Employee Benefits

Rulemaking Authority: N/A

Office of Talent and Innovation

H.B. 3512 – Capriglione/Blanco – Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.	150
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H.B. 5196 – Capriglione/King – Relating to telework for state employees	151
S.B. 2514 – Hughes/Hefner – Relating to establishing the hostile foreign adversaries unit at the Department of Public Safety and training, prohibitions, and reporting requirements designed to comforeign influence and foreign adversary operations; creating a criminal offense	
S.B. 2615 – Creighton/Tepper – Relating to restricting telework for employees of public institutions higher education.	

Office of Talent and Innovation

AI TRAINING PROGRAMS

<u>H.B. 3512</u> – Capriglione – Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.

House Bill 3512 mandates and standardizes annual artificial intelligence (AI) training alongside cybersecurity training for certain public employees and officials in Texas, ensuring responsible and informed use of AI technologies in government operations. The bill requires the Department of Information Resources (DIR) to annually certify at least five artificial intelligence (AI) training programs for state and local government employees, update standards for maintaining program certification, and ensure that the AI training programs are equal in length to state-certified cybersecurity training programs. Local governments and state agencies are required to verify employees' completion of the cybersecurity and AI training program through a form developed by the DIR.

Implementation: UT System employees who use a computer to perform at least 25% of their duties must complete a certified cybersecurity training program and AI training program at least once per year. Systemwide Compliance and the Office of Talent and Innovation will need to coordinate to ensure that both employees and contractors are trained to recognize and respond to cyber threats and use AI responsibly. The new report requirement will be added to the compliance calendar and Systemwide Compliance and the Office of Talent and Innovation will need to establish who will be responsible for completing the report.

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation and OSI

Rulemaking Authority: Department of Information Resources

ELIGIBILITY CRITERIA FOR UNEMPLOYMENT BENEFITS

<u>H.B. 3698</u> – Vo – Relating to participation in reemployment services as a condition of eligibility for unemployment benefits.

House Bill 3698 amends the Texas Unemployment Compensation Act to require recipients of unemployment benefits to participate in reemployment services. The bill also grants the Texas Workforce Commission (TWC) the authority to determine which individuals should participate in reemployment services regardless of the results of their assessment under TWC's profiling system. Individuals with reasonable cause not to participate in reemployment services are exempt from this new requirement.

Implementation: No action is required on the part of the UT System or its institutions, for the burden of compliance lies with individuals who receive unemployment benefits. However, the UT System utilizes a third party administrator for unemployment claim services, so the Office of Talent and Innovation may need to confirm their compliance with current statute.

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation and Risk Management

Rulemaking Authority: N/A

TELEWORK

H.B. 5196 - Capriglione - Relating to telework for state employees.

House Bill 5196 grants an administrative head of a state agency the authority to allow employees to work remotely under certain circumstances.

Implementation: The Office of Talent and Innovation will need to revise and resubmit its UT System "Location of Work" policy draft. Additionally, the office will need to update the Handbook of Operating Procedures (HOP 3.4.4 Telecommuting) to include the new definition of telework as defined by the statute, renewal requirements for telework agreements, restrictions, and criteria for telework plan publication.

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation

Rulemaking Authority: N/A

HOSTILE FOREIGN ADVERSARIES UNIT

S.B. 2514 – Hughes – Relating to establishing the hostile foreign adversaries unit at the Department of Public Safety and training, prohibitions, and reporting requirements designed to combat foreign influence and foreign adversary operations; creating a criminal offense.

Senate Bill 2514 establishes the Hostile Foreign Adversaries Unit within the Texas Department of Public Safety. The unit will be responsible for identifying, investigating, and tracking foreign influence operations in Texas. The unit will also collaborate with federal, state, and local agencies, as well as private entities, to develop strategies for combating foreign influence. The bill includes provisions for secure storage and sharing of sensitive information and addresses various forms of harassment and coercion by foreign adversaries. Additionally, the bill mandates training programs for state employees on foreign influence operations and establishes prohibitions and reporting requirements related to interactions with foreign adversaries. Violations of the bill's provisions constitute a criminal offense.

Implementation: The Office of Talent and Innovation will need to update institutional policies to reflect the new requirements, informing employees and volunteers that they cannot accept gifts, travel, or

lodging from foreign adversaries, participate in events hosted or funded by foreign adversaries, and that they must report all interactions with individuals acting on behalf of foreign adversaries within 30 days to the Texas Ethics Commission (TEC). The office will also need to designate a liaison to coordinate with the Hostile Foreign Adversaries Unit at the Department of Public Safety (DPS). New internal procedures will be necessary to collect and verify reports, forward reports to the TEC, DPS, or the Attorney General upon request, share sensitive information securely, and respond to DPS requests for data or assistance in investigations.

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation, OGC, ODOP, and SWC

Rulemaking Authority: Public Safety Commission and Department of Information Resources

TELEWORK RESTRICTIONS

<u>S.B. 2615</u> – Creighton – Relating to restricting telework for employees of public institutions of higher education.

Senate Bill 2615 restricts remote work for employees of institutions of higher education. The bill allows certain employees to be exempted from remote work restrictions, including those with medical conditions and temporary illnesses. Employees that are permitted to work remotely must be capable of working effectively with minimal supervision and be in a non-teaching position that does not require their physical presence or direct interaction with students, administration, or other employees.

Implementation: The Office of Talent and Innovation will need to revise and resubmit its UT System "Location of Work" policy draft and incorporate new prohibition language from the statute into the Handbook of Operating Procedures (HOP 3.4.4 Telecommuting).

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation

Rulemaking Authority: N/A

Information Security

H.B. 149 – Capriglione/Schwertner – Relating to regulation of the use of artificial intelligence systems this state; providing civil penalties	
H.B. 150 – Capriglione/Parker – Relating to the establishment of the Texas Cyber Command and the transfer to it of certain powers and duties of the Department of Information Resources	154
H.B. 2818 – Capriglione/Parker – Relating to the artificial intelligence division within the Department Information Resources.	
H.B. 3185 – Metcalf/Creighton – Relating to investigations of certain cybercrimes.	156
H.B. 3512 – Capriglione/Blanco – Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.	156
H.B. 5331 – Dean/King – Relating to the enforceability of certain state agency and local government contract language regarding required security incident notifications.	157
S.B. 1964 – Parker/Capriglione – Relating to the regulation and use of artificial intelligence systems as	nd
the management of data by governmental entities.	157

Information Security

PROHIBITED USE OF AI SYSTEMS

<u>H.B. 149</u> – Capriglione – Relating to regulation of the use of artificial intelligence systems in this state; providing civil penalties.

House Bill 149 establishes a comprehensive framework for regulating artificial intelligence (AI) systems in Texas. While the bill regulating AI specifically excludes institutions of higher education from the definition of "government entity," They are still required to comply with general bans, including:

- developing/deploying AI with the INTENT unlawfully discriminating against a protected class in violation of state or federal law
- developing/ distributing AI with the SOLE intent of producing, assisting, aiding, or distributing child pornography, deep fake videos in violation of the penal code
- text-based conversations where AI impersonates a child and sexual content
- manipulating human behavior in certain harmful or illegal contexts

Implementation: UT System administration and institutions should ensure no activities violate the bans. While this is unlikely, these issues appear most likely to arise in research contexts.

Effective Date: January 1, 2026.

Responsible Party: CIO, SWC, OGC, and ISO

Rulemaking Authority: Department of Information Resources

TEXAS CYBER COMMAND

<u>H.B. 150</u> – Capriglione – Relating to the establishment of the Texas Cyber Command and the transfer to it of certain powers and duties of the Department of Information Resources.

House Bill 150 establishes the Texas Cyber Command (TCC) as a new state agency under Chapter 2063 of the Government Code, fully transferring cybersecurity responsibilities from the Department of Information Resources (DIR) by December 31, 2026. Headed by a governor-appointed chief serving two-year terms, the Command is tasked with defending critical infrastructure and government systems by setting standards, providing training, monitoring threats, coordinating incident response (including a threat intelligence center, forensics lab, incident response unit, regional security centers, and a volunteer response team), and facilitating information sharing among public and private entities. It also mandates biannual assessments (vulnerability, penetration tests, data security plans, and state-level cybersecurity planning), requires cybersecurity training for government personnel and contractors, enables emergency acquisitions, cost recovery, and grants procurement, and is subject to sunset review in 2031.

Implementation: The bill outlines several steps to transfer all cybersecurity functions from DIR to the Command, including a memorandum of understanding.

A chief cybersecurity officer will be appointed by the governor to lead the agency sometime "as soon as practicable," and by December 31, 2026, the Command will have assumed all cybersecurity functions. The TCC plans to hire over 100 employees in the next year and a half and will most likely partner with UTSA to provide administrative support while it is building its program. While the language specifying UTSA was removed, the bill still allows the command to enter into an interagency agreement to provide administrative support and a SCIF in San Antonio.

In light of this unique partnership, UTSA has already seen increased cyber attack activity and UTSA will need to ensure its technology infrastructure is adequately hardened. Institutions of higher education will need to carefully review future rulemaking from the Command, as it is not subject to the Information Technology Council for Higher Education process that facilitates higher education collaboration with DIR rulemaking.

Effective Date: September 1, 2025.

Responsible Party: UTSA, ISO, SWC, and OGC

Rulemaking Authority: Chief of the Texas Cyber Command and Texas Cyber Command

ARTIFICIAL INTELLIGENCE DIVISION

<u>H.B. 2818</u> – Capriglione – Relating to the artificial intelligence division within the Department of Information Resources.

House Bill 2818 establishes an artificial intelligence (AI) division within the Department of Information Resources (DIR). The new division is required to assist state agencies and other entities that use DIR services to implement AI for projects to replace or modernize legacy systems and other appropriate projects. Institutions of Higher Education (IHEs) are exempt from the DIR's Legacy System Modernization Strategy, so it will be critical to monitor rulemaking to fully determine impacts.

Implementation: IHEs will need to monitor rulemaking and engage as appropriate.

Effective Date: September 1, 2025.

Responsible Party: CIO, ITCHE, SWC, and OGC

Rulemaking Authority: Department of Information Resources

INVESTIGATION OF CYBERCRIMES

H.B. 3185 - Metcalf - Relating to investigations of certain cybercrimes.

House Bill 3185 allows a prosecuting attorney clearer authority to utilize an administrative subpoena for digital records for cybercrimes and details the requirements therein.

Implementation: General Counsel for each institution will be responsible for responding to subpoenas.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: N/A

AI TRAINING PROGRAMS

<u>H.B. 3512</u> – Capriglione – Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.

House Bill 3512 mandates and standardizes annual artificial intelligence (AI) training alongside cybersecurity training for certain public employees and officials in Texas, ensuring responsible and informed use of AI technologies in government operations. The bill requires the Department of Information Resources (DIR) to annually certify at least five artificial intelligence (AI) training programs for state and local government employees, update standards for maintaining program certification, and ensure that the AI training programs are equal in length to state-certified cybersecurity training programs. Local governments and state agencies are required to verify employees' completion of the cybersecurity and AI training program through a form developed by the DIR.

Implementation: UT System employees who use a computer to perform at least 25% of their duties must complete a certified cybersecurity training program and AI training program at least once per year. Systemwide Compliance and the Office of Talent and Innovation will need to coordinate to ensure that both employees and contractors are trained to recognize and respond to cyber threats and use AI responsibly. The new report requirement will be added to the compliance calendar and Systemwide Compliance and the Office of Talent and Innovation will need to establish who will be responsible for completing the report. Security Trainer Morgan Floyd is working on what is required with DIR.

Effective Date: September 1, 2025.

Responsible Party: Office of Talent and Innovation and Office of Information Technology

Rulemaking Authority: Department of Information Resources

CYBERSECURITY CONTRACT LANGUAGE

<u>H.B. 5331</u> – Dean – Relating to the enforceability of certain state agency and local government contract language regarding required security incident notifications.

House Bill 5331 amends Section 2054.603 of the Government Code to establish that contract language in a cyber security insurance contract, or a contract for goods and services, cannot restrict or prohibit a state agency or local government from complying with notice requirements regarding cyber incidents. Language is also prohibited from circumventing the notice requirements. Any contract found with language prohibited under the bill will be considered void and unenforceable. This measure is a clarification rather than a change to existing law.

Implementation: The Office of General Counsel, Contracts and Procurement, and Systemwide Compliance may want to consider new language to strengthen existing provisions, but this is not required under the statute. Additionally, RISC should be aware of the new bill requirements.

Effective Date: Immediate Effective Date.

Responsible Party: Contracts and Procurement

Rulemaking Authority: N/A

REGULATION OF AI SYSTEMS

S.B. 1964 – Parker – Relating to the regulation and use of artificial intelligence systems and the management of data by governmental entities.

Senate Bill 1964 establishes the Department of Information Resources (DIR) as the primary regulator of artificial intelligence (AI) for state agencies and institutions of higher education (IHEs). The bill is primarily concerned with heightened scrutiny AI, which is an AI system that is specifically intended to autonomously make, or be a controlling factor in making, a consequential decision.

Implementation:

Awaiting DIR

Most actions in the bill require DIR action first, leaving much to be determined through rulemaking. The Information Technology Council for Higher Education (ITCHE) will need to work closely with the Office of General Counsel (OGC), the Information Security Office (ISO), and Systemwide Compliance (SWC), due to the focus on ethics and overlap with other legal requirements.

Required DIR actions affecting the UT System include:

- Inventory of AI systems including heightened scrutiny systems, including an evaluation of the purpose and the measures for each system
- Via rule, Development of a Code of Ethics that agencies must adopt that align with NIST AI RMF 1.0
- Via rule, develop minimum risk management standards for heightened scrutiny AI systems
- Public facing AI or that is a controlling factor in a consequential decision shall include standardized notice developed by DIR
- Confirmation by the agency of compliance with implementing AI code of ethics

Actions Not Dependent on DIR

- DMOs are now required to ensure annual posting of a high value data set. Currently, THECB handles this requirement for IHEs through a gentleman's agreement. DMO/OIRA should follow up on status of this with THECB.
- Impact Assessments: Requires state agency deploying AI (or vendor) to conduct a risk assessment that outlines risks of unlawful harm. Suggest CIO see if clarification is incoming from DIR, then ISO/Compliance/CIO can add into ISOTRAQ.
- Compliance will monitor the new Public Sector AI Advisory Board and the creation of the sandbox program.
- Everyone must report violations to DIR. (Legislation specifies actions taken against vendors by AG.)

Effective Date: September 1, 2025.

Responsible Party:

- Generally, and rulemaking: CIO will need to coordinate with ITCHE and very closely with Compliance/OGC/ISO and potentially data governance.
- Impact Assessment: Recommend ISO/CIO/Compliance discuss how this could be included in ISOTRAQ for System Admin.

Rulemaking Authority: Department of Information Resources

Information Technology

H.B. 150 – Capriglione – Relating to the establishment of the Texas Cyber Command and the transfer to it of certain powers and duties of the Department of Information Resources
H.B. 1481 – Fairly – Relating to school district and open-enrollment charter school policies regarding student use of personal communication devices
H.B. 1500 – Bell – Relating to the continuation and functions of the Department of Information Resources, including the composition of the governing body of the department and, in collaboration with the comptroller, the administration of state assistance opportunities
H.B. 2818 – Capriglione – Relating to the artificial intelligence division within the Department of Information Resources.
H.B. 5195 – Capriglione – Relating to modernization of state agency Internet websites and digital services
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Information Technology

TEXAS CYBER COMMAND

<u>H.B. 150</u> - Capriglione - Relating to the establishment of the Texas Cyber Command and the transfer to it of certain powers and duties of the Department of Information Resources.

House Bill 150 establishes the Texas Cyber Command (TCC) as a new state agency under Chapter 2063 of the Government Code, fully transferring cybersecurity responsibilities from the Department of Information Resources (DIR) by December 31, 2026. Headed by a governor-appointed chief serving two-year terms, the Command is tasked with defending critical infrastructure and government systems by setting standards, providing training, monitoring threats, coordinating incident response (including a threat intelligence center, forensics lab, incident response unit, regional security centers, and a volunteer response team), and facilitating information sharing among public and private entities. It also mandates biannual assessments (vulnerability, penetration tests, data security plans, and state-level cybersecurity planning), requires cybersecurity training for government personnel and contractors, enables emergency acquisitions, cost recovery, and grants procurement, and is subject to sunset review in 2031. The statute does not include explicit funding by the legislature, but the budget does have initial two-year funding. Institutions of Higher Education operate under different statutes and requirements with relation to contracting, purchasing, and many legal decisions. This may be an issue if an IHE provides administrative support for the TCC.

Implementation: The bill outlines several steps to transfer all cybersecurity functions from DIR to the Command, including a memorandum of understanding.

A chief cybersecurity officer will be appointed by the governor to lead the agency sometime "as soon as practicable," and by December 31, 2026, the Command will have assumed all cybersecurity functions. The TCC plans to hire over 100 employees in the next year and a half and will most likely partner with UTSA to provide administrative support while it is building its program. While the language specifying UTSA was removed, the bill still allows the command to enter into an interagency agreement to provide administrative support and a SCIF in San Antonio.

In light of this unique partnership, UTSA has already seen increased cyber attack activity and UTSA will need to ensure its technology infrastructure is adequately hardened. Institutions of higher education will need to carefully review future rulemaking from the Command, as it is not subject to the Information Technology Council for Higher Education process that facilitates higher education collaboration with DIR rulemaking.

Effective Date: September 1, 2025.

Responsible Party: UTSA, ISO, SWC, and OGC

Rulemaking Authority: Chief of the Texas Cyber Command and Texas Cyber Command

WIRELESS COMMUNICATIONS DEVICES IN PUBLIC SCHOOLS

<u>H.B. 1481</u> – Fairly – Relating to school district and open-enrollment charter school policies regarding student use of personal communication devices.

House Bill 1481 amends Section 37.082 of the Texas Education Code to require all school districts and open-enrollment charter schools to adopt and enforce a written policy prohibiting student use of personal communication devices, such as cell phones, on school property during the school day. The policy must include disciplinary measures and may allow for the confiscation and disposal of devices, following written notice to parents. Exceptions must be made for students with documented needs under individualized education plans (IEPs), Section 504 plans, or other medical or safety requirements. The Texas Education Agency (TEA) will provide model policy language on its website to support implementation (See <u>Guidance Document for House Bill (HB) 1481 Implementation</u>). This requirement does not apply to adult education programs operated under adult high school charters. Districts and charter schools must adopt the required policy within 90 days of the law's effective date.

Implementation: Independent school districts (ISDs) should first develop or revise their written policy to clearly prohibit student use of personal communication devices during the school day on campus, incorporating required disciplinary actions and procedures for device confiscation and disposal with proper parental notification. ISDs must ensure exceptions are made for students with IEPs, Section 504 plans, or documented medical needs. Staff and administrators should receive training on the new policy and enforcement procedures, and communication efforts need to inform students and parents about the rules and consequences. Districts should plan to coordinate with the Texas Education Agency to utilize the model policy language provided and set timelines to adopt and enforce the policy within the mandated 90-day period. Institutions should monitor for instances where one or more school districts share resources such as in the case of dual credit or require multi-factor authentication (MFA) from a personal device for virtual coursework. In the case of the usage of MFA, IHEs will need to maintain their security integrity.

Effective Date: Immediate Effective Date.

Responsible Party: UT Charter Schools; Office of the CIO, OGC, CISO

Rulemaking Authority: N/A

THE DEPARTMENT OF INFORMATION RESOURCES

<u>H.B. 1500</u> – Bell – Relating to the continuation and functions of the Department of Information Resources, including the composition of the governing body of the department and, in collaboration with the comptroller, the administration of state assistance opportunities.

House Bill 1500 reauthorizes the Department of Information Resources (DIR) through September 1, 2037, while making modifications to its functions and the composition and requirements of its board.

The bill amends Chapter 656 of the Government Code, requiring the DIR to establish two optional trainings:

- 1. A certification course on procurement of information technologies for individuals who hold a purchasing or contract management certification
- 2. An annual training on best practices and methodologies for purchasing information resources technologies for people who serve in upper management positions at state agencies

The Comptroller, in coordination with the DIR, must develop an electronic advertising system to post state assistance opportunities on the electronic state business daily. However, institutions of higher education (IHEs), university systems, and health and human services agencies are not required to use it. Additionally, IHEs and university systems no longer have a reserved voting seat on the DIR board and have been removed from the definition of state agencies for purposes of Section 2054.021 of the Government Code. Section 2054.021 outlines the requirements for the composition and term lengths of the DIR's governing board, requiring three nonvoting members to be employees of state agencies. Because of the definition change, only one of the four nonvoting members of the DIR's governing board will be an employee of an IHE.

The bill amends the requirements and rules for the DIR's advisory committees and requires the board to establish an advisory committee on department functions, an information security advisory committee, and a customer advisory committee. The DIR is also required to maintain a system to promptly and efficiently act on complaints filed with the department, and it must establish a pilot program to provide assistance in the procurement of information resources technologies on request by a participating state agency. IHEs are not included as state agencies in this provision.

The DIR is authorized to perform a biennial limited evaluation of the information resources deployment review (IRDR) of at least 5 state agencies to verify the accuracy of those reviews. Information received from these limited evaluations will be used to update trainings on how to accurately complete an IRDR and recommend information resources technology solutions to state agencies as needed. Currently, IHEs do not report IRDRs.

Section 2054.515 changes the requirement for an assessment or report on information security to one on data governance. By June 1 of each even numbered year, each state agency must report the results of the assessment to the DIR and the governor, lieutenant governor, and speaker of the house of representatives upon request. This is a new report requirement for IHEs.

Implementation: Contracts and Procurement is the most likely department to determine if the IT procurement training would be of use for themselves and for others since the training is optional. The Board Office and the Chancellor's Office can decide if the Board members or the Chancellor should take the non-mandatory training. There is no stated timeline or requirement to report or make the decision.

The state assistance advertising system is optional for both institutions of higher education and university systems to use or participate in. The Office of the Chief Information Officer (CIO) may need to get in contact with the Office of Government Relations (OGR) to determine who to speak to within UT System about the new state assistance advertising system.

Minor amendments do not seem to impact IHEs except that grant information will be in the Comptroller's electronic state business daily. This may have a substantial impact and needs to be investigated further by the Office of the CIO. In addition, OGR and the Information Technology Council for Higher Education (ITCHE) should provide any assistance needed in the selection of the non-voting higher education member to the DIR Board, and ITCHE will need to review the rules developed for advisory committees. IT and ITCHE should work with OGR on appointments to various advisory committees as needed. ITCHE should also monitor for rules revisions that affect IRDRs, as currently IHEs do not do them.

It may be necessary to check if the requirement for state employees and officers to complete a cybersecurity training program overlaps with the requirements in the legislation that established the Texas Cyber Command. Additionally, changes to Section 2054.376(b) of the Government Code could apply to IHEs given the definition change of state agency. However, IHEs do not have to worry about completing the DIR's biennial information security assessment and penetration test required in Section 2054.5195.

Effective Date: September 1, 2025.

Responsible Party: Office of the CIO

Rulemaking Authority: Department of Information Resources

ARTIFICIAL INTELLIGENCE DIVISION

<u>H.B. 2818</u> – Capriglione – Relating to the artificial intelligence division within the Department of Information Resources.

House Bill 2818 establishes an artificial intelligence (AI) division within the Department of Information Resources (DIR). The new division is required to assist state agencies and other entities that use DIR services to implement AI for projects to replace or modernize legacy systems and other appropriate projects. Institutions of Higher Education (IHEs) are exempt from the DIR's Legacy System Modernization Strategy, so it will be critical to monitor rulemaking to fully determine impacts.

Implementation: IHEs will need to monitor rulemaking and engage as appropriate.

Effective Date: September 1, 2025.

Responsible Party: Office of the CIO, ITCHE, SWC, and OGC

Rulemaking Authority: Department of Information Resources

MODERNIZATION OF STATE AGENCY WEBSITES

<u>H.B. 5195</u> – Capriglione – Relating to modernization of state agency Internet websites and digital services.

House Bill 5195 requires that each state agency assess its agency website and online service portals to identify areas of improvement in user accessibility, navigation, and digital service efficiency.

When conducting the assessment, agencies are expected to consider:

- strategies to simplify user access to forms, applications, and agency services;
- opportunities to reduce or eliminate paperwork requirements if electronic alternatives exist;
- enhancements to ensure compliance with accessibility standards under Subchapter M;
- using responsive web design to ensure agency website is equally accessible using a desktop computer, laptop computer, or mobile device (e.g., tablet or cell phone);
- adopting best practices for search functionality, page load speed, and service integration; and
- using the Department of Insurance's web page templates and web design guidelines to provide consistency among agency websites and usability of the website

The Department of Insurance (DIR) is to provide guidance and technical assistance in standardizing agency modernization efforts as required by Section 2054.651 of the Government Code. The DIR is also required to develop and disseminate best practices for user centered design, accessibility, and service integration and provide templates. The DIR may establish a working group of state agency technology officers to facilitate information sharing and support consistency across agencies.

Before the deadline of November 15, 2026, the DIR must submit a report to the legislature that details the status of the state agency digital modernization planning efforts. Section 2054.654 requires each state agency, in coordination with DIR and the Legislative Budget Board, to biennially review and submit a report on the implementation of the modernization effort, including review of cost efficiency, effectiveness of digital service upgrades in improving public access, and agency's compliance relating to digital modernization. This is increased reporting over the current required accessibility report. By December 1 of each odd numbered year, the DIR will submit a report to the state officials as detailed in the statute. The first report will be due in 2027.

The bill's primary section expires Sept 1, 2031.

Implementation: ITCHE and UT CIOs should remain alert to review any possible DIR rule changes that pertain to this statute. ITCHE should get a notification from the DIR. Branding is very important in the competitive world of institutions of higher education (IHEs) and should be a strong consideration in rule review. The decentralized aspect of an IHE website is also a critical factor to consider. OGR and ITCHE should remain alert to any calls for working groups from the DIR that may influence outcomes. As noted above, branding is important in the competitive world of higher education.

Biennial reporting, probably commencing in 2027, is required for several sessions. DIR will likely notify IRMs of this. UT System External Relations and UT System Office of the CIO likely have responsibility in implementing any guidance or requirements from the DIR as well as the mandatory reporting biennially. It appears that accessibility is already covered on reporting and requirements although changes are coming to the DIR rules (TACs) due to the DOJ's new rule for April 2026. A check of usability of the web for mobile devices may be needed for sites. Identification of any areas to automate appears to be a

requirement, as do considering best practices for search functionality, page load speed, and service integration. The timeline is unclear until the DIR produces its work, but since reports are due in late 2027, that is an indicator of first action timelines.

The bill affects all UT entities, and each will need to determine responsibilities. However, the burden is likely more significant to UT System institutions than to UT System administration due to scale and decentralization.

Effective Date: September 1, 2025.

Responsible Party: Office of the CIO and External Relations

Rulemaking Authority: N/A

INTERNET SERVICES

<u>S.B. 1405</u> – Nichols – Relating to increasing access to and reducing taxation of Internet services.

Senate Bill 1405 amends Sections 403.553 (a) (3) and (4), Government Code, to update the definition of qualifying broadband service. It will now be defined by the criteria under Section 490I.0101, Government Code, 100 Mbps download speed and upload speed of 20 Mbps. Underserved areas are now defined as an area without a qualifying broadband service. By November 1 of each year, the comptroller must publish a report on stats, applications received, reimbursement, and available grant funds on their website. The broadband office will create and update maps of broadband serviceable locations, classify them as underserved, or served, and establish programs to award contracts, grants, and loans for broadband infrastructure projects. The bill contains details on who is prioritized for awards in Section 490I.0106 and also delineates how to handle taxable internet access services.

Implementation: This statute is applicable only if a UT entity is readying an application to apply for a grant or award from the broadband service. The Office of Telecommunications Services (OTS) is aware of the provisions in the bill.

Effective Date: July 1, 2025.

Responsible Party: OTS and Office of the CIO

Rulemaking Authority: N/A

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Law Enforcement

ACTIVE SHOOTER EVENTS

H.B. 33 – McLaughlin – Relating to active shooter incidents at primary and secondary school facilities and other emergencies.

House Bill 33 addresses new requirements in the context of active shooter incidents.

Implementation: The Office of the Director of Police (ODOP) will need to assess what training, certification requirements, Memorandums of Understanding (MOUs), and mental health updates are needed in addition to updating ODOP Policy 814.

Effective Date: September 1, 2025.

Responsible Party: UT Charter Schools and ODOP

Rulemaking Authority: Texas Commission on Law Enforcement, Texas Division of Emergency

Management, and Department of State Health Services.

RESPONSE TO CERTAIN SEXUAL OFFENSES

H.B. 47 – Howard – Relating to sexual assault and other sex offenses.

House Bill 47 adds additional medical care coverage for follow-up care provided during the 30-day period after a sexual assault forensic exam. The bill also extends sexual assault nurse examiner certifications, establishes new continuing education requirements for emergency room physicians and physician assistants, and requires the Health and Human Services Commission to include legal service resources in its informational materials for survivors. Additionally, sexual assault response teams are now required to complete biennial reports on their responses to sexual violence and provide them to the commissioners court of each county. The commissioners court of each county will submit the reports they receive to the Sexual Assault Survivors' Task Force no later than February 1 of each even-numbered year.

Implementation: ODOP Policy 421 needs to be updated.

Effective Date: September 1, 2025.

Responsible Party: ODOP

Rulemaking Authority: Texas Medical Board and Texas Physician Assistant Board

GRANT PROGRAM

<u>H.B. 4264</u> – Hefner – Relating to creation of a grant program for certain peace officers who hold a master proficiency certificate.

House Bill 4264 establishes a grant program in support of professional development of peace officers in Texas who hold a master proficiency certificate issued by the Texas Commission on Law Enforcement. The eligibility criteria and processes will be set by the criminal justice division managing the program.

Implementation: If applying for the grant(s), the UT System Office of the Director of Police (ODOP) will need to develop processes by which institutional police departments submit grant applications and payments are processed to departments upon award. This is dependent on whether UT System is the author of the grant or the individual campuses, each of which applies on behalf of their officers.

Effective Date: September 1, 2025.

Responsible Party: ODOP

Rulemaking Authority: N/A

EMERGENCY NOTIFICATIONS FOR UNIVERSITIES

<u>H.B. 4361</u> – Ward Johnson – Relating to establishing policies regarding the timely issuance of emergency notifications at public institutions of higher education.

House Bill 4361 establishes standardized policies for timely issuance of emergency notifications at public institutions of higher ed. The bill mandates rules and procedures for issuing emergency alerts through systems required under Section 51.218 of Education Code.

Implementation: ODOP Policy 813 meets current standards but will require updates in accordance with rules adopted once the Texas Higher Education Coordinating Board meets.

Effective Date: Immediate Effective Date.

Responsible Party: ORM, SWC, OAA, ODOP, and Student Affairs

Rulemaking Authority: Texas Higher Education Coordinating Board

Office of General Counsel

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Office of General Counsel

CONFIDENTIALITY OF INFORMATION RELATED TO FOREIGN ADVERSARIES

<u>H.B. 132</u> – Lopez – Relating to the confidentiality of information used to prevent, detect, respond to, or investigate a hostile act of a foreign adversary of the United States.

House Bill 132 amends Chapter 418 of the Government Code by expanding the types of information that are considered confidential under the chapter. The bill adds to each portion of the statute that establishes confidentiality of certain types of information regarding the investigation of "an act of terrorism or related criminal activity" to also include "or a hostile act by a foreign adversary of the United States." This change is applicable to all sections, which address information related to emergency response providers; information related to risk or vulnerability assessments; information related to critical infrastructure; and information prepared for the United States.

Implementation: Currently, the UT System routinely raises the Homeland Security Act (HSA) for security camera videos and for blueprints and other details of "critical infrastructure." In theory, this bill expands the applicability of the HSA even though "hostile act by" and "foreign adversary" are not defined.

Effective Date: Immediate Effective Date.

Responsible Party: OGC

Rulemaking Authority: N/A

CONFIDENTIALITY OF LICENSE PLATES

<u>H.B. 1893</u> – Cook – Relating to the disclosure under the public information law of a motor vehicle license plate number captured in a video recording obtained or maintained by a law enforcement agency.

House Bill 1893 amends Section 552.130 of the Texas Public Information Act (TPIA) and Section 730.007 of the Transportation Code to allow the release of a license plate number captured visually or audibly in a video recording obtained or maintained by a law enforcement agency. Such license plate numbers are not confidential under Section 552.130 or Chapter 730 of the Transportation Code. This does not preclude raising other exceptions for the information.

Implementation: UT System administration very rarely have law enforcement videos to release. However, institutions routinely do, so this bill will allow them to release videos without blurring or muting the license plate numbers in dash cam, body cam, and other recordings otherwise being released.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: N/A

OPEN MEETING EXCEPTIONS

<u>H.B. 3112</u> – Tepper – Relating to the application of the open meetings law and public information law to government information related to certain cybersecurity measures.

House Bill 3112 adds Section 551.0761 to Chapter 551 of the Government Code, the Texas Open Meetings Act (TOMA). The bill establishes that TOMA does not require a governmental body to hold an open meeting to deliberate a cybersecurity measure, policy, or contract solely intended to protect a critical infrastructure facility located in its jurisdiction.

The bill also amends Chapter 552 of the Government Code, the Texas Public Information Act (TPIA). Section 552.1391 is added to exclude from the TPIA, information related to cybersecurity measures and "critical infrastructure facilities" as defined in TOMA:

- a cybersecurity measure, policy, or contract solely intended to protect a critical infrastructure facility in the governmental body's jurisdiction;
- coverage limits and deductible amounts for insurance or other risk mitigation coverages acquired for the protection of information technology (IT) systems, critical infrastructure, operational technology systems, governmental data, or money set aside to self-insure against associated risks;
- cybersecurity incident information reported pursuant to state law; and
- network schematics, hardware and software configurations, or encryption information or information that identified detection, investigation, or response practices for cybersecurity incidents that would facilitate unauthorized access to data, information, or IT resources.

The bill allows disclosure of such information to comply with state or federal law or a subpoena but has notice requirements for the owner of the critical infrastructure facility.

Implementation: The bill excludes certain topics from TOMA requirements and makes listed information confidential under the TPIA. This provision can be added to the current list of open meetings exceptions, and the Office of the Board of Regents can refer to this statute when discussing other security measures exempt from open meetings.

Effective Date: Immediate Effective Date.

Responsible Party: Office of the Board of Regents (TOMA), OGC (TPIA)

Rulemaking Authority: N/A

DATABASE FOR PUBLIC INFORMATION REQUEST CONTACT INFORMATION

<u>H.B. 4214</u> – Curry – Relating to public access to the mailing address and electronic mail address designated by a governmental body to receive a request for public information under the public information law.

House Bill 4214 amends Section 552.234 of the Texas Public Information Act (TPIA), requiring governmental bodies to notify the Office of the Attorney General (OAG) of the mailing address and email address they use for TPIA purposes by October 1 of each year. The OAG will create and maintain an online database for this information.

Implementation: The UT System and its institutions will need to comply with the October 1 deadline annually. Currently, there are no instructions from the OAG on how to submit the annual notice.

Effective Date: Immediate Effective Date.

Responsible Party: OGC

Rulemaking Authority: N/A

RESPONSE TO PUBLIC INFORMATION REQUESTS

<u>H.B. 4219</u> – Capriglione – Relating to a governmental body's response to a request for public information.

House Bill 4219 amends Section 552.221 of the Texas Public Information Act (TPIA).

Section 1 requires a governmental body (GB) to notify a requestor if they determine that there is no information responsive to the request or if they decide that the requested information is subject to a previous determination that permits or requires the GB to withhold the requested information.

Section 2 amends 552.301(b) to add the word "specific" - requiring that by the 10th business day when a GB submits a brief to the AG that the GB identify specific exceptions that apply.

Section 4 creates a new complaint mechanism for requestors. If the attorney general discovers that a GB failed to comply with Section 552.221 of the Act, the GB's public information officer or designee will be required to complete open records training, and the GB will be unable to assess costs to the requestor for producing information in response to the request. If the GB wishes to withhold information, the GB must seek an attorney general ruling within 5 business days of receiving the complaint notice.

Implementation: The UT System and its institutions already comply with Section 1 of the bill. The Section 2 addition of "specific" to 552.301(b) does not require that we submit documents and full arguments to the attorney general on the 10th day, but we will update our OGC placeholder briefing language for briefs where we are uncertain of specific exceptions by the 10th day, pending further rulemaking/directions from the attorney general's office. To the extent that there are complaints, the

Office of General Counsel will be needed to help ensure compliance with the complaint process under Section 4.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: N/A

BOARD MEMBER ACCESS TO PUBLIC INFORMATION

H.B. 4310 – Vasut- Relating to a special right of access under the public information law for a member of a governing board.

House Bill 4310 amends the Texas Public Information Act to create a process by which a member of a governing board may access public information. The bill includes definitions, deadlines, and means for addressing confidential and privileged information, as well as a process for board members to seek an opinion from the office of the attorney general and a writ of mandamus.

Implementation: The bill has minimal impact. Information is routinely shared with the Board of Regents through the Board Office and the executives at the UT System and its institutions via internal procedures. To the extent a specific request came in via this method, The Office of General Counsel and the Office of the Board of Regents would collaborate.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: Attorney General

MULTIPLE AWARD PURCHASING PROCEDURE

<u>H.B. 4748</u> – Curry – Relating to state agency purchasing methods and procedures, including a state agency multiple award contract purchasing procedure.

Senate Bill 4748 adds Subchapter E to Chapter 2156 of the Government Code, authorizing the Texas Comptroller and other state agencies to use a multiple award purchasing procedure. A multiple award purchasing procedure is defined as an award of an indefinite quantity contract for one or more similar supplies or services to more than one bidder or offeror when the Comptroller or another state agency intends to order all of its actual requirements for the specified supplies or services from those contractors. The bill provides that the purchasing methods authorized under Chapter 2156 do not apply to a contract

for professional services, as that term is defined by Section 2254.002 of the Government Code. As a result, professional services will continue to need to be procured as provided in Chapter 2254, Subchapter A of the Government Code.

Implementation: Chapter 2156, Government Code, is located in Title 10, Subtitle D of the Government Code. However, the best value procurement authority provided to institutions of higher education in Sections 51.9335, 73.115, and 74.008 of the Education Code states that Title 10, Subtitle D of the Government Code does not apply to the acquisition or purchase of goods and services under such statutes, except for specific laws or rules related to contracting with historically underutilized businesses or to procurement from persons with disabilities (neither of which are addressed in Chapter 2156). If UT institutions were to lose such best value procurement authority, then Chapter 2156 would apply, but this scenario appears to be unlikely. The bill might affect MD Anderson by preventing its use of the purchasing methods authorized under Chapter 2156 of the Government Code to procure professional services. Currently, unlike other UT institutions, MD Anderson is not required to procure professional services as provided in Chapter 2254, Subchapter A of the Government Code.

Effective Date: September 1, 2025.

Responsible Party: Contracts and Procurement

Rulemaking Authority: N/A

SURVEILLANCE BY CONTRACTORS AND VENDORS

<u>H.B. 5061</u> – Leach – Relating to prohibiting certain activities by contractors and vendors of state agencies; providing administrative penalties.

House Bill 5061 adds Subchapter G to Chapter 2261 of the Government Code, prohibiting any contractor or subcontractor of a state agency or vendor that is responding to a contract solicitation from directly or indirectly doing the following:

- 4. engaging in surveillance targeting:
 - a. a member of the state legislature or a person employed to support the state legislature in any capacity;
 - b. a family member of a member of the state legislature or a person employed to support the state legislature in any capacity;
 - c. a state agency employee; or
 - d. an individual making a complaint or raising concerns regarding state agency operations or contracting;
- 5. engaging in an act of intimidation, coercion, extortion, undue influence, or other similar conduct intended to influence, silence, or retaliate against a person described by (1)(a), (b), (c), or (d); or
- 6. using private or confidential information to manipulate or influence a state contracting decision or proceeding.

Additionally, there are new processes established for filing complaints of such violations and for the State Auditor and the Texas Rangers to investigate and enforce such violations.

Implementation: The bill does not appear to require specific terms to be included in a state contract, although UT System Contracts and Procurement has likely requested this. It is unlikely that Board action is required for implementation, but the new provisions will need to be implemented in the UT contracting processes (e.g., notifying people about how they can address violations of the bill by a contractor or potential vendor.)

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: N/A

FOREIGN OWNERSHIP OF REAL PROPERTY

S.B. 17 - Kolkhorst- Relating to the purchase or acquisition of an interest in real property by certain aliens or foreign entities; creating a criminal offense; providing a civil penalty.

Senate Bill 17 is justified by the legislature based on national security concerns, specifically citing the 2025 Annual Threat Assessment under 50 U.S.C. § 3043b. The bill explicitly identifies threats posed by China, Russia, Iran, and North Korea, including cyber espionage, disinformation campaigns, theft of intellectual property, and illicit influence on critical infrastructure and land resources. These concerns provide the basis for exercising Texas's police powers to restrict foreign ownership of Texas real property. See Tex. S.B. 17, 89th Leg., R.S., § 1(a) (2025) (enrolled).

Scope of Prohibitions

Senate Bill 17 broadly prohibits the purchase or acquisition of any interest in real property in Texas by:

- 1. Governmental entities from a "designated country." See § 5.253(1).
- 2. Companies that are:
 - a. Headquartered in a designated country;
 - b. Directly or indirectly controlled or majority-owned by a designated country's government or its citizens; or
 - c. Specifically designated by the Governor as national security threats. See §§ 5.253(2)(A)-(D), 5.254.
- 3. Individuals who are:
 - a. Domiciled in a designated country, unless lawfully present in the U.S. and acquiring a residential homestead; See § 5.253(4)(A).
 - b. Citizens of a designated country domiciled elsewhere without naturalization; See § 5.253(4)(B).

- c. Unlawfully present in the United States; See § 5.253(4)(C).
- d. Acting as agents of designated countries; See § 5.253(4)(D).
- e. Members of the ruling political party of a designated country. See § 5.253(4)(E).

The bill defines "real property" expansively, covering agricultural, commercial, industrial, residential property, mineral rights, water rights, mines, quarries, and standing timber. See § 5.251(6).

Designation of Countries and Entities

The Governor, consulting with the Director of the Department of Public Safety and the Homeland Security Council, has the authority to designate additional countries, entities, or organizations if their real property transactions pose national security risks. Such designations apply prospectively only. See § 5.254(a)-(c).

Exemptions and Exceptions

The statute exempts the following from its restrictions:

- 1. U.S. citizens and lawful permanent residents. See § 5.252(1).
- 2. Entities exclusively controlled by U.S. citizens or lawful permanent residents. See § 5.252(2).
- 3. Leasehold interests lasting less than one year. See § 5.252(3). In addition, the statute provides a limited exception for individuals domiciled in designated countries who are lawfully present in the United States: such individuals may acquire a residential property for use as their homestead. See § 5.253(4)(A).

Enforcement Framework

1. Attorney General Authority

The Texas Attorney General (AG) is empowered to investigate potential violations, initiate enforcement actions, and pursue divestiture through in rem proceedings in district court. Notice of such actions must be recorded in county real property records. Violations of SB 17 generally do not invalidate property acquisitions but trigger enforcement procedures, including investigation, divestiture, and potential penalties. However, leasehold interests that are acquired in violation of the statute are expressly rendered void, representing a distinct treatment from other property interests. See § 5.255(e).

2. Investigative Powers

The AG has broad authority to conduct discovery, including civil investigative demands for documents, interrogatories, and testimony. The Secretary of State must cooperate fully by providing relevant ownership and control records. See § 5.256(a)-(b). Divestiture and Receivership Courts finding violations must order divestment and appoint a receiver to manage and sell the property. Proceeds first satisfy existing liens and enforcement costs, with any remainder returned to the violator. See § 5.257(a)-(c).

Divestiture and Receivership

If a court finds that real property was acquired in violation of § 5.253, it must order divestment and appoint a receiver to oversee the sale or disposition of the property. See § 5.257(a)(1). Proceeds are used to satisfy liens and enforcement costs, with the remainder returned to the violator. See § 5.257(c).

Liabilities

Knowing or intentional violations by individuals constitutes a criminal state jail felony. See § 5.258. Violating entities may face civil penalties equal to the greater of \$250,000 or 50% of the property's market value. See § 5.259(b).

Severability and Constitutional Safeguards

Section 7 of the bill contains a robust severability clause. If any part of the law is found invalid, other provisions continue in effect. Courts are instructed to construe the statute to still apply to non-U.S. citizens domiciled in designated countries even if other provisions are struck down. See § 7.

Effective Date

The statute takes effect on September 1, 2025, with the attorney general mandated to adopt implementing regulations promptly thereafter. See §§ 5, 8.

Implementation: Senate Bill 17 establishes sweeping restrictions on real property ownership by foreign nationals and entities from designated adversarial countries, justified on national security grounds. Its extensive definitions, penalties, and enforcement mechanisms may lead to substantial legal challenges involving equal protection, due process, federal preemption, and complex compliance considerations. Ongoing rulemaking by the attorney general and potential litigation outcomes will critically influence its practical effects and implementation.

The Office of General Counsel (OGC) will need to encourage interpretation of the leasehold exception to allow leasing or licensing of dorms or apartments and advise UT System institutions that those leases or licenses should be less than one year to comply with the statute. In addition, the OGC will need to revise its agreements to include provisions requiring purchasers and lessees to expressly represent compliance with the act. The office may also consider other ways to protect the Board's interest in light of the new legislation. These actions must be completed prior to the effective date of the legislation which is September 1, 2025.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: Attorney General

FRAUD DETECTION INFORMATION

<u>S.B. 765</u> - Kolkhorst - Relating to the confidentiality of fraud detection and deterrence information under the public information law.

Senate Bill 765 adds Section 552.164 to Chapter 522 of the Government Code to make certain information regarding fraud detection and deterrence confidential by law and excepted from required disclosure under the Texas Public Information Act.

The bill defines "fraud detection information" to include risk assessments, reports, data, protocols, technology specifications, manuals, instructions, investigative materials, crossmatches, mental impressions, and communications that would reveal how governmental bodies prevent, investigate, and evaluate fraud.

The bill allows for sharing the otherwise confidential information as authorized by other laws and for the purposes or law enforcement and fraud detection and prevention.

Implementation: The UT System currently raises several other available exceptions in Chapter 552 of the Government Code, where relevant, for this type of information, including Section 552.139 regarding information security and Section 552.108 regarding some criminal investigations and law enforcement procedures. The UT System also has an Education Code exception under Section 51.971 for some information related to investigations of employees and contractors.

The bill makes more information confidential and provides additional protections, so it may be necessary to evaluate some publicly posted policies and documents to determine if they would become confidential under this bill.

Effective Date: September 1, 2025.

Responsible Party: OGC and ISO

Rulemaking Authority: N/A

OUTSIDE COUNSEL CONTRACTS

S.B. 992 – Nichols – Relating to the procedure by which the attorney general approves or denies approval of a state agency contract for outside legal services.

Senate Bill 992 specifies the time that Office of the Attorney General (OAG) has to review an outside counsel contract after submission of "the contract," which can be understood to mean a "request to retain." The bill gives the OAG 25 days to respond and requires that the office provide a written explanation.

Implementation: There is no action required to implement the bill beyond noting the date that a request for representation has been submitted and whether the OAG has responded, with an explanation, 25 days later.

Effective Date: September 1, 2025.

Responsible Party: OGC

PUBLIC INFROMATION ACT EXEMPTIONS

<u>S.B. 1569</u> – King – Relating to the availability of certain personal information of a member of the governing board of an institution of higher education, the chief executive officer of the institution, or the chief executive officer of a university system.

Senate Bill 1569 protects the personal information of Texas university officials by extending exemption from certain public disclosure requirements to members of governing boards of institutions of higher education (IHEs), chancellors, chief executive officers, and presidents of IHEs.

Implementation: At the UT System, it is likely that all regents, the chancellor, and presidents have opted out of sharing personal information and redact it from releasable information. However, institutions should be informed to do so to the extent they do not already do so, especially for regents and presidents.

Other agencies that maintain this type of information, which could include any entities that hold disclosures or financial reporting, to the extent they do not already redact this type of information under other statutes, will now also need to redact it.

Effective Date: September 1, 2025.

Responsible Party: OGC and Office of the Board of Regents

Rulemaking Authority: N/A

Real Estate

H.B. 718 – Bell – Relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.	
H.B. 2421 – Howard – Relating to the date of dissolution of the Save Historic Muny District	182
H.B. 5435 – Bell – Relating to required lease terms for public property leased to a nongovernmental entity.	
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Real Estate

PARTNERSHIPS FOR STUDENT HOUSING

<u>H.B. 718</u> – Bell – Relating to prohibiting a public institution of higher education from partnering with certain private entities for the construction of a student housing facility.

House Bill 718 prohibits institutions of higher education (IHEs) from partnering with private entities to construct student housing if the private entity has a mechanic's or vendor's lien or legal action pending. This does not apply if the entity has a good-faith dispute or has provided a payment bond against any liens or claims by a vendor.

Implementation: It is not explicit in the bill what is intended by "entering into a contract *to partner*." However, a reasonable interpretation is that the bill is meant to apply to any third-party built or developed student housing that is affiliated with or formally accepts students from an IHE. Given the use of "to partner," a likely interpretation of the bill would involve applying the law to a counterparty principal entity, in addition to a special purpose entity that may be a direct counterparty.

"Student housing" is not defined in the bill. The inclusion of "to partner" implies that some level of institutional sponsorship of housing for students is needed for the law to apply. Some legal analysis may be needed if a project does not have institutional sponsorship or assignment, but there remains an expectation that a significant number of students might choose to live in such third-party housing developed on university land. The bill appears inapplicable to projects by private developers for general market housing where there is no conduit of students from the IHE and where students are not expected to be a significant segment of residents.

The bill could increase the uncertainty of procurement of third-party vendors for the development of student housing. A winning bidder could, at the last minute, find itself with a lien or pending action, resulting in disqualification late in the process. However, the bill contains provisions for bonding around liens or contesting liens in good faith to minimize the potential disruption this may cause.

In the future, UT institutions should include questions regarding mechanic's liens or construction litigation in any request for proposal or other solicitation for student housing. In addition, institutions may wish to include a representation or certification regarding the counterparty entity and its parent in the leases or agreements, confirming that no unbonded liens or construction litigation other than good faith disputes exist at the time an institution enters into such agreements. The bill may affect UT Austin's 2033 Foundation transactions.

Changes to transaction forms may be needed by September 1, 2025, from the Real Estate Office (REO) and the Office of General Counsel (OGC), and institutional real estate, procurement, and business officers should be made aware of the new requirements.

Effective Date: September 1, 2025.

Responsible Party: REO and OGC

Rulemaking Authority: N/A

SAVE HISTORIC MUNY DISTRICT

<u>H.B. 2421</u> - Howard - Relating to the date of dissolution of the Save Historic Muny District.

House Bill 2421 extends the Save Historic Muny District (SHMD) law last passed in 2023 (Section 3988.0302, Special District Local Laws Code) for two additional years, with expiration delayed from May 31, 2025, to May 31, 2027.

The underlying law creates the opportunity for the SHMD to help pay for the Lions golf course, which is currently being leased at a rent below market. The bill provides additional time for negotiations with the City. SHMD has so far made no attempt to hold an election to use its taxing powers; there is no certainty such a tax would pass with the voters.

Implementation: There are no effects on rules, documents or policies.

Effective Date: September 1, 2025.

Responsible Party: REO

Rulemaking Authority: N/A

EXCEPTION FOR NOTICE REQUIREMENTS

<u>H.B. 5435</u> – Bell – Relating to required lease terms for public property leased to a nongovernmental entity.

House Bill 5435 relates to the requirement that leases between a governmental entity and another person regarding public property must contain certain lease terms. The lease must contain a provision that contractors (related to construction, alteration, or improvements) execute a payment performance bond equal to the amount of the contract. Additionally, the lease must provide that notice be given to the government entity 90 days before the start of construction, or 30 days, in case of an emergency. However, the requirement that a lease must contain a term requiring notice of commencement to a governmental entity does not apply to a lease between an institution of higher education and another person regarding public property.

Implementation: Confirmation is needed to ensure that the requirements referenced in the bill are implanted in lease documents as it relates to public property.

Effective Date: September 1, 2025.

Responsible Party: REO and OGC

FOREIGN OWNERSHIP OF REAL PROPERTY

S.B. 17 - Kolkhorst- Relating to the purchase or acquisition of an interest in real property by certain aliens or foreign entities; creating a criminal offense; providing a civil penalty.

Senate Bill 17 is justified by the legislature based on national security concerns, specifically citing the 2025 Annual Threat Assessment under 50 U.S.C. § 3043b. The bill explicitly identifies threats posed by China, Russia, Iran, and North Korea, including cyber espionage, disinformation campaigns, theft of intellectual property, and illicit influence on critical infrastructure and land resources. These concerns provide the basis for exercising Texas's police powers to restrict foreign ownership of Texas real property. See Tex. S.B. 17, 89th Leg., R.S., § 1(a) (2025) (enrolled).

Scope of Prohibitions

Senate Bill 17 broadly prohibits the purchase or acquisition of any interest in real property in Texas by:

- 4. Governmental entities from a "designated country." See § 5.253(1).
- 5. Companies that are:
 - a. Headquartered in a designated country;
 - b. Directly or indirectly controlled or majority-owned by a designated country's government or its citizens; or
 - c. Specifically designated by the Governor as national security threats. See §§ 5.253(2)(A)-(D), 5.254.
- 6. Individuals who are:
 - a. Domiciled in a designated country, unless lawfully present in the U.S. and acquiring a residential homestead; See § 5.253(4)(A).
 - b. Citizens of a designated country domiciled elsewhere without naturalization; See § 5.253(4)(B).
 - c. Unlawfully present in the United States; See § 5.253(4)(C).
 - d. Acting as agents of designated countries; See § 5.253(4)(D).
 - e. Members of the ruling political party of a designated country. See § 5.253(4)(E).

The bill defines "real property" expansively, covering agricultural, commercial, industrial, residential property, mineral rights, water rights, mines, quarries, and standing timber. See § 5.251(6).

Designation of Countries and Entities

The Governor, consulting with the Director of the Department of Public Safety and the Homeland Security Council, has the authority to designate additional countries, entities, or organizations if their real property transactions pose national security risks. Such designations apply prospectively only. See § 5.254(a)-(c).

Exemptions and Exceptions

The statute exempts the following from its restrictions:

- 4. U.S. citizens and lawful permanent residents. See § 5.252(1).
- 5. Entities exclusively controlled by U.S. citizens or lawful permanent residents. See § 5.252(2).
- 6. Leasehold interests lasting less than one year. See § 5.252(3). In addition, the statute provides a limited exception for individuals domiciled in designated countries who are lawfully present in the United States: such individuals may acquire a residential property for use as their homestead. See § 5.253(4)(A).

Enforcement Framework

3. Attorney General Authority

The Texas Attorney General (AG) is empowered to investigate potential violations, initiate enforcement actions, and pursue divestiture through in rem proceedings in district court. Notice of such actions must be recorded in county real property records. Violations of SB 17 generally do not invalidate property acquisitions but trigger enforcement procedures, including investigation, divestiture, and potential penalties. However, leasehold interests that are acquired in violation of the statute are expressly rendered void, representing a distinct treatment from other property interests. See § 5.255(e).

4. Investigative Powers

The AG has broad authority to conduct discovery, including civil investigative demands for documents, interrogatories, and testimony. The Secretary of State must cooperate fully by providing relevant ownership and control records. See § 5.256(a)-(b). Divestiture and Receivership Courts finding violations must order divestment and appoint a receiver to manage and sell the property. Proceeds first satisfy existing liens and enforcement costs, with any remainder returned to the violator. See § 5.257(a)-(c).

Divestiture and Receivership

If a court finds that real property was acquired in violation of § 5.253, it must order divestment and appoint a receiver to oversee the sale or disposition of the property. See § 5.257(a)(1). Proceeds are used to satisfy liens and enforcement costs, with the remainder returned to the violator. See § 5.257(c).

Liabilities

Knowing or intentional violations by individuals constitutes a criminal state jail felony. See § 5.258. Violating entities may face civil penalties equal to the greater of \$250,000 or 50% of the property's market value. See § 5.259(b).

Severability and Constitutional Safeguards

Section 7 of the bill contains a robust severability clause. If any part of the law is found invalid, other provisions continue in effect. Courts are instructed to construe the statute to still apply to non-U.S. citizens domiciled in designated countries even if other provisions are struck down. See § 7.

Effective Date

The statute takes effect on September 1, 2025, with the attorney general mandated to adopt implementing regulations promptly thereafter. See §§ 5, 8.

Implementation: Senate Bill 17 establishes sweeping restrictions on real property ownership by foreign nationals and entities from designated adversarial countries, justified on national security grounds. Its extensive definitions, penalties, and enforcement mechanisms may lead to substantial legal challenges involving equal protection, due process, federal preemption, and complex compliance considerations. Ongoing rulemaking by the attorney general and potential litigation outcomes will critically influence its practical effects and implementation.

The Office of General Counsel (OGC) will need to encourage interpretation of the leasehold exception to allow leasing or licensing of dorms or apartments and advise UT System institutions that those leases or licenses should be less than one year to comply with the statute. In addition, the OGC will need to revise its agreements to include provisions requiring purchasers and lessees to expressly represent compliance with the act. The office may also consider other ways to protect the Board's interest in light of the new legislation. These actions must be completed prior to the effective date of the legislation which is September 1, 2025.

Effective Date: September 1, 2025.

Responsible Party: OGC

Rulemaking Authority: Attorney General

CHANGES TO EVICTION PROCEDURES

<u>S.B. 38</u> – Bettencourt – Relating to the eviction from real property of certain persons not entitled to enter, occupy, or remain in possession of the premises.

Senate Bill 38 makes many minor and procedural changes to terminating a tenant's right to possession (eviction) law.

Implementation: The bill is general, and higher education institutions (IHEs) are treated like all other parties. The bill is applicable to the University of Texas System (UT) directly as both landlord and tenant, and to UT-related people. The most important matters to UT are:

- A landlord wishing to terminate a right of possession for non-payment of rent must give the tenant written notice 4 days before filing a forcible detainer (eviction) suit. A landlord wishing to terminate for reasons other than non-payment of rent may file suit without such notice.
- Time for this bill excludes the day of notice to the tenant or other event but includes weekends and state or federal holidays. Provided if the last day of a period is a weekend or holiday, time is extended to include the next business day. Depending on the timing that notice is provided to a tenant, it is possible that only one business day may be available to react to the notice.

• The landlord may seek a summary judgement. In such an event, a failure of the tenant to timely respond to the court with persuasive disputed facts will lead to summary disposition and no trial.

If UT, as a tenant, receives a writ of possession (eviction suit), it must quickly file a cogent response with the court, possibly working with only one business day to do so. This could create a financial risk if UT has invested significant resources into lease space. UT students who have fallen behind on rent when living in off-campus rental housing could find themselves quickly evicted before help is obtained, even if the help is generally available. This could lead to lower academic persistence.

Before January 1, 2026, the institutions' business and legal teams, the UT Real Estate Office (REO), and the UT Office of General Counsel (OGC) should be generally aware of the possible need to swiftly respond to a writ of possession. Preferably, any intentional non-payment of rent (which could include expense reimbursements or other forms of rent) when UT is a tenant needs to be carefully considered, even when there is a legitimate business dispute. Additionally, before January 1, 2026, IHEs may wish to help students in distress may consider pre-establishing emergency funds and legal support with multiple contacts and procedures designed to quickly act to help a student in distress.

Effective Date: Section 16 of the bill is effective September 1, 2025. The remainder of the bill is effective January 1, 2026.

Responsible Party: REO, OGC

Rulemaking Authority: Supreme Court of Texas

Risk Management

H.B. 331 – Patterson/Hinojosa – Relating to certain presumptions applicable to claims for benefits or	
compensation for certain medical conditions brought by certain first responders	188
H.B. 2488 – Bell/Alvarado – Relating to conducting certain contested case hearings under the Texas	
workers' compensation system by remote communication.	188
H.B. 4361 – Ward Johnson/Zaffirini – Relating to establishing policies regarding the timely issuance of	of
emergency notifications at public institutions of higher education	189

Risk Management

WORKERS' COMPENSATION FOR FIRST RESPONDERS

<u>H.B. 331</u> – Patterson – Relating to certain presumptions applicable to claims for benefits or compensation for certain medical conditions brought by certain first responders.

House Bill 331 strikes "nonroutine" from the "stressful or strenuous physical activity" and adds "law enforcement" as a type of stressful or strenuous physical activity that can lead to a presumption. It also creates an eight-hour timeframe after the first responder's shift ends that the heart attack or stroke can occur and may be presumed to be work-related.

Implementation: Workers' Compensation Insurance (WCI) representatives at the UT System institutions and Cannon Cochran Management Services, a third party administrator, have been educated on the changes, and the Office of Risk Management will apply the new law to a claim if it is appropriate.

Effective Date: Immediate Effective Date.

Responsible Party: ORM and WCI

Rulemaking Authority: N/A

REMOTE CONTESTED CASE HEARINGS

<u>H.B. 2488</u> – Bell – Relating to conducting certain contested case hearings under the Texas workers' compensation system by remote communication.

House Bill 2488 allows the Division of Workers' Compensation (DWC) to conduct contested case hearings by videoconference if all parties agree to hold the hearing in that format. If all parties do not agree, the DWC can make a good cause determination to conduct the hearing by videoconference.

Implementation: The bill takes effect immediately, but parties may agree to have a contested case hearing held by videoconference at benefit review conferences held on or after July 7, 2025. The Office of Risk Management will need to review DWC procedures when they are updated and coordinate with the Office of Attorney General prior to July 7, 2025.

Effective Date: Immediate Effective Date.

Responsible Party: ORM and WCI

Rulemaking Authority: Commissioner of Workers' Compensation

EMERGENCY NOTIFICATIONS FOR UNIVERSITIES

<u>H.B. 4361</u> – Ward Johnson – Relating to establishing policies regarding the timely issuance of emergency notifications at public institutions of higher education.

House Bill 4361 requires the Texas Higher Education Coordinating Board (THECB), in consultation with higher education administrators, faculty, staff, and students, to establish standardized procedures for timely emergency notifications on college campuses. All of the UT institutions have procedures in place for issuing timely emergency notifications, with guidance from ODOP and OGC.

Implementation: The THECB will likely reach out to institutions of higher education (IHEs) for experts on developing the necessary rules, and the UT System is likely to be included in these discussions. Once the rules are finalized by the THECB, IHE's must implement the rules, policies, and procedures at the institutional level as soon as possible.

Effective Date: Immediate Effective Date.

Responsible Party: ORM, SWC, OAA, ODOP, and Student Affairs

Rulemaking Authority: Texas Higher Education Coordinating Board

University Lands

S.B. 6 – King/King – Relating to the planning for, interconnection and operation of, and costs related t	O
providing service for certain electrical loads and to the generation of electric power by a water supply	or
sewer service corporation.	192

University Lands

Although some bills passed by the 89th Legislature will require updates to University Lands agreement forms to account for new processes or legal requirements, there is no material impact.

There were no bills passed that have a material impact on the Permanent University Fund (PUF).

ELECTRICITY PLANNING AND INFASTRUCTURE COSTS

<u>S.B. 6</u> – King – Relating to the planning for, interconnection and operation of, and costs related to providing service for certain electrical loads and to the generation of electric power by a water supply or sewer service corporation.

Senate Bill 6 relates to electricity planning and infrastructure costs for large loads (such as data centers). The bill directs the Public Utility Commission of Texas (PUCT) and the Electric Reliability Council of Texas (ERCOT) to establish rules and standards for large load consumers. Accordingly, much of the impact of this new law remains to be seen as those standards are established. In short, the potential additional costs of compliance and uncertainty could deter investments on PUF Lands or impact the project economics, which may impact available university fund (AUF) growth.

Implementation: University Lands (UL) will need to continue monitoring the application and impact of Senate Bill 6 and the U.S. Reconciliation Bill. However, there is no action that UL needs to take currently with respect to this bill.

Effective Date: Immediate Effective Date.

Responsible Party: UL

Rulemaking Authority: Public Utility Commission of Texas

UTIMCO

No bills were passed impacting UTIMCO.