

**LEGISLATIVE UPDATE:
SIGNIFICANT BILLS OF THE 88TH TEXAS LEGISLATURE, REGULAR
SESSION AFFECTING REAL ESTATE, LENDING
AND OTHER COMMERCIAL MATTERS**

REAL ESTATE LEGISLATIVE AFFAIRS COMMITTEE
TEXAS REAL ESTATE AND PROBATE INSTITUTE
FINAL REPORT

JUNE 2023

COMMISSIONED BY THE REAL ESTATE PROBATE AND TRUST LAW SECTION
OF THE STATE BAR OF TEXAS



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I. INTRODUCTION

This is the final report of the Real Estate Legislative Affairs Committee (“**RELACs**”) of the Texas Real Estate and Probate and Trust Law Institute (“**TREPI**” or “**T-REPs**”). This report was commissioned by the Real Estate, Probate and Trust Law Section (“**REPTL**”) of the State Bar of Texas. This report summarizes significant bills passed during the Regular Session of the 88th Texas Legislature affecting real estate, mortgage lending, and other business and commercial issues of interest to Texas real estate law practitioners.

During the Session, Texans’ elected representatives introduced 8,163 bills. Among those bills, RELACs identified over 2,000 to track throughout the Session. From among the bills that were being tracked and passed, RELACs chose for inclusion in this report 202 bills that were believed would be of general interest to practitioners of Texas real estate law.

This report categorizes bill summaries by code in alphabetical order. Some bills may be broad enough in scope to justify placement under multiple codes and/or under multiple titles within a code; however, in the interest of brevity, each bill summary appears in this report only once under the primarily affected code and title. Consequently, we encourage the reader to carefully review the entire report to ensure recognition of every bill of relevance to a particular topic.

Bill captions in this report are copied from the actual legislation. However, neither the bill caption, nor RELACs’ general summary can address all relevant aspects of each bill. Rather, this report serves only to alert the reader to each bill’s general scope and effect. The reader must choose which bills, if any, merit closer scrutiny for their potential effect on his or her practice.

II. EFFECTIVE DATES

Pursuant to Section 39, Article III, of the Texas Constitution, the effective date of acts without specific effective dates (and without provisions for immediate effect) passed by the Legislature in regular session is ninety-one days after adjournment of the regular session. For the 88th

Legislature’s Regular Session this date is Monday, August 28, 2023. If, however, a bill has a provision for immediate effect and is passed by a two-thirds majority in each of the House and Senate, then the bill becomes law immediately upon: (a) the date the Governor signs it, (b) the date the Governor files it with the Secretary of State (with neither signature, nor veto), (c) in the absence of signing or filing, the date the deadline for gubernatorial action expires, or (d) if the Governor vetoes the bill, the date the Legislature overrides the veto.

To reduce the potential for confusion and uncertainty as to effective dates, this report states the earliest effective date for each summarized bill as reported by the Texas Legislative Service on its website. RELACs advises the reader to review these effective dates because a substantial number of bills included in this report have effective dates prior to August 31, 2023. Note as well that different portions of a bill may have different effective dates and the summaries in this report do not necessarily indicate all effective dates within a bill.

III. INTERNET RESOURCES

Bills from the 88th Texas Legislature can be accessed on the official website for the Texas legislature at:

<http://www.capitol.state.tx.us/>.

Additionally, this report hyperlinks each bill summary to the final, enrolled version of the bill as posted on the Texas Legislature’s website. Simply right-click on the bill number, choose “Open Hyperlink” from the drop-down menu, and the enrolled bill will appear in your web browser.

IV. ACKNOWLEDGMENTS

RELACs is almost entirely dependent on volunteer efforts from real estate lawyers across the State. Without these lawyers’ collective efforts, this report would not be feasible. RELACs for the 88th Texas Legislature is:

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V. SUMMARIES OF NEW LEGISLATION

AGRICULTURE CODE

Title 7. Soil & Water Conservation

Senate Bill 1424

Relating to the continuation and functions of the State Soil and Water Conservation Board and the Texas Invasive Species Coordinating Committee.

Amends Agriculture Code Sections 241.0142, 201.019, 201.0231 (a) and (c), 201.0226, 201.0227 to add (f), and 201.025, and adding Government Code 776.0051

Author: Perry Sponsor: Clardy

Authorizes continuation of State Soil and Water Conservation Board and the Texas Invasive Species Coordinating Committee until 2035. Requires both bodies to meet at least annually. Requires the board to develop grant program for the structural repair and maintenance of flood control dams.

Effective Date: September 1, 2023

Title 8. Protection and Preservation of Agricultural Operations

House Bill 2308

Relating to nuisance actions and other actions against agricultural operations.

Amends Agriculture Code, Sections 251.001, 251.002, 251.003, 251.004, 251.006; adds Agriculture Code, Section 251.008

Author: Ashby Sponsor: Perry

Broadens definitions for “agricultural operations,” “agricultural improvements,” and “agricultural land” and strengthens their protections against nuisance actions, enforcement actions, and other actions (and certain liabilities). Expands definition of “agricultural land” to include, in addition to land with special tax exemptions, “*any other land on which agricultural operations exist or may take place.*” Reduces potential liabilities for an “agricultural

improvement” that “obstructs the flow of water, light, or air to other land.” Requires proof “by clear and convincing evidence” in an action against an “agricultural operation” (when allowed). Prohibits nuisance suits for agriculture improvements that are not disallowed by statute or government requirement or comply with Section 251.005. Prevails over other laws in conflict. Contains other provisions.

Effective Date: September 1, 2023

House Bill 1750

Relating to the applicability of certain city requirements to agricultural operations.

Amends Agriculture Code Sections 251.002, 251 (c) (1), (2). Adds to Sections 251.055 (a)-(f). Amends Section 251.007 and 251.008

Author: Burns Sponsor: Perry

Prohibits cities from imposing regulations on agricultural operations located in the corporate boundaries unless “clear and convincing evidence” that the regulation cannot be addressed by less restrictive means and it protects from a laundry list of imminent dangers, such as explosion or flooding. Additionally, requires that the regulation protects public health and it’s not otherwise prohibited by the new statute. Sets out situations when a city may impose a maximum height requirement for vegetation that is applicable to agricultural operations. Requires Texas A&M Agriculture Extension Service to develop a manual of generally acceptable agriculture practices. Prevails over other laws in conflict.

Effective Date: September 1, 2023

BUSINESS AND COMMERCE CODE

Title 9. Applicability of Law to Commercial Transactions

House Bill 679

Relating to limitations on the use of workers’ compensation insurance experience modifier values in soliciting and awarding public construction contracts.

Amends Government Code Chapter 2252 by reference to Bus. & Comm. Code Section 272

Author: Bell Sponsor: Schwertner

Prohibits the use of workers' compensation experience modifiers as a condition to bidding for government construction contracts.

Effective Date: September 1, 2023

BUSINESS ORGANIZATIONS CODE

Title 1. General Provisions

[Senate Bill 1514](#)

Relating to business entities and nonprofit entities.

Amends various sections of Business Organizations Code; amends Business and Commerce Code, Sections 71.002(2) and (7)

Author: Schwertner Sponsor: Longoria

Amends numerous provisions in the Business Organizations Code ("BOC") related to the content requirements of certificates of formation and assumed name certificates. Includes provisions affecting all types of Texas ("domestic") entities-corporations, limited liability companies ("LLCs") and partnerships.

Amends the BOC for filing certificates of mergers, exchange, or conversion for all types of entities.

Amends the BOC for the methods of giving of notices of meetings to owners; solicitation of written consents and certain approval of proposed actions; the surrender of certificates of ownership; and for corporations, the production and retention of lists of shareholders or voting members.

Amends the BOC so that the deadline for reinstatement of a voluntarily terminated entity is the same as an involuntarily terminated entity.

Adds provisions to the BOC so that the provisions for an LLC and a partnership which ratifies or

voids its acts are similar to such provisions for corporations.

Amends several of the BOC's provisions related to "springing members" and remaining members of LLCs.

Codifies the current case law doctrine of independent legal significance to the BOC.

Effective Date: September 1, 2023

CIVIL PRACTICE AND REMEDIES CODE

Title 2. Trial, Judgement, and Appeal

[House Bill 1255](#)

Relating to limitations periods in arbitration proceedings.

Adds Civil Practice and Remedies Code, Section 16.073

Author: Smithee Sponsor: Hughes

Restricts a party from bringing or asserting claims in arbitration proceedings during the applicable limitations period for such claim. Permits parties to bring or assert claims in arbitration proceedings beyond the expiration of the applicable limitations period if (1) the party brings a claim in court during the limitations period and (2) the parties agree to or a court orders the parties to arbitrate the claim.

Effective Date: Immediate

[House Bill 2024](#)

Relating to statutes of limitation and repose for certain claims arising out of residential construction.

Amends Civil Practice and Remedies Code, Section 16.009(a) and Section 16.009(c); adds Civil Practice and Remedies Code, Section 16.009(a-2), Section 16.009 (a-3), and Section 16.009(a-4)

Author: Leach Sponsor: Patterson

Adds new limitations periods for bringing property damage/loss, personal injury, wrongful death, contribution or indemnity suits arising out the design, construction, or repair of certain residential construction to not later than 10 years after substantial completion. Defines residence as a detached one detached one-family or two-family dwelling or townhouse not more than 3 stories in height and with a separate means of access, or an accessory structure not more than 3 stories in height. Lowers the limitations periods for bringing claims against the contractor to 6 years after substantial completion if that contractor has provided a written warranty for a minimum of (i) 1 year for workmanship and materials, (ii) 2 years for plumbing, electrical, heating and air-conditioning systems, and (iii) 6 years for major structural components.

Effective Date: Immediate

[House Bill 3929](#)

Relating to the adoption by the Supreme Court of Texas of the Uniform Interstate Depositions and Discovery Act.

Repeals Civil Practice and Remedies Code, Section 20.002

Author: Cook Sponsor: Hughes

Authorizes the Supreme Court of Texas to adopt the Uniform Interstate Depositions and Discovery Act as rules of civil procedure before September 1, 2025. Repeals and supersedes Section 20.002 if Supreme Court of Texas adopts this Act on or before September 1, 2025. Reinstates Section 20.002 effective before September 1, 2023 if the Supreme Court of Texas does not adopt the rules before September 1, 2025.

Effective Date: September 1, 2023

[Senate Bill 569](#)

Relating to requests to a municipality for production or certification of a record in certain civil actions; authorizing a fee.

Adds Civil Practice and Remedies Code, Section 22.004(a-1); amends Civil Practice and

Remedies Code, Section 22.004(a) and Section 22.004(b)

Author: Springer Sponsor: Stucky

Allows a municipality to charge a fee in the same manner and amount provided by Subchapter F, Chapter 552, Government Code, for providing a copy of public information if it receives a request for production or certification of a record under a subpoena or concerning a matter that the municipality is not a party to and is issued under a tribunal. Restricts the witness fee under Section 22.001 if it produces or certifies a record but is not required to appear in court. Applies prospectively.

Effective Date: September 1, 2023

[House Bill 1382](#)

Relating to the public sale of real property taken in execution of a judgment.

Adds Civil Practice and Remedies Code, Section 34.041(a-1) and Section 34.041(a-2); amends Civil Practice and Remedies Code, Section 34.041(b)

Author: Hernandez Sponsor: Bettencourt

Gives the county commissioners courts the right to authorize, by official action, to allow the public sale of real property taken by execution of judgment (other than sales under contract of lien conducted under Property Code, Section 51.002) to be conducted in online auction versus in-person. Authorizes the county commissioners court to adopt rules governing such online auctions that will take effect on the 90th day after they are recorded in the real property records of the county.

Effective Date: September 1, 2023

[Senate Bill 1603](#)

Relating to the decision of a court of appeals not to accept certain interlocutory appeals.

Adds Civil Practice and Remedies Code, Section 51.014(g) and Section 51.014(h)

Author: Hughes

Sponsor: Smithee

Title 4. Liability in Tort

Requires a court of appeals to state in its decision the specific reason for finding that the appeal is not warranted, if it does not accept an appeal from an interlocutory order that is permitted to be appealed if the order involves a controlling question of law as to which there is a substantial ground for the difference of opinion and an immediate appeal may materially advance the ultimate termination of the litigation. Authorizes the Supreme Court of Texas the ability to review the court of appeals' decision not to accept such appeal de novo. Further authorizes the Supreme Court of Texas to direct the court of appeals to accept the appeal if the foregoing permitted requirements are met. Applies to prospective applications for interlocutory appeal.

Effective Date: September 1, 2023

[House Bill 4381](#)

Relating to the suspension of a money judgment pending appeal in a civil action.

Adds Civil Practice and Remedies Code, Section 52.007

Author: DeAyala

Sponsor: Huffman

Restricts the amount of security to be posted by a judgment debtor with a net worth of less than \$10 million. Requires judgment debtor to show a trial court that the security amount under Section 52.006(a) or (b) will substantially liquidate its real or personal property interests necessary for its normal course of business. Permits the judgment debtor to manage, use and receive earnings from those interests during an appeal. Entitles a judgment debtor to obtain a redetermination of the security amount if the appellate court reduces the amount that the trial court used to set security. Applies on a prospective basis.

Effective Date: September 1, 2023

[House Bill 73](#)

Relating to limitation of certain liability of owners, lessees, and occupants of land in connection with livestock and agricultural land.

Amends Civil Practices and Remedies Code Section 75.006

Author: Murr

Sponsor: Springer

Previously, Section 75.006 limited liability for landowners, lessees and occupants (for brevity collectively called the "protected parties") of agricultural land for damages or injuries that involved entry of firefighters and peace officers onto the land. HB 73 expands the scenarios when protected parties have limited liability. Additional scenarios include (i) acts or omissions of trespassers (example: trespasser leaves a fence open and livestock escapes), (ii) actions of third parties that enter without permission and damage enclosures, and (iii) acts of god. Notably, limited liability applies to damages to property or injuries to persons that "involve" livestock, whether the damage occurs on or off the subject property. Limited liability does not apply if the protected party acted willfully, wantonly, or with gross negligence. Applies only to causes of action that accrue after September 1, 2023.

Effective Date: September 1, 2023

[House Bill 2636](#)

Relating to liability of a recreational vehicle park or campground entity for injuries arising from certain activities.

Adds Civil Practices and Remedies Code Chapter 75B

Author: Murr

Sponsor: Flores

Provides limited tort liability for RV parks and campgrounds when the properties post visible warning signs with verbatim language prescribed in the bill. Even with posted signs, limited liability stated in the bill has large exceptions. One exception is that limited liability does not apply if the injury is proximately caused by

negligence, or dangerous conditions on the land, facilities, or equipment that the RV park or campground knew or reasonably should have known. Limited liability also does not apply if the injury is proximately caused by the RV park or campground's failure to properly train an employee that was actively involved in the activity. Limited liability also does not apply if the injury is intentionally caused by the RV park or campground party. Applies only to causes of action that accrue after the effective date of the bill.

Effective Date: Immediate

Title 6. Miscellaneous Provisions

House Bill 2129

Relating to a merchant allowing a person suspected of committing or attempting to commit theft to complete a theft education program.

Amends Civil Practices and Remedies Code Section 124.001; Adds Civil Practices and Remedies Code Sections 124.002 and 124.003

Author: Burns Sponsor: Hinojosa

Enables business operators to offer suspected thieves the option to participate in a theft education course instead of the business operator reporting the crime to law enforcement. A business operator that offers participation in a theft education course must, among other requirements, keep records of persons they offer theft education to for two years and share such records with law enforcement upon request. A suspected offender that completes theft education has immunity from additional civil penalties. Bill includes compliance guidelines for companies that teach theft education courses.

Effective Date: September 1, 2023

House Bill 609

Relating to the liability of a business owner or operator arising from the exposure of an individual to a pandemic disease.

Amends Civil Practices and Remedies Code Section 148.003(k)

Author: Vasut

Sponsor: Middleton

For scenarios where a plaintiff might claim injuries from pandemic disease infection, limits vicarious liability claims even if a business owner or operator did not require employees or contractors to be vaccinated. Notably, the business owner's or operator's limited liability is not tied to the physical property of the business. Limited liability includes claims by persons who claim to have been exposed "through" the business's employees or contractors. Applies only to causes of action that accrue after the effective date of the bill.

Effective Date: September 1, 2023

House Bill 2007

Relating to a certificate of merit in certain actions against certain licensed or registered professionals.

Amends and adds to Civil Practices and Remedies Code Section 150.002

Author: Martinez Sponsor: Parker

Sometimes a party claims damages against a licensed professional for services rendered in a construction project. Prior to HB 2007, CPRC 150.002 required anyone claiming damages against a licensed professional (specifically, an architect, engineer, landscape architect or surveyor) to file an affidavit from a similarly-situated, third-party, licensed professional in order to certify merits of the claim. HB 2007 adds a narrow limitation to this requirement. Only in the case of design-build projects where a government entity contracts with a single entity for design and construction, a third-party plaintiff that is also a licensed professional can make a claim against another licensed professional through a third-party claim or cross-claim, without the requirement to certify the merits with an affidavit.

Effective Date: September 1, 2023

Title 7. Alternate Methods of Dispute Resolution

House Bill 3949

Relating to arbitration of certain controversies involving members of certain nonprofit entities.

Amends Civil Practice and Remedies Code, Chapter 173 Heading, Section 173.002 and Section 173.003(c)

Author: Raney Sponsor: Whitmire

Applies to arbitration of a controversy between members of an association or corporation or between a corporation and its members if the association or corporation is: (1) exempt under 501(a) or 501(c) of the Internal Revenue Code of 1986; or (2) incorporated under the Texas Nonprofit Corporation Act or Subchapter C, Chapter 23 of the Business Organizations Code. Does not apply to arbitration of a controversy between (i) members of: (A) a property owners' association, as defined by Section 209.002, Property Code; (B) a condominium council of owners, as defined by Section 81.002, Property Code; or (C) a condominium unit owners' association organized under Section 82.101, Property Code; or (2) an association or council of owners described by Subdivision (1) and a member of that association or council of owners. Permits arbitration if required under applicable Bylaws or organizational documents. Applies to controversies arising on or after September 1, 2023.

Effective Date: September 1, 2023

CODE OF CRIMINAL PROCEDURE

Title 1. Code of Criminal Procedure

Senate Bill 1133

Relating to a program to compensate landowners for property damage caused by certain criminal activities.

Adds Code of Criminal Procedure Chapter 56C

Author: Blanco Sponsor: King

Creates a compensation fund for owners of agricultural land who suffered damage to real property relating to border crimes. Permits compensation if property damage resulted from the criminal activity or the law enforcement response to criminal activity. Appoints the attorney general to create a formal procedure to administer compensation requests with the maximum award per incident will be \$75,000. Also, a landowner may not recover if reimbursement is available through another source, including insurance or other government program. A landowner must diligently first pursue primary sources for reimbursements in order for the compensation fund to consider an application. The compensation fund will be a fixed amount to be appropriated later. Code of Criminal Procedure, Chapter 56C will expire after the fund is depleted.

Effective Date: September 1, 2023

CONSTITUTION

House Joint Resolution 126

Proposing a constitutional amendment protecting the right to engage in farming, ranching, timber production, horticulture, and wildlife management.

Adds Texas Constitution, Article I, Section 36

Author: Burns Sponsor: Perry

Adds the right to engage in generally accepted farm, ranch, timber production, horticulture, or wildlife management practices on real property; applies to real property owned or leased.

Effective Date: If constitutional amendment approved by voters on November 7, 2023, effective upon certification of the election results by the governor, which typically occurs in late November or early December.

House Joint Resolution 132

Proposing a constitutional amendment prohibiting the imposition of an individual net worth or wealth tax.

Adds Texas Constitution, Article VIII, Section 25

Author: Hefner Sponsor: Hughes

Prohibits the legislature from imposing a tax based on the wealth or net worth of an individual or family, including a tax based on the difference between the assets and liabilities of an individual or family.

Effective Date: If constitutional amendment approved by voters on November 7, 2023, effective upon certification of the election results by the governor, which typically occurs in late November or early December.

Senate Joint Resolution 74

Proposing a constitutional amendment providing for the creation of the centennial parks conservation fund.

Adds Texas Constitution, Article III, Section 49-e-1

Author: Parker Sponsor: Walle

Proposes a constitutional amendment that would establish an independent trust fund for the sole purpose of creating and improving state parks.

Effective Date: If constitutional amendment approved by voters on November 7, 2023, effective upon certification of the election results by the governor, which typically occurs in late November or early December.

Senate Joint Resolution 75

Proposing a constitutional amendment creating the Texas water fund to assist in financing water projects in this state.

Adds Texas Constitution, Article III, Section 49-d-16

Author: Perry Sponsor: King

Proposes a constitutional amendment that would establish a special fund for the sole purpose of funding water projects in the state. The fund will be administered by the Texas Water Development Board.

Effective Date: If constitutional amendment approved by voters on November 7, 2023,

effective upon certification of the election results by the governor, which typically occurs in late November or early December.

ESTATES CODE

Title 2. Estates of Decedents; Durable Powers of Attorney

Senate Bill 1373

Relating to decedents estates and the delivery of certain notices or other communications in connection with those estates or multiple-party accounts

Amends Estates Code, Chapters 22, 51, 56, 101, 113, 202, 251, 258, 304, 305, various sections

Author: Hughes Sponsor: Smithee

Reworks various Estates Code sections to: (1) allow any “qualified delivery method” for certain notices, citations, and communications; (2) define “account” to include securities accounts, etc.; (3) clarify rights, liabilities, and powers for certain community property; (4) tighten provisions for waivers of service by young distributees; (5) allow more types of evidence and qualified witnesses; (6) modify qualifications to serve as an executor or administrator; (7) allow signed declarations as alternatives to some oaths; (8) make other changes..

Effective Date: September 1, 2023

House Bill 4765

Relating to inheritance rights of adoptive parents.

Amends Estates Code, Section 201.054

Author: Dutton Sponsor: Hughes

For purposes of inheritance under laws of descent and distribution, defines “adoptive parent” as a parent (i) who adopted a child through a statutory procedure or (ii) is “considered by a court to have equitably adopted a child or adopted a child by acts of estoppel.”

Effective Date: September 1, 2023

[Senate Bill 1650](#)

Relating to durable powers of attorney and the construction of certain powers conferred in those durable powers of attorney.

Amends Estates Code, Chapters 751 and 752, various sections

Author: Parker Sponsor: Smithee

Revises statutes for durable powers of attorney to: (1) eliminate the term “person” and substitute “individual;”(2) allow courts the option of suspending or affirming a durable power of attorney during guardianship proceedings (instead of automatic termination); (3) allow award of attorney’s fees in an action to construe or enforce a durable power of attorney; (4) further define an agent’s authority with regard to “business operating transactions” and “entities;” and (5) make other changes.

Effective Date: September 1, 2023

FAMILY CODE

Title 1. The Marriage Relationship

[House Bill 1547](#)

Relating to claims for reimbursement between marital estates.

Amends Family Code, Sections 3.401, 3.402, 3.404(b), 3.406; Adds Family Code Section 3.411

Author: Cook Sponsor: Hughes

Expands the circumstances under which the marital estate may have a claim for reimbursement, enforceable by an equitable lien, against the separate estate(s) of one or both spouses to include any benefit which, if not repaid, would result in unjust enrichment to the benefitted estate, including either (i) use of marital estate property to pay a debt, liability or expense owed by the benefitted estate; (ii) use of marital estate property to make improvements to the benefitted estate’s property that result in an increase in the value of such property; or (iii) use of time, toil, talent or effort of one or both spouses to enhance the value of the benefitted estate

beyond that reasonably necessary to manage and maintain the spouse’s separate property. Allows for offsets for value of various related benefits to the marital estate received from the benefitted estate.

Effective Date: September 1, 2023

Title 5. The Parent-Child Relationship and the Suit Affecting the Parent-Child Relationship

[Senate Bill 869](#)

Relating to suits affecting the parent-child relationship, including the payment and enforcement of support ordered in a suit affecting the parent-child relationship.

Amends Estates Code Section 122.201, Family Code Sections 102.091, 105.006, 105.007, 154.132, 157.009, 157,263, 157.318, 160.604, and 157.318

Author: West Sponsor: Smithee

Provides that an assignment of property or an interest in property by a child support obligor under a will is void to the extent that the assigned property or interest could be used to satisfy a support obligation owed by the decedent that has been judicially or administratively determined. Authorizes the child support obligee to enforce the support obligation by imposition of a lien or other remedy provided by law. Creates a defense to liability for the personal representative of the decedent obligor’s estate, where the personal representative had no actual notice of the invalidity of an assignment due to a child support obligation.

Effective Date: September 1, 2023

FINANCE CODE

Title 3. Financial Institutions and Businesses

[Senate Bill 895](#)

Relating to the regulation of money services businesses; creating a criminal offense; creating administrative penalties; authorizing the imposition of a fee.

Adds Finance Code, Chapter 152; amends Civil Practice and Remedies Code, Section 140A.104(e); amends Code of Criminal Procedure, Article 59.01(2); amends Finance Code, Sections 182.021 and 278.001(1); amends Labor Code, Section 213.012(a); amends Tax Code, Section 151.0035(b); repeals Finance Code, Chapter 151

Author: Johnson Sponsor: Lambert

Replaces the Money Services Act with the Money Services Modernization Act to modernize the regulation of money services businesses. Prohibits certain persons from advertising or engaging in the business of money transmission or currency exchange without a license. Exempts banks from the Act, as well as attorneys and title companies performing escrow services in connection with real estate transactions. Establishes licensing procedures, periodic reporting requirements, and record keeping requirements for licensees. Establishes minimum tangible net worth and security requirements for licensees. Regulates permissible investments by licensees. Provides injunctive relief, administrative and criminal penalties for violations of the Act. Makes other conforming and non-substantive changes.

Effective Date: September 1, 2023

[Senate Bill 1646](#)

Relating to the regulation of state trust companies.

Amends Finance Code, Sections 182.502(b), 184.002(c), and 184.003(a) and (c)

Author: Parker Sponsor: Lambert

Removes requirement that state trust companies dispose of certain state trust company facilities within a statutory time frame and requires that state trust companies comply with regulatory accounting principles with respect to the investment and depreciation of trust company facilities, furniture, fixtures, and equipment. Permits state trust companies to invest restricted capital in real property with prior written approval of the banking commissioner. Extends

the deadline for a state trust company to dispose of certain real property to five years.

Effective Date: Immediate

Title 4. Regulation of Interest, Loans, and Financed Transactions

[House Bill 219](#)

Relating to the release of a deed of trust or other contract lien securing a home loan after payoff by mortgagor.

Adds Finance Code, Section 343.108

Author: Noble Sponsor: Johnson

Requires a mortgage servicer or mortgagee to file a release of lien securing a home loan within 60 days of the loan payoff, or earlier if requested by the mortgagor in writing on or before the 20th day after the payoff date.

Effective Date: September 1, 2023

GOVERNMENT CODE

Title 2. Judicial Branch

[Senate Bill 1045](#)

Relating to the creation of the Fifteenth Court of Appeals with jurisdiction over certain civil cases, the compensation of the justices of that court, and the jurisdiction of the court of appeals in this state.

Amends Government Code, Section 22.201(a); adds Government Code, 22.201(p); adds Government Code, Sections 22.2151 and 22.2152; adds Government Code, Sections 22.216(n-1) and (n-2); amends Government Code, Section 22.220(a); adds Government Code, Section 22.220(d); amends Government Code, Section 22.221(b); adds Government Code, Sections 22.221(c) and (c-1); amends Government Code, Section 22.229(a); amends Government Code, Section 73.001; amends Government Code, Section 659.012(a); amends Government Code, Section 2001.038(f); amends Government Code, Section 2001.176(c); amends Code of Criminal Procedure, Article 4.01;

amends Code of Criminal Procedure, Article 4.03; amends Code of Criminal Procedure, Article 44.25; amends Occupations Code, Section 2301.751(a); amends Utilities Code, Section 39.001(e)

Author: Huffman Sponsor: Murr

Creates Fifteenth Court of Appeals to be held in Austin with jurisdiction over all counties in the state. Permits the court to transact its business in any county in the state. Requires the Office of Court Administration to submit an annual report to the legislature on the number and types of cases heard by the court in the preceding fiscal year. Provides that the court will consist of a chief justice and four justices. Grants the Fifteenth Court of Appeals exclusive intermediate appellate jurisdiction over civil cases involving the state or a board, commission, department, office, university system, or any other agency in the executive branch of the state government, or by or against any officer or employee thereof related to their official conduct. Also gives the court jurisdiction over any proceeding challenging the constitutionality or validity of a state statute or rule to which the Attorney General is a party. Excludes from the court's jurisdiction proceedings involving the Family Code, protective orders relating to sexual assault, sexual abuse, indecent assault, and trafficking, mental commitment, civil forfeiture, condemnation of land or taking of land by eminent domain, the Texas Tort Claims Act, personal injury or wrongful death, suit to enjoin a common nuisance, expunction of criminal records, special three-judge district courts, deferred adjudication for nonviolent misdemeanors, employment discrimination, removal of county officers from office, or the commitment of sexually violent predators. Restricts the supreme court's ability to move any case correctly filed with the Fifteenth Court of Appeals to equalize the dockets of the courts of appeals. Directs the supreme court to adopt rules for transferring appeals inappropriately filed with the Fifteenth Court of Appeals to a court of appeals with jurisdiction over the matter, and vice versa. Establishes base salaries for the justices and chief justice of the court. Transfers jurisdiction over actions for declaratory judgment regarding the validity or application of a state agency rule, and petitions initiating judicial review, including petitions

involving motor vehicle regulations, titles, and registration, and the review of the Public Utilities Commission's fair competition rules. Transfers to the Fifteenth Court of Appeals as of September 1, 2024 all cases pending in other courts of appeals filed after September 1, 2023 and over which the Fifteenth Court of Appeals has exclusive intermediate appellate jurisdiction. Amends various sections of the Code of Criminal Procedure to exclude criminal jurisdiction from the court. Provides that the Fifteenth Court of Appeals will not be created unless the legislature specifically appropriates money for the court.

Effective Date: September 1, 2023

[House Bill 3474](#)

Relating to the operation and administration of and practices and procedures regarding judicial proceedings in the judicial branch of state government, including the service of process and delivery of documents relating to the proceedings, the administration of oaths, and the management of the Texas Indigent Defense Commission, and the composition of certain juvenile boards; establishing a civil penalty; increasing certain court costs; authorizing fees.

Adds Government Code, Section 22.3015; amends various sections of Government Code, Chapters 24, 25, 26, 41, 45, 46, 51, 52, 54, 57, 61, 62, 72, 79, 80, 154, 406, 602 and 659; adds Government Code, Section 24.392(d); adds Government Code, Section 24.51(d); adds Government Code, Section 24.553(c); adds Government Code, Sections 24.576(c) and (d); adds Government Code, Sections 24.59(c) and (d); adds Government Code, Section 24.600201; adds Government Code, Sections 24.60030(c) and (d); adds Government Code, Sections 24.60031, 24.60032, 24.60033, and 24.60034; adds Government Code, Sections 24.60038, 24.60039, 24.60040, 24.60041, 24.60042, and 24.60043; adds Government Code, Section 24.6009; adds Government Code, Section 24.60095; adds Government Code, Section 24.910(a-1); adds Government Code, Section 24.911(a-1); repeals various sections of Government Code, Chapter 25; adds Government Code, Section 25.0173(p); adds Government Code, Section 25.0331(a-1); adds Government Code, Section 25.0333; adds

Government Code, Section 25.0732(c); adds Government Code, Section 25.0932(c); adds Government Code, Sections 25.2293(d), (e), (h), and (k); adds Government Code, Section 25.2392(b); adds Government Code, Section 25.491; adds Government Code, Sections 25.703 and 24.704; adds Government Code, Section 46.003(a-1); adds Government Code, Section 51.018; adds Government Code, Section 51.403(d) and (e); adds Government Code, Chapter 54, Subchapters RR and SS; adds Government Code, Section 54.651(d); adds Government Code, Section 54.6585; adds Government Code, Section 54A.219; adds Government Code, Chapter 54B; adds Government Code, Section 57.002(g), (h), and (i); adds Government Code, Section 72.039; adds Government Code, Section 154.051(f-1); adds Government Code, Section 154.112(d), (e), (f), (g), and (h); repeals Government Code, Section 154.105(e); amends various sections of the Civil Practices and Remedies Code, Chapters 20, 30; adds Civil Practices and Remedies Code, Section 30.0035; amends various articles of the Code of Criminal Procedure, Chapters 1, 4, 11, 18, 19A, 38, and 55; adds Code of Criminal Procedure, Article 42.15(a-2); amends various sections of the Estates Code, Chapters 33, 152, 155, and 1023; amends various sections of the Family Code, Chapters 33 and 201; amends various sections of the Human Resources Code, Chapter 152

Author: Leach

Sponsor: Hughes

Allows justices of the supreme court, judges of the court of criminal appeals, and justices of the courts of appeals to be reimbursed for travel and other expenses incurred while travelling out of their home counties to perform official duties. Amends the terms and jurisdictions of several district courts. Establishes new judicial districts, county courts, probate courts, and magistrate courts around the state. Requires the Office of Court Administration of the Texas Judicial System to conduct a district court caseload analysis on no less than a biannual basis. Revises base salary standards for district court judges, justices of a court of appeals (other than the chief justice), and chief justices of appellate courts. Allows justices of the peace to conduct inquests upon dead bodies by videoconference with a person present when a person dies without having

been attended by a physician or dies while attended by a physician who is unable to certify the cause of death and asks the justice of the peace to conduct an inquest. Increases the maximum judgement limit for tenants in justice court from \$10,000 to \$20,000. Adds new magistrate judges and establishes new magistrate courts in various counties. Permits district and county clerks to clerk magistrate cases under certain circumstances. Allows a judge to refer cases involving access to residences or former residences to retrieve personal property to an associate judge. Revises base salaries for associate judges presiding over child support cases and visiting associate judges presiding over criminal cases. Establishes longevity pay for district and state prosecuting attorneys. Requires district clerks to report monthly to the secretary of state and the prosecuting attorney for the court in which the grand juror was summoned for investigation a list of the grand jurors who were disqualified by reason of their citizenship, indictment for misdemeanor theft, or a felony. Increases minimum jury duty pay from \$6 to \$20 for the first day, and from \$40 to \$58 for every day or fraction of a day thereafter. Raises age limit exemption from jury duty from 70 to 75 years of age. Requires court clerks to report monthly to the secretary of state a list of jurors disqualified from their courts by reason of conviction of misdemeanor theft or felony, subject to exemptions. Allows court reporters in smaller counties to serve as official court reporter for more than one county. Revises travel expense reimbursement for court reporters and establishes new standards for hiring court reporters. Directs the Texas Supreme Court to revise the Texas Rules of Civil Procedure as necessary to conform with the changes to Government Code, Section 154.112 relating to the employment of non-certified shorthand reporters. Requires depositions of witnesses residing or otherwise outside of the state, country, or on military duty to be in writing. Requires that witnesses be deposed prior to giving testimony in a district or county court by electronic means. Provides that parties to court proceedings are not required to pay for an interpreter at their expense or pay associated costs and directs county auditors to submit a report on the money spent by the county during the preceding fiscal year to provide interpretation services. Outlines procedure for transferring probate proceedings to a court in a

different county via the electronic filing system. Prohibits personal service of process on any member, officer, or employee of the senate or house of representatives during any legislative proceeding; directs the presiding court to quash any service made in violation and directs the supreme court to revoke the certification of any process server in violation of the same.

Effective Date: September 1, 2023

House Bill 19

Relating to the creation of a specialty trial court to hear certain cases; authorizing fees.

Adds Government Code, Chapter 25A; amends Government Code, Sections 659.012(a) and (e); amends Government Code, Chapter 837.001(a).

Author: Murr

Sponsor: Hughes

Creates a business court with jurisdiction in all counties within the state. Creates eleven divisions of the business court, one division for each administrative judicial region as outlined in Government Code, Section 74.042. Provides that the Second, Fifth, Six, Seventh, Ninth, and Tenth Business Court Divisions are subject to funding through legislative appropriations and will be abolished on September 1, 2026 unless reauthorized and funded by the legislature. Grants the business court the powers provided to district courts. Grants civil jurisdiction concurrent with district courts for the following actions in which the amount in controversy is over \$5,000,000: derivative proceedings, actions regarding the governance or internal affairs of an organization; claims under state or federal securities law against an organization, controlling person or manager of an organization acting in their official capacity, underwriter, or auditor of an organization; alleged act of omission by an owner or managing person; alleged breach of duty by an owner or controlling/managing person; actions seeking to hold an owner or governing person liable for an obligation of the organization; and actions arising out of the Business Organizations Code. Grants the business court civil jurisdiction concurrent with district courts for the following actions in which the amount in controversy is over \$10,000,000:

actions involving transactions other than loans or advances of money from a bank, credit union, or savings and loan; when the parties to a transaction agree that the business court has jurisdiction (other than actions involving insurance contracts); actions arising out of a violation of the Finance or Business & Commerce Codes by a person acting in an official capacity for an organization other than a bank, credit union, or savings and loan. Grants business court concurrent civil jurisdiction with district courts in actions seeking injunctive relief or declaratory judgment in connection with a cause of action within the business court's jurisdiction outlined above, and supplemental jurisdiction over any other claim related to a case within the business court's jurisdiction. Excludes from the court's jurisdiction civil actions brought against a governmental entity or involving foreclosure of a lien on real or personal property; also excludes claims involving covenants not to compete, deceptive trade practices, the Estates Code, the Family Code, the Insurance Code, mechanic's, contractor's, or materialman's liens, claims relating to the sale or production of farm equipment, consumer transactions involving installment payments solicited or consummated at a place other than the merchant's place of business, or insurance policies, to the extent that such claims don't fall under the business court's supplemental jurisdiction. Refuses jurisdiction over legal malpractice claims, monetary damages for personal injury or death, and medical tort claims, regardless of whether such claim would otherwise fall under the business court's jurisdiction. Outlines procedures for filing a claim with the business court, removal of claims that don't fall within the court's jurisdiction and appeals of business court decisions. Provides that the Fifteenth Court of Appeals, if created, will have exclusive jurisdiction over appeals of business court cases (to the extent that the supreme court does not have concurrent or exclusive jurisdiction). Outlines qualifications for business court judges. Permits the governor, with the advice of the senate, to appoint two judges to each of the First, Third, Fourth, Eighth, and Eleventh Divisions, and one judge to each of the Second, Fifth, Sixth, Seventh, Ninth, and Tenth Divisions. Prohibits business court judges from private practice. Outlines business court procedures for jury trials when the right to such is required by the constitution. Directs the

supreme court to adopt rules by which the business court will issue written opinions. Provides for the staffing, location of the business court and its divisions. Directs the Office of Court Administration of the Texas Judicial System to provide necessary administrative support and to report annually on the numbers and types of cases heard by the business court in the preceding year. Authorizes the supreme court to adopt a fee schedule and rules of civil procedure for the business court. Permits the business court to adopt rules of practice and procedure that are consistent with the Rules of Evidence and Civil Procedure. Grants the supreme court exclusive jurisdiction over challenges to the act.

Effective Date: September 1, 2024

[House Bill 367](#)

Relating to the powers and duties of the State Commission on Judicial Conduct.

Adds Government Code, Section 33.02105

Author: Jetton Sponsor: Zaffirini

Allows the State Commission on Judicial Conduct to accept complaints, conduct investigations, or take any other action permitted by law with judicial candidates subject to the restrictions on contributions and expenditures in Chapter 253 of the Election Code in the same manner as the commission may take similar actions with respect to a judge.

Effective Date: September 1, 2023

[Senate Bill 1612](#)

Relating to court administration and costs; increasing certain court costs; authorizing fees.

Amends Family Code, Section 51.072(l); repeals Family Code, Sections 51.10(e), (k), and (l), 53.03(d), 54.0404(b), 54.06, 54.061, and 56.01(l); amends Family Code, Section 61.002; amends Family Code, Section 110.002(a); adds Family Code, Section 110.002(d); amends Family Code, Section 110.005(a); amends Family Code, Sections 155.207(a), (b), and (e); repeals Code of Criminal Procedure; Article

26.057; amends various sections of the Estates Code, Chapters 33, 61, 110, 155, and 1023; repeals Estates Code, Section 33.103(c); adds Estates Code, Section 33.105; amends various sections of Government Code, Chapter 51; adds Government Code, Sections 51.3071(f) and (g); adds Government Code, Sections 51.403(d) and (e); amends Government Code, Section 72.037(a); amends various sections, Local Government Code, Chapter 118, 133, 134, and 135; repeals Local Government Code, Section 291.008

Author: Zaffirini Sponsor: Orr

Outlines procedure for transferring probate proceedings to a court in a different county via the electronic filing system (see also House Bill 3474). Outlines procedure for transferring guardianship proceedings to a court in a different county via the electronic filing system. Requires that, on transfer of a child under probation between counties, the sending county is financially responsible for any special treatment program that the sending county has made a condition of probation (previously sending county was only financially responsible if the child's family was unable to afford such program). Makes various changes to parental responsibility for fees related to juvenile probationary proceedings. Raises filing fees for suit or motion for modification, motion for enforcement, notice of application for judicial writ of withholding, petition for license suspension, motion to revoke a stay of license suspension, and motion for contempt in cases involving a parent-child relationship from \$15 to \$80. Increases the filing fee for transferring a case involving a parent-child relationship to another court from \$45 to \$80. Imposes new requirements on clerks for transferring a case involving a parent-child relationship. Requires that the clerk of a court transferring a case to a constitutional, statutory, or other district court to transfer certain documents using the electronic filing system. Allows clerks of both transferee and transferor courts to produce certified or uncertified copies of the documents with a copy of the transfer certificate and index of transferred documents. Adds fees related to transferred cases for preparation of the district clerk's record of transfer (\$5), \$1 per page for each page of a case record up to 10 pages, and \$0.10 per page for each

page of a case record over 10 pages. Requires that the clerk of a county court transferring a case to a constitutional, statutory, or other county court to transfer certain documents using the electronic filing system. Allows clerks of both transferee and transferor courts to produce certified or uncertified copies of the documents with a copy of the transfer certificate and index of transferred documents. Adds fees related to transferred cases for preparation of the county clerk's record of transfer (\$5), \$1 per page for each page of a case record up to 10 pages, and \$0.10 per page for each page of a case record over 10 pages. Requires the Office of Court Administration develop a standardized transfer certificate for transferring probate and guardianship cases and proceedings. Allows commissioners courts to set reasonable fees for service of process, including service of writs (previously just "services") by constables and sheriffs' offices. Adds \$45 fee to file a motion to reinstate in district, statutory county court, statutory probate court, or county court. Adds \$21 fee to file a motion to reinstate in justice courts. Diverts to the county clerk the allocation of court fees received in local felony, Class A & B misdemeanor, probate, guardianship, mental health, civil cases, and justice court that previously went to the county. Removes county's cause of action against the parent or guardian of a juvenile transferred to a criminal court who is financially capable of employing counsel for the juvenile but refuses to do so. Removes requirement that transferring court send original file to transferee court when transferring probate proceedings. Repeals various sections in Family Code relating parent/guardian responsibility for deferred prosecution services, attorney's fees, educational programs, judgments for support, probation fees, and costs of appeals. Repeals \$1 fee for filing a document with a county or district clerk that does not have a scheduled fee.

Effective Date: January 1, 2024

House Bill 1989

Relating to the fees assessed by a district clerk for copies of certain court documents.

Amends Government Code, Section 51.318(e); adds Government Code, Section 51.318(f)

Author: Cook

Sponsor: Parker

Prohibits district clerks from charging fees for copies of documents relating to a person's criminal history requested by United States Immigration and Customs Enforcement, United States Citizenship and Immigration Services, any federal or state criminal justice agency, or any nongovernmental railroad or campus police department that has an FBI originating agency identifier requesting such document for a criminal justice purpose, including a person's eligibility to purchase a firearm.

Effective Date: September 1, 2023

Senate Bill 380

Relating to the payment of certain court costs associated with interpreters.

Amends Government Code, Section 57.002; adds Government Code, Sections 57.002(g), (h), and (i)

Author: Zaffirini

Sponsor: Moody

Provides that a party who files a statement of inability to afford court costs is not required to provide an interpreter at their expense or pay the costs for an appointed interpreter. Excludes interpreter services or other aids for the deaf, hard of hearing, or parties who have communication disabilities, for whom such services will be provided free of charge. Directs county auditors to report annually on money spent by their respective counties for court-ordered interpretation services over the previous fiscal year to the Office of Court Administration of the Texas Judicial System. Requires the Office of Court Administration to submit an annual report to the legislature aggregating such information by county and to publish the report on the office's website.

Effective Date: Immediate

[House Bill 841](#)

Relating to certain judicial statistics and related information gathered by the Texas Judicial Council.

Amends Government Code, Section 71.035(a)

Author: Ordaz Sponsor: Middleton

Adds case-level information regarding the amount and character of business transacted by courts to the statistics maintained by the Texas Judicial Council.

Effective Date: September 1, 2023

Title 4. Executive Branch

[Senate Bill 1340](#)

Relating to the local development agreement database maintained by the comptroller of public accounts.

Amends Government Code, Sections 403.0246; adds Tax Code, Section 312.008

Author: Zaffirini Sponsor: Meyer

Expands existing “Chapter 380 and 381 Agreement Database” to include local tax-abatement agreements (under Tax Code, Ch. 312); renames it “Local Development Agreement Database;” and requires Comptroller to make it a “consolidated searchable data tool.” Requires database to include additional data, including contact information and assumed name for an entity entering an agreement, also the term, monetary value, and source of money (or type of tax). Contains other provisions.

Effective Date: January 1, 2024

[House Bill 255](#)

Relating to notaries public; increasing the amount of certain fees.

Amends Government Code Section 406.013, adding (e), Section 406.014, adding (f), and amending Section 406.024

Author: Swanson Sponsor: Zaffirini

Prohibits a notary public from providing seal to another or attaching seal for a reason other than authenticating an official act. Permits notary public to increase fees in certain actions listed in the bill. Requires secretary of state to adjust fees on the basis of inflation every five years.

Effective Date: September 1, 2023

[Senate Bill 1780](#)

Relating to online notarizations.

Amends Government Code, Sections 406.101(11), 406.108(a), 406.110 (heading only), 406.110(b) and (d); adds Government Code, Sections 406.101(1-a), (13), (14), 406.108(d), 406.109(f), 406.1103 and 406.1107

Author: Parker Sponsor: Capriglione

Provides for the online notarization by an online notary public of tangible instruments or electronic documents and verification of principal’s identity. Establishes the framework under which an online notary public shall authenticate, administer, and document online notarizations for tangible documents.

Effective Date: January 1, 2024

[House Bill 2719](#)

Relating to the powers of the Texas Historical Commission over historic sites in this state.

Amends Government Code, Sections 442.0053, 442.0083(e), Section 422.071 (heading only), 442.071 and 442.072; adds Government Code, Sections 442.112 and 442.113

Author: Ashby Sponsor: Zaffirini

Authorizes the Texas Historical Commission to purchase real property for inclusion within the historic sites system. Grants the Commission jurisdiction over all real property significant to the history of the State that is acquired or administered by the Commission, and removes language limiting the Commission’s jurisdiction to a specific list of sites. Increases the maximum amount of a grant for a historic courthouse project

to the greater of \$10 million (previously \$6 million) or two percent of the amount previously appropriated for historic courthouse preservation program. Authorizes the Commission to maintain gift and souvenir operations online.

Effective Date: September 1, 2023

[Senate Bill 1332](#)

Relating to the provision of funding to the Texas Historical Commission for state historic sites.

Amends Government Code, Sections 442.0083(e) and 442.073(d); adds Government Code, Sections 442.0151 and 442.073(e)

Author: Huffman Sponsor: Bonnen

Creates the Historic Infrastructure Sustainability Trust to be administered by the Comptroller as trustee for restoring and maintaining historic sites within the State. Increases the maximum amount of a grant for a historic courthouse project to the greater of \$10 million (previously \$6 million) or two percent of the amount previously appropriated for historic courthouse preservation program.

Effective Date: September 1, 2023

[Senate Bill 1333](#)

Relating to the creation of the Texas state buildings preservation endowment fund, including the transfer to the fund of the unencumbered balances of certain other funds.

Amends Government Code, Sections 443.0102(b) and 443.0103; repeals Government Code, Sections 443.0295 and 2165.2565

Author: Huffman Sponsor: Bonnen

Creates the Texas State Buildings Preservation Endowment Fund (formerly the Capital Renewal Trust) for maintaining and restoring state buildings and grounds under the jurisdiction of the State Preservation Board. Provides that funds will be managed and invested by the Texas Treasury Safekeeping Trust Company which will make distributions of funds pursuant to a distribution policy established by the

Comptroller. Abolishes the Governor's Mansion renewal trust fund and the State Cemetery preservation trust fund, and transfers unencumbered funds under these trusts and the former capital renewal trust fund to the Endowment Fund on January 1, 2024.

Effective Date: September 1, 2023

[Senate Bill 1802](#)

Relating to administrative procedures in the architectural barriers program at the Texas Department of Licensing and Regulation.

Amends Government Code, Sections 469.058(a) and 469.106(a); repeals Government Code, Sections 469.058(c) and 469.059(c)

Author: Springer Sponsor: Goldman

Directs that facilities occupied by the Health and Human Services Commission are subject to the standards and specifications adopted by Texas Commission of Licensing and Regulation for the elimination of architectural barriers. Repeals Section 469.058(c), which requires the Commission to give 90 days' notice and cure prior to imposing penalties against a building owner for a violation of the Chapter. Repeals 469.059(c), which requires the Commission to keep a complainant informed as to the monitoring of a facility for which an allegation of non-compliance had been filed.

Effective Date: September 1, 2023

Title 5. Open Government; Ethics

[Senate Bill 510](#)

Relating to the confidentiality of certain information maintained by state licensing agencies.

Amends Government Code Section 552.1176(a); Adds Government Code Section 552.1176, subsections (d) and (e); Adds Government Code Section 552.11765; Adds Occupations Code Section 507.161; Repeals Government Code, Section 552.1176(b)

Author: Perry Sponsor: Longoria

Requires that a license application and certain information related to the license for attorneys in Texas remains confidential. Requires, for licenses that individuals are required to obtain in order to practice or engage in a particular business, occupation, or profession, or for licenses issued by a board, commission, department, committee, institution, agency, or office that is within or is created by the executive or legislative branch of state government, information to be confidential and not subject to public information disclosure. For certain occupational licenses, does not prohibit the disclosure of the last four digits of the social security number of a license holder in connection with a verification of employability or an employee misconduct registry search, a home address where activity regulated by the licensing authority occurs, or an email address or phone number associated with activity regulated by the licensing authority.

Effective Date: September 1, 2023

Senate Bill 983

Relating to information maintained by certain municipally owned utilities that provide electricity services and cable, Internet, or broadband services.

Amends Government Code Sections 552.133(a), (a-1), and (b-1); Adds Local Government Code Section 552.915

Author: Paxton Sponsor: Holland

Expands the scope of required disclosure exceptions under state and local public information law to include any matter reasonably related to information involving the provision of cable, Internet, or broadband services by a municipally owned utility that provided such services and electricity services on or before January 1, 2003, such as: (i) a capital improvement plan; (ii) an expense related to the installation of a facility to provide such services; (iii) bidding and pricing information for installation of the facility; (iv) risk management information, contracts, and strategies; (v) plans, studies, proposals, and analyses for system improvements, additions, or sales or for establishing pricing for providing those services;

and (vi) customer billing, contract, and usage information. Requires such utility companies to maintain separate books for the provider's utility services and its cable, Internet, and broadband services to ensure those costs are not cross subsidized.

Effective Date: September 1, 2023

Title 6. Public Officers and Employees

House Bill 1748

Relating to the use of a facsimile signature on certain public securities and related certificates.

Amends Government Code Section 618.003; Repeals Government Code, Section 618.004

Author: Leach Sponsor: Hancock

Authorizes a facsimile signature by the comptroller or its designated deputy to be placed on such public security or its certificate to assist in expediting document processing and delivery.

Effective Date: September 1, 2023

Title 9. Public Securities

House Bill 1766

Relating to the issuance of private activity bonds for qualified residential rental projects.

Amends Government Code, Section 1202.003

Author: Darby Sponsor: Parker

Requires attorney general to certify insurer's compliance related to qualified residential rental project bonds on projects. Amends the priority list for granting reservations to issuers of qualified residential rental project bonds depending on the project and other factors.

Effective Date: Immediate

House Bill 1038

Relating to a biennial report on state lending and credit support programs.

Adds Government Code, Section 1231.064

Author: Cain Sponsor: Sparks

Requires bond review board to submit to the legislature and post a report detailing the expenditures of the state's lending and credit support programs and linking the expenditures to the "citation to the law authorizing the program."

Effective Date: September 1, 2023

Title 10. General Government

House Bill 139

Relating to the provision of notice of certain proposed rules by state agencies.

Amends Government Code, Sections 2001.023 and 2001.024; adds Government Code, Section 2001.0261

Author: Klick Sponsor: Hall

Provides that "failure to publish a summary of a proposed rule in the manner required by [Section 2001.023(c)] does not invalidate a rule adopted by a state agency or an action taken by the agency under that rule." Requires the notice to include, if the authorizing statute was enacted within the preceding four years the bill number for the authorizing statute. Requires notice to the primary author and sponsor of the statute, if they are still in the legislature (but also provides that failure to comply will not invalidate either the rule or action taken by the agency under the rule).

Effective Date: Immediate

Senate Bill 943

Relating to publication of notices by a governmental entity on the Internet websites of a newspaper and the Texas Press Association.

Adds Government Code, Section 2051.054

Author: Kolkhorst Sponsor: Hunter

Requires a newspaper that publishes a notice for a governmental entity to also publish the notice on the newspaper's website at no additional cost.

Provides additional requirements the Texas Press Association must follow in publishing such notices online.

Effective Date: September 1, 2023

House Bill 1817

Relating to the validity of a contract for which a disclosure of interested parties is required.

Amends Government Code, Section 2252.908

Author: Capriglione Sponsor: Hancock

Provides that a contract "entered into by a government entity or state agency is voidable for failure to provide disclosure of interested parties" enumerated in this section only if (i) the governmental entity submits to the business entity written notice of the business entity's failure to disclose, and (ii) the business entity then does not disclose such information on or before the tenth business day after receiving written notice.

Effective Date: Immediate

House Bill 2518

Relating to required lease terms for public property leased to a nongovernmental entity; creating a criminal offense.

Amends Government Code, Section 2252.909

Author: Bell Sponsor: Nichols

Expands required lease terms of public property to another person to include payment and performance bonds along with notice of commencement. Makes material misrepresentation in a notice of commencement a Class A misdemeanor.

Effective Date: September 1, 2023

House Bill 2965

Relating to certain construction liability claims concerning public buildings and public works.

Adds Government Code, Section 2272.0025

Author: Vasut Sponsor: Creighton

Prohibits waiver of Chapter 2272 of the Texas Government Code, which is related to addressing construction defects in public buildings, works or other improvements, and makes such waiver void.

Effective Date: September 1, 2023

House Bill 1472

Relating to eligibility requirements under the owner-builder loan program.

Amends Government Code, Section 2306.753(b)

Author: Walle Sponsor: West

Raises annual income requirements to 80 percent from 60 percent of the greater of the state or local median family income for qualification under the so-called “Bootstrap Loan Program” providing loans for construction of low-income housing.

Effective Date: Immediate

HEALTH & SAFETY CODE

Title 2. Health

Senate Bill 29

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

Adds Health and Safety Code Chapter 81B

Author: Birdwell Sponsor: Lozano

Prohibits governmental entities from imposing mask mandates and vaccine requirements, with carveouts for prisons, state supported living centers, and certain hospitals and health care facilities. Prohibits governmental entities from closing private businesses, public schools, and private schools to prevent the spread of COVID-19.

Effective Date: September 1, 2023

Title 4. Health Facilities

Senate Bill 2406

Relating to the authority of hospitals in certain counties to drill a water well for the purpose of producing water for use in the event of an emergency or natural disaster.

Adds Health and Safety Code Section 311.005

Author: Creighton Sponsor: Manuel

Allows hospitals in certain counties on the Neches River to drill water wells to serve as a backup water supply in an emergency.

Effective Date: September 1, 2023

Senate Bill 594

Relating to requirements for and charges for service from public drinking water supply systems.

Amends Health and Safety Code Section 341.0315; Adds Water Code Section 13.152

Author: Zaffirini Sponsor: Lozano

Amends provisions relating to recreational vehicle park water connections and regulates how public water supply systems can meter and bill recreational vehicle parks.

Effective Date: September 1, 2023

Title 5. Sanitation and Environmental Quality

House Bill 1598

Relating to local government and other political subdivision regulation of certain solid waste facilities.

Amends Health and Safety Code Section 361.095

Author: Darby Sponsor: Perry

Limits the power of local governments in permitting and regulation of municipal solid waste facilities and hazardous waste management.

Effective Date: September 1, 2023

House Bill 4087

Relating to the use of certain on-site sewage disposal systems.

Amends Health and Safety Code Section 366.012(a) of the Health and Safety Code; Adds Section 366.0513

Author: Kuempel Sponsor: Zaffirini

Allows for the use of aerobic drip emitter septic systems in certain large counties adjacent to the Gulf of Mexico. Provides conditions for issuance of a permit for temporary on-site sewage disposal systems in residential developments.

Effective Date: September 1, 2023

Title 6. Food, Drugs, Alcohol, And Hazardous Substances

House Bill 299

Relating to creating a voluntary accreditation for recovery housing; authorizing fees.

Adds Health and Safety Code Chapter 469

Author: Murr Sponsor: Johnson

Directs the Health and Human Services Commission to adopt standards for voluntary accreditation of recovery housing and provides requirements for annual reporting, enforcement, and funding. Prohibits certain advertisement and solicitation.

Effective Date: September 1, 2023

Title 9. Safety

Senate Bill 1794

Relating to conditions imposed on an emergency services district that includes territory in the

extraterritorial jurisdiction of certain municipalities.

Amends Health and Safety Code Sections 775.014(i), 775.016(c), 775.017(a), 775.018(a), 775.019(b), and 775.022(g) of the Health and Safety Code; Repeals Health and Safety Code Sections 775.014(h), 775.019(f), and 775.031(e)

Author: Menendez Sponsor: Cortez

Amends the process for creating emergency services districts in certain large urban counties and clarifies the roles of counties and municipalities when emergency district boundaries overlap city extraterritorial jurisdiction boundaries.

Effective Date: March 1, 2024

INSURANCE CODE

Title 2. Texas Department of Insurance

House Bill 1040

Relating to the authority of entities regulated by the Texas Department of Insurance to conduct business electronically.

Amends Insurance Code Sections 35.003, 35.004(c)-(d), and 35.0041(a); Adds Insurance Code Section 35.004(l)

Author: Paul Sponsor: Zaffirini

Broadens allowed use of electronically conducted business from only “opt-in” (*i.e.*, each party agrees to conduct business electronically), to either “opt-in” or “opt-out” (*i.e.*, notice is given that to each party that the insuring entity will conduct business electronically unless a party requests otherwise). Clarifies that a cancellation or termination notice must be in writing and delivered either electronically or nonelectronically. Applies prospectively.

Effective Date: September 1, 2023

Title 3. Department Funds, Fees, and Taxes

House Bill 1058

Relating to a franchise or insurance premium tax credit for certain housing developments.

Adds Insurance Code Chapter 233; Adds Tax Code Sections 171.551-.566

Author: Goldman Sponsor: Perry

Provides for a ten-year franchise tax credit for direct and indirect owners of certain low-income housing developments. Defines a qualifying development as one that meets federal low-income housing tax credit requirements, including those related to accessibility and adaptability, and that complies with the Fair Housing Act. Establishes a process by which said owners may apply to TDHCA for tax credit approval. Gives owners the option to decide among themselves how the tax credit shall be apportioned and requires TDHCA to make that determination if the owners cannot agree. Allows a three-year carryback and a ten-year carryforward. Makes the state tax credit subject to recapture if any portion of the federal tax credit becomes subject to such. Authorizes TDHCA and the Comptroller to adopt rules for implementation, administration, and enforcement. Sets a start date of January 1, 2024 and an expiration date of December 31, 2029 for reservation of tax credits to be used at a future date. Allows a similar credit for tax liability on premiums received for certain lines of insurance. Applies to tax reports due on or after January 1, 2026 and before January 1, 2036.

Effective Date: January 1, 2024

Title 5. Protection of Consumer Interests

House Bill 1900

Relating to notice of cancellation or nonrenewal of a property and casualty insurance policy.

Amends Insurance Code Sections 551.104(f) and 551.105

Author: Smithee Sponsor: Kolkhorst

Changes the required notice period for written notice of nonrenewal of or change in coverage

from 30 days to 60 days for certain lines of insurance, including those affecting real property. Applies to a policy delivered, issued, or renewed on or after January 1, 2024.

Effective Date: September 1, 2023

Title 6. Organization of Insurers & Related Entities

Senate Bill 2008

Relating to operating requirements for farm mutual insurance companies related to insurance in force on rural property.

Amends Insurance Code Section 911.301(a); Adds Insurance Code Section 911.301(e)-(f)

Author: Kolkhorst Sponsor: Middleton

Increases the rural property threshold from being outside an area of land subject to the taxing authority of a municipality with a population of more than 2,500 to more than 6,500. Indexes the rural property threshold to the federal census.

Effective Date: September 1, 2023

Title 10. Property & Casualty Insurance

House Bill 1074

Relating to construction of certain laws prohibiting discrimination, distinctions, inducements, rebates, and certain other conduct related to property and casualty insurance.

Adds Insurance Code Section 1806.002

Author: Hull Sponsor: Zaffirini

Clarifies that receipt or acceptance of a prohibited rebate, discount, abatement, credit, or premium reduction is neither an unfair method of competition nor a false, misleading, or deceptive act or practice under DTPA. Further clarifies that an insurer or its agent is not prohibited from offering or giving free or discounted loss control-related services or other offerings not specified in the policy, provided that said practice is not unfairly discriminatory to similar insureds.

Effective Date: September 1, 2023

House Bill 3311

Relating to the process of selecting representatives of the insurance industry to serve on the board of directors of the Texas Windstorm Insurance Association.

Repeals Insurance Code Section 2210.102(f)

Author: Lozano Sponsor: Middleton

Eliminates the requirement for Texas Windstorm Insurance Association insurer-members to nominate candidates to fill any vacant seats among the 3 reserved for insurance industry representatives, because said insurer-members have been unable to identify enough candidates to fill the slate.

Effective Date: September 1, 2023

Senate Bill 2232

Relating to requirements for insurance agents offering windstorm and hail insurance policies issued by the Texas Windstorm Insurance Association.

Adds Insurance Code Section 2210.016

Author: LaMantia Sponsor: Hinojosa

Allows TWIA to establish requirements with which agents offering or selling TWIA policies must comply. Allows TWIA to audit agents for compliance with said requirements, and authorizes TWIA to limit or prohibit a noncompliant agent from offering or selling TWIA policies. Clarifies that an insurance agent offering or selling TWIA policies is not a TWIA agent.

Effective Date: September 1, 2023

Senate Bill 2233

Relating to automatic renewal of certain policies issued by the Texas Windstorm Insurance Association.

Amends Insurance Code Section 2210.2031(a)

Author: LaMantia Sponsor: Hinojosa

Limits automatic renewal of TWIA policies to those covering residential property.

Effective Date: September 1, 2023

House Bill 3208

Relating to the refund of premiums on the cancellation of Texas Windstorm Insurance Association policies by insureds.

Amends Insurance Code Sections 2210.204(d)-(e); Adds Insurance Code Sections 2210.204(d-1)-(d-3)

Author: Thompson Sponsor: Lamantia

Restricts refunds of unearned Texas Windstorm Insurance Association (“TWIA”) premiums to cancellations for the following reasons: (1) purchase of similar coverage in the voluntary market; (2) arms-length sale of the insured property; (3) total loss of the insured property; or (4) a TWIA determination that the insured property is no longer insurable. Requires the insured to provide proof of the cancellation reason in a form and matter acceptable to TWIA. Increases the minimum retained premium from ninety days to the full annual policy term, subject to the existing exceptions. Applies prospectively.

Effective Date: September 1, 2023

House Bill 3310

Relating to deadlines for the claims appraisal process of the Texas Windstorm Insurance Association.

Amends Insurance Code Section 2210.574(d); Adds Insurance Code Section 2210.574(d-1)

Author: Lozano Sponsor: Middleton

Sets a deadline (to be determined by Insurance Commissioner) by which Texas Windstorm Insurance Association must complete a claimant-demanded appraisal. Requires the Insurance Commissioner to adopt rules necessary for implementation that allow flexibility for adequate

investigation and that preserve appraiser independence. Applies to appraisals demanded on or after January 1, 2024.

Effective Date: September 1, 2023

House Bill 998

Relating to the provision of property owners' association insurance by the FAIR Plan Association in certain areas.

Amends Insurance Code Sections 2211.054(1), 2211.153(1), 2211.154(a), 2211.155, and 2211.201; Adds Insurance Code Sections 2211.001(6-a), 2211.051(b), and 2211.1515

Author: Paul Sponsor: Middleton

Broadens the Fair Access to Insurance Requirements Plan ("FAIR Plan") to include coverage of homeowners' association's common areas and facilities and condominium owners' association's common elements - collectively referred to as property owners' association insurance ("POAI") - in underserved areas; previously, only the residential dwelling units within a property owners' association could be insured under the FAIR Plan. Requires the FAIR Plan-designated area to be within ten miles of a TWIA catastrophe area, as practicable, and requires the property owner's association to have been twice declined for coverage in the voluntary market before being eligible for POAI under the FAIR Plan. Gives the FAIR Plan until September 1, 2024 to begin providing POAI.

Effective Date: September 1, 2023

Title 11. Title Insurance

House Bill 1901

Relating to the filing of an annual audit report by a title insurance company, title insurance agent, or direct operation.

Amends Insurance Code Sections 2651.151(b) and 2651.152(b)

Author: Smithee Sponsor: Kolkhorst

Eliminates the certified mail requirement for an annual audit report that is submitted to the Texas Department of Insurance by a title insurance company, title insurance agent, or direct operation.

Effective Date: September 1, 2023

Title 13. Regulation of Professionals

House Bill 1706

Relating to the right of an insured to enter into a contract with a public insurance adjuster.

Adds Insurance Code Section 4102.007

Author: Perez Sponsor: Schwertner

Prohibits any commercial or residential property insurance, or any endorsement thereto, from including a provision preventing the insured from contracting with a public insurance adjuster. Clarifies that an insured is not required to engage a public insurance adjuster. Applies to policies delivered, issued, or renewed on or after January 1, 2024.

Effective Date: September 1, 2023

LABOR CODE

Title 2. Protection of Laborers

House Bill 2975

Relating to powers and duties of the Texas Workforce Commission with respect to work and family policies.

Amends Labor Code, Sections 81.001, 81.003, 81.0045, 81.0046, 81.005, 81.007, and 81.008; repeals Labor Code, Section 81.004

Author: Guillen Sponsor: Hancock

Disbands the Work and Family Policies Clearinghouse. Directs the Texas Workforce Commission to provide on its website information and resources to help employers select and implement work and family policies, as well as examples of such policies and

economic data demonstrating the beneficial impact to employers. Removes employer-donated information regarding employee dependent care benefits from the commission's mandatory reporting requirements.

Effective Date: September 1, 2023

LOCAL GOVERNMENT CODE

Title 2. Organization of Municipal Government

Senate Bill 1860

Relating to the adoption of a climate policy in a municipal charter.

Adds Local Government Code, Sections and 9.0015 and 9.0045; amends Local Government Code, Sections 9.003 and 9.004

Author: Hughes Sponsor: Craddick

Forbids holding an election for voter approval of a home-rule charter provision "establishing a comprehensive rule or policy statement that purports to address climate change or the municipality's environmental impact, including water and energy use and air pollution," unless the legislature "adopts a resolution" approving the proposed provision. Invalidates any such provisions previously adopted, as of January 1, 2026.

Effective Date: September 1, 2023

Senate Bill 2038

Relating to release of an area from a municipality's extraterritorial jurisdiction by petition or election.

Adds Local Government Code, Sections 42.101, 42.102, 42.103, 42.104, 42.105, 42.151, 42.152, 42.153, 42.154, 42.155, and 42.156; amends Local Government Code, Sections 42.021 and 242.001.

Author: Bettencourt Sponsor: Bell

Compels release of municipal extraterritorial jurisdiction (ETJ) over any area--unless the area is protected--when: (A) requested by a petition signed by either "more than 50 percent of the registered voters" in the area or "a majority in value of the holders of title of land" in the area; or (B) approved by a "majority of qualified voters of the area to be released" at an election requested by a petition signed by "at least five percent of the registered voters residing in the area." Protects: (1) areas "within five miles" of certain military bases; (2) areas "voluntarily annexed" into ETJ in a county with a population over 240,00 (and more than 50% growth from 2010 to 2020); (3) ETJ area of a city with a population over 1,400,000 "within 15 miles of the boundary of a military base ... in a county with a population of more than two million" (apparently San Antonio); (4) an area "designated as an industrial district under Section 42.044;" or (5) an area "subject to a strategic partnership agreement" under Section 43.0751. Requires a municipality to call and conduct such elections, at its expense, and specifies that a municipality may "voluntarily release" ETJ before an election date. Provides that a released ETJ area "may not be included" in ETJ or corporate boundaries of a municipality "unless the owner or owners of the area" request inclusion. Specifies that an annexation "commenced after January 1, 2023" would not expand ETJ unless landowners request inclusion in the ETJ (apparently applies retroactively). Contains many other provisions.

Effective Date: September 1, 2023

House Bill 3514

Relating to the authority of a municipality to annex property in certain water districts.

Amends Local Government Code Section 43.071 to add (a) (4)

Author: Burns Sponsor: Birdwell

Allows municipality with population of less than 3,000 to annex property if the governing body of a water or sewer district the boundaries of which include the property consents to the annexation.

Effective Date: September 1, 2023

[House Bill 586](#)

Relating to municipal annexation of certain rights-of-way.

Amends Local Government Code, Section 43.1055

Author: Thompson Sponsor: Bettencourt

Allows municipalities to annex certain road rights of way if requested (or not objected to) by “the owner of the right-of-way or the governing body of the political subdivision that maintains the right-of-way.”

Effective Date: Immediate

[House Bill 3053](#)

Relating to the municipal disannexation of certain areas annexed during a certain period of time.

Adds Local Government Code, Section 43.1463

Author: Dean Sponsor: Paxton

Requires a city with a population of 500,000 or more to hold an election “on the question of disannexing” an area annexed between March 3, 2015, and December 1, 2017 with “a population of greater than zero,” subject to certain exceptions. Contains provisions for elections, elaborate ballot propositions, special districts, continuation of taxes, etc.

Effective Date: September 1, 2023

[House Bill 2127](#)

Relating to state preemption of and the effect of certain state or federal law on certain municipal and county regulation.

Adds Agriculture Code, Section 1.004; adds Business and Commerce Code, Section 1.109; adds Civil Practice and Remedies Code, Chapter 102A; adds Finance Code, Section 1.004; adds Insurance Code, Section 30.005; adds Labor Code, Section 1.005; adds Local Government Code, Section 51.002 and Chapter 229, Subchapter Z; adds Natural Resources Code,

Section 1.003; adds Occupations Code, Section 1.004; adds Property Code, Section 1.004

Author: Burrows Sponsor: Creighton

Creates the Texas Regulatory Consistency Act. Amends general provisions of various codes to specifically prohibit municipalities and counties from adopting, maintaining, or enforcing ordinances or rules that are inconsistent with state law. Permits injured persons to bring civil action against municipalities and counties for violations of the Act and waives governmental immunity. Provides that a municipality or county may not adopt regulations restricting or regulating businesses concerning the breeding, treatment or sale of animals or animal products, including veterinary practices, or the retail sale of cats or dogs. Does not affect the authority of a municipality or county to adopt policies related to its employees. Allows municipalities and counties to enforce certain rules regulating the conduct of a credit services organization or a credit access business. Provides that prohibited ordinances include those regulating evictions or otherwise prohibiting, restricting, or delaying delivery of a notice to vacate or filing a suit to recover possession of the premises with respect to forcible entry and detainer. Does not affect municipal or county authority to regulate a massage establishment.

Effective Date: September 1, 2023

Title 4. Finances

[Senate Bill 22](#)

Relating to the establishment of grant programs to provide financial assistance to qualified sheriff’s offices, constable’s offices, and prosecutor’s offices in rural counties.

Adds Local Government Code, Sections 130.911, 130.912, and 130.913

Author: Springer Sponsor: Guillen

Authorizes grants to support and assist sheriff’s, constable’s, and prosecutor’s offices in counties with populations of 300,000 or less.

Effective Date: September 1, 2023

Title 6. Records

House Bill 1195

Relating to the authority of certain county and district clerks to obtain and retain information that identifies a person filing a document or requesting services.

Amends Local Government Code, Sections 191.010 and 191.011

Author: Holland

Sponsor: Hall

Authorizes county clerks and district clerks in counties that allow electronic filing or recording to require “photo identification” from persons presenting documents or instruments for filing or recording (previously applied to certain large counties).

Effective Date: Immediate

Title 7. Regulation of Land Use, Structures, Businesses, and Related Activities

Senate Bill 929

Relating to the notice and compensation a municipality must provide before revoking the right to use property for a use that was allowed before the adoption of or change to a zoning regulation or boundary.

Amends Local Government Code, Section 211.006; adds Local Government Code, Section 211.019

Author: Parker

Sponsor: Rogers

Hobbles municipal regulation of “nonconforming uses” (which is not specially defined), especially requirements to stop nonconforming uses. Requires special notices to owners of public hearings regarding “any proposed adoption of or change to a zoning regulation or boundary” that would make a conforming use a nonconforming use. Allows an owner to continue a nonconforming use unless required by the municipality to “stop” it (“stop” being vaguely defined). Allows an owner or lessee who is required to “stop” a nonconforming use to choose between two remedies: (i) payment by the

municipality of certain direct costs plus “diminution in the market value of the property,” as determined by the municipality, subject to certain rules; or (ii) “continued nonconforming use of the property” until the owner or lessee recovers the amount of such payment “through the owner or lessee’s continued business activities according to generally accepted accounting principles.” Requires notices to owners and lessees within ten days after a municipality “imposes a requirement to stop a nonconforming use” and allows them 30 days after the notice to choose between the two prescribed remedies. Provides details about remedies, including apportionment of payments. Allows an appeal to the board of adjustment “not later than the 20th day” after a determination for a remedy (apparently a determination of payment or time of continued use). Allows appeals from board decisions to court (by petition for writ of certiorari) “not later than the 20th day after the date the final decision is made” and requires municipalities to prove the correctness of decisions “by clear and convincing evidence” (with no “deferential standard”). Does not limit the scope of a court’s determination. Contains provisions for continued use of the property “pending the appeal.” Does not apply to “a nonconforming use that has been intentionally abandoned for at least six months.” Waives governmental immunities and contains other provisions, including a provision for certain “stop” requests that appears to be retroactive to February 1, 2023.

Effective Date: Immediate

House Bill 1381

Relating to the public hearing requirement for a preliminary zoning report made by a zoning commission.

Amends Local Government Code, Section 211.007

Author: Hernandez

Sponsor: Alvarado

Specifies that, for adoption or amendment of zoning regulations, a zoning commission shall hold “at least one” public hearing on its preliminary report before submitting a final report to the governing body (in lieu of current

requirement to hold “hearings”), unless a joint hearing with the governing body is authorized. Applies “only to a proposal to change a municipal zoning classification made on or after the effective date of this Act.”

Effective Date: September 1, 2023

[House Bill 4057](#)

Relating to the inclusion of a property in a conservation district by certain municipalities.

Adds Local Government Code, Section 211.0166

Author: DeAyala Sponsor: Huffman

Applies to a city with a population of 2,000,000 or more (currently, Houston). Allows the owner of property “included within the boundaries of a conservation district” to exclude the property from the district by filing an acknowledged statement within one year. Defines "conservation district" to mean a “local preservation district ... to preserve, maintain, and protect the physical elements of development and the community character and heritage of neighborhoods having distinctive characteristics and patterns of development.” Does not apply to designation of a property as a local historic landmark or inclusion of a property in a historic district, as described in Section 211.0165.

Effective Date: Immediate

[House Bill 1526](#)

Relating to parkland dedication for multifamily, hotel, and motel property development by certain municipalities; authorizing a fee.

Adds Local Government Code, Sections 212.201 - 212.213 (new Subchapter H)

Author: Harris Sponsor: Hughes

For municipalities with populations over 800,000 (currently Houston, San Antonio, Dallas, Austin, Ft. Worth): (1) prohibits requirements to dedicate parkland--or pay fees in lieu of dedication--for “any commercial use” other than “a multifamily, hotel, or motel use,” but does not prohibit them for “the development of single-family or two-

family uses;” (2) limits required dedications (generally to 10% of “gross site area”); (3) limits fees by complex formulas, with an exclusion for “affordable” dwelling units; (4) requires municipalities to calculate dedications upon written request but focuses enforcement on the “plan application,” defined to cover various plans “proposing the development of multifamily, hotel, or motel units;” (5) requires municipalities to determine parkland dedication fees “before approving a plan application” but postpones collection to “issuance of a final certificate of occupancy;” (6) sets up a two-stage procedure for appeals; and (7) contains other provisions.

Effective Date: Immediate

[House Bill 3492](#)

Relating to county and municipal authority to impose certain value-based fees and require disclosure of certain information related to subdivision construction.

Adds Local Government Code, Sections 212.906 and 232.901

Author: Stucky Sponsor: Springer

Constrains municipal and county fees: (i) related to “acceptance, review, or processing of engineering or construction plans” or (ii) for “the inspection of improvements for construction of a subdivision or lot or a related improvement ...” Requires determinations of such fees to consider the “actual cost to . . . review and process the engineering or construction plan or to inspect the public infrastructure improvement,” and *not* the cost of “public infrastructure for a subdivision, lot, or related property development.” Requires annual publication of such fees and “the hourly rate and estimated direct time” of employees. Forbids requirements to disclose “information related to the value of or cost of constructing or improving a residential dwelling or the public infrastructure improvements for a subdivision, lot, or related property development as a condition of obtaining approval for subdivision construction or for the acceptance of those public infrastructure improvements except as required by [FEMA] for participation in the National Flood Insurance Program.”

Effective Date: September 1, 2023

House Bill 3526

Relating to the application of municipal building code to the construction of solar pergola.

Adds Local Government Code Section 214.221

Author: Raymond Sponsor: Springer

Prohibits municipality from applying a municipal building code to construction of a solar pergola.

Effective Date: September 1, 2023

House Bill 1922

Relating to periodic reauthorization of municipal building permit fees

Adds Local Government Code, Section 214.908

Author: Dutton Sponsor: Bettencourt

Requires periodic reauthorization (every ten years) of any “fee charged by a municipality as a condition to constructing, renovating, or remodeling a structure,” with a public hearing.

Effective Date: January 1, 2024

House Bill 3697

Relating to county regulation of subdivisions and approval of subdivision plans or plats.

Amends, adds or repeals various sections in Local Government Code, Chapter 232

Author: Wilson Sponsor: Bettencourt

Further regulates county plat approvals and tightens “shot clock” rules (including time extensions). Apparently allows owners to decide whether to dedicate “streets, alleys, squares, parks, or other parts of the tract,” which could trigger the requirements for a plat. Specifies when a plat is considered “filed” and requires county to issue and post “a written list of *all* documentation and other information that must be submitted.” Forbids requiring “an analysis, study, document, agreement, or similar

requirement ... that is not explicitly required by state law.” Allows more delegation of plat-related authority (with appeals to commissioners court). Authorizes recovery of attorneys fees in lawsuits seeking “a writ of mandamus to compel the commissioners court to issue documents” recognizing a plat approval. Forbids disapproval of a plat “for failure to identify a corridor, as defined by Section 201.619, Transportation Code, unless the corridor is part of an agreement between the Texas Department of Transportation and the county under that section.”

Effective Date: September 1, 2023

Senate Bill 59

Relating to notice of water and wastewater requirements for the foreclosure sale of residential properties by certain political subdivisions.

Amends Local Government Code, Section 232.0315; amends Tax Code, Section 34.01(e)

Author: Zaffirini Sponsor: King

For foreclosure sales of residential properties completed by the county, adds the applicability of section to include political subdivisions located in the county. Revises the statement required in the public notice of the sale of property and the statement required in the deed conveying the property in foreclosure sales of residential properties completed by the county or other political subdivision.

Effective Date: September 1, 2023

Senate Bill 1017

Relating to the authority of a political subdivision to regulate an energy source or engine.

Adds Local Government Code, Sections 247.001, 247.002, and 247.003

Author: Birdwell Sponsor: Landgraf

Forbids any regulation by a political subdivision that: (i) “results in the effective prohibition of infrastructure that is necessary to provide access to a specific energy source, including a

wholesaler, retailer, energy producer, or related infrastructure, including a retail service station;” or (ii) “directly prohibits or restricts the use, sale, or lease of an engine based on its fuel source.” Does not limit some specified regulations, including, for infrastructure, “siting requirements, including siting requirements involving certain geographic areas.” Contains other exceptions and provisions.

Effective Date: September 1, 2023

[House Bill 14](#)

Relating to third-party review of plats and property development plans, permits, and similar documents, and the inspection of an improvement related to such a document.

Adds Local Government Code, Sections 247.001 - 247.006 (new Chapter 247)

Author: Harris Sponsor: Bettencourt

Attempts to expedite or force development approvals by “regulatory authorities” (broadly defined to include a “governing body of a political subdivision, or a department, board, commission, or other entity . . . responsible for processing or approving a development document or conducting a development inspection”). Allows specified third parties (including a licensed engineer) to: (1) “review” a required “development document” (including “an application for a plat, plan, or development permit”) if the regulatory authority does not “approve, conditionally approve, or disapprove” by the 15th day after the date prescribed by the Local Government Code; and (2) “conduct a required development inspection” if the regulatory authority does not conduct it by the 15th day after the date prescribed by Code. Requires such third parties to “take all other related actions.” Allows appeals to the governing body of decisions regarding development documents (or inspections)--but states that a development document is "considered approved" (or an inspection is “waived”) if the governing body “does not affirm the decision being appealed.” Contains other provisions.

Effective Date: September 1, 2023

Title 8. Acquisition, Sale, or Lease of Property

[Senate Bill 543](#)

Relating to the conveyance of property by a municipality for the public purpose of economic development.

Adds Local Government Code, Section 253.0125

Author: Blanco Sponsor: Ordaz

Allows municipalities to transfer real property (or an interest in real property) to an entity under a “Chapter 380” economic development agreement, in exchange for consideration “in the form of an agreement between the parties that requires the entity to use the property in a manner that primarily promotes a public purpose of the municipality relating to economic development” and includes “provisions under which the municipality is granted sufficient control to ensure that the public purpose is accomplished and the municipality receives the return benefit.” Prescribes exclusions and restrictions.

Effective Date: Immediate

[Senate Bill 1766](#)

Relating to indemnification and duties of real property appraisers under certain governmental contracts.

Adds Local Government, Section 271.9041

Author: Creighton Sponsor: Paul

Limits enforceability of indemnity, “hold harmless,” and standard-of-care clauses in contracts between licensed appraisers and governmental agencies. Contains intricate provisions governing such contracts.

Effective Date: September 1, 2023

Title 9. Public Buildings and Grounds

House Bill 2071

Relating to certain public facilities, including public facilities used to provide affordable housing.

Amends Local Government Code, Sections 303.021, 303.042, and 392.005; adds Local Government Code, Sections 303.0421, 303.0425, 303.0426, and 303.0427

Author: Jetton Sponsor: Bettencort

Reins-in “public facilities corporations” owning or acquiring “multifamily residential developments” (also governmental sponsors) and eligibility for tax exemptions. Except for certain developments with “public housing units” or government assistance: (1) restricts a development’s location (to “the boundaries of the sponsor,” or “the area of operation” of a housing authority sponsor); (2) requires advance notices to taxing units and, sometimes, a public hearing and approval “by the governing body” of a municipality or county; (3) requires minimum percentages of units--and maximum rents--for lower and moderate income housing units; (4) restricts leasing practices, including marketing, acceptance of vouchers, lease terms, renewals, disclosures, notices, retaliation, waiver prohibition, etc.; (5) requires “rehabilitating, renovating, reconstructing, or repairing” when existing developments are acquired; (6) requires recordation of “a land use restriction agreement or a similar restrictive instrument;” (7) prescribes short-term and long-term expirations for tax exemptions; (8) requires a professionally-prepared “underwriting assessment” for approval of a development; (9) carves-out (from tax exemptions) taxes imposed by a district “that provides water, sewer, or drainage services to the development;” (10) requires audits and reports “to determine whether the public facility user is in compliance” and to identify differences in rents, with provisions for achieving compliance or losing tax exemption; and (11) adds conflict-of-interest rules. Imposes special requirements for a tax exemption for “a multifamily residential development which is owned by a public facility corporation created by a housing authority.” Requires Legislative Budget Board to conduct a

study to assesses “long-term effects on the state’s funding and revenue, including funding for public education, of ad valorem tax exemptions and sales and use tax exemptions for multifamily housing developments.” Requires rulemaking by the Texas Department of Housing and Community Affairs. Contains other provisions, including transition rules and dates when some requirements apply.

Effective Date: Immediate

Title 12. Planning And Development

House Bill 2815

Relating to the powers, authorities, duties, and responsibilities of certain conservation and reclamation districts and to notice a person who proposes to sell or convey real property located in any of certain conservation and reclamation districts must provide to a prospective purchaser of that property.

Amends, adds, repeals various sections in Local Government Code, Chapter 375 and Water Code, Chapters 49, 51, 53, 54, and 57; amends Special District Local Laws Code, Section 3919.205

Author: Jetton Sponsor: Creighton

Modifies various statutes governing management districts, municipal utility districts, and other conservation and reclamation districts. For management districts: (1) changes provisions for creation, petitions, notices, hearings, and confirmation elections; (2) allows *elected* boards to impose fees, assessments and taxes on “single-family detached residential property, duplexes, triplexes, and fourplexes” and call bond elections without owner petitions; (3) changes some provisions for directors, including removal; (4) allows “the levy of assessments, the levy of taxes, the imposition of impact fees, or the issuance of bonds” by “written consent” of directors “outside of a board meeting;” (5) allows assessments, *if voter-approved*, on “single-family detached residential property, duplexes, triplexes, and fourplexes;” (6) requires commission bond approval only for bonds “to provide water, sewage, or drainage facilities;” (7) changes statutory form for notice to purchasers of property in a district; and (8) allows consolidation

with municipal utility districts. For other types of districts: (a) allows directors to set the daily rate for their fees of office (currently capped at \$150), not to exceed “the per diem set by the Texas Ethics Commission for members of the legislature;” (b) changes provisions for internet posting of meeting notices; (c) excludes some director email addresses from open records laws; (d) changes provisions for confirmation and bond elections; (e) limits abolition of districts by annexation; (f) changes bond feasibility criteria for districts in 16 named counties; (g) provides an exception from certain “automatic” tax-rate elections in “developed districts” when “the adopted tax rate is less than or equal to the voter-approval tax rate;” (h) allows division of districts that have “never issued any bonds” and are “not imposing ad valorem taxes;” (i) changes provisions for notices to purchasers of property in districts and district information forms, including penalties; (j) allows some districts to substitute land; (k) changes provisions for “allocation agreements” and road powers for some districts; (l) changes director qualifications in levy improvement districts; (m) clarifies conversion of certain districts to municipal utility districts; and (n) changes provisions for filling vacancies in municipal utility districts. Contains other provisions, including transition rules and dates when some changes apply.

Effective Date: Immediate

NATURAL RESOURCES CODE

Title 2. Public Domain

[House Bill 4018](#)

Relating to the use of Parks and Wildlife Department land for carbon sequestration or similar ecosystem services projects.

Amends Natural Resources Code Sections 11.032(b) and 11.035(b); adds Natural Resources Code Section 11.302

Author: Ashby Sponsor: Kolkhorst

Allows the Texas Parks and Wildlife Department (TPWD) to enter into public or private agreements to develop nature-based carbon sequestration and similar ecosystem services

projects on TPWD land. Requires the TPWD to deposit funds received for said projects to be deposited to either the existing game, fish, and water safety account or the existing state parks account, depending on the primary use of the project land. Excludes development of carbon dioxide injection wells.

Effective Date: September 1, 2023

Title 5. Geothermal Energy & Associated Resources

[Senate Bill 785](#)

Relating to the ownership of and certain insurance policy provisions regarding the geothermal energy and associated resources below the surface of land.

Amends Insurance Code Section 2703.056; Amends Natural Resources Code Section 141.003(5); adds Natural Resources Code Section 141.004

Author: Birdwell Sponsor: Darby

Vests as real property the ownership of geothermal energy and associated below-surface resources in the landowner, or in the surface estate owner if the mineral and surface estates are severed. Allows the owner, or the owner’s lessee, heir, or assignee to drill for said geothermal energy and associated resources. Clarifies that the new geothermal provisions do not affect ownership or use of groundwater, of minerals dissolved in groundwater, or of existing oil, gas, and mineral extraction laws. Allows a title insurance company to treat geothermal energy rights as mineral rights are currently treated.

Effective Date: Immediate

Title 6. Timber

[House Bill 162](#)

Relating to minimum standards for prescribed burns.

Amends Natural Resources Code Section 153.047

Author: Murr Sponsor: Zaffirini

Narrows the requirement that any certified and insured prescribed burn manager be present during a prescribed burn. After the effective date, the burn boss must be present during a prescribed burn if (s)he is a certified and insured prescribed burn manager.

Effective Date: September 1, 2023

Title 7. Resources Programs

House Bill 562

Relating to the confidentiality of certain information received or maintained by the Veterans' Land Board.

Adds Natural Resources Code Section 161.080

Author: Raymond Sponsor: Flores

Protects active duty and reserve members of the Texas and U.S. military, veterans, and their family members from governmental public information disclosure of the following information: name, home address, telephone number, e-mail address, emergency contact information, social security number, or any information that reveals whether the person has family members. Makes an exception for release of said information to federal and state agencies, political subdivisions, and private vendors administering benefits for veterans and their family members, and to any other party with written consent.

Effective Date: Immediate

OCCUPATIONS CODE

Title 2. General Provisions Relating to Licensing

House Bill 3743

Relating to the Texas Department of Licensing and Regulation; expanding authority to adopt fees.

Amends Occupations Code Sections 51.002, 51.202(a) and 51.207(c); adds Occupations Code Sections 51.209(d) and 51.4014

Author: Goldman Sponsor: Kolkhorst

Extends the sunset period of both the Texas Commission of Licensing and Regulation and the Texas Department of Licensing and Regulation from September 1, 2023 to September 1, 2033. Allows the Commission to require applicants, licensees, and other parties regularly receiving correspondence from the Department to provide an email address for correspondence. Exempts boards established to advise the Commission or Department from the advisory committee requirements under Chapter 2110 of the Government Code. Prohibits the Department from issuing a license to a TDCJ inmate until the applicant's release, but allows the Department to accept and review such an application and issue a provisional or restricted license while the inmate is incarcerated.

Effective Date: September 1, 2023

House Bill 2453

Relating to the issuance of a digital occupational license by a state agency, county, or municipality.

Adds Occupations Code Sections 60.001-.002

Author: Guillen Sponsor: Parker

Allows state, county, or municipal licensing authorities to issue digital occupational licenses, and establishes requirements for same.

Effective Date: September 1, 2023

Title 5. Regulation of Financial & Legal Services

Senate Bill 604

Relating to land services performed by a landman.

Amends Occupations Code Chapter 954 and Section 1702.324(a); amends Tax Code Section 171.1011(g-11)

Author: King Sponsor: Hefner

Defines “land services” as the performance or supervision of one or more of the following:

- Negotiating the purchase, sale, etc. of mineral rights or rights associated with other energy sources;
- Negotiating easements, etc. for exploration or development of minerals or other energy sources;
- Researching public and private records to determine mineral rights or other energy source ownership;
- Reviewing title, curing title defects, etc. regarding mineral rights or other energy sources;
- Managing rights or interests derived from mineral interests or interests in other energy sources; and
- Using or pooling mineral interests or interests associated with other energy sources.

Specifies that “land services” are not the unauthorized practice of law so long as they are not performed by a landman holding himself out as a licensed attorney. Excludes from “land services” title-related activities for land not associated with mineral rights or rights associated with other energy sources, or for land related to a residential mortgage. Defines “mineral” to include oil, gas, other hydrocarbons, coal, lignite, uranium, etc. Defines “other energy source” as an energy-producing nonmineral natural resource such as geothermal, hydroelectric, nuclear, solar, and wind. Equates for franchise tax purposes those land services regarding mineral rights and those associated with other energy sources.

Effective Date: Immediate (Occupations Code); January 1, 2024 (Tax Code)

Title 7. Practices & Professions Related to Real Estate & Housing

[Senate Bill 1712](#)

Relating to the purchase, sale, or lease of real property on behalf of a limited partnership or a limited liability company.

Amends Occupations Code Section 1101.005

Author: Perry

Sponsor: Darby

Allows a partner or member of a limited partnership or LLC to act on behalf of the partnership or LLC regarding the purchase, sale, or lease of real property without having a real estate license.

Effective Date: Immediate

[Senate Bill 1577](#)

Relating to the Texas Real Estate Research Center, the Real Estate Research Advisory Committee, the Texas Real Estate Commission, and the Texas Appraiser Licensing and Certification Board; increasing a fee; authorizing a fee.

Amends Education Code Sections 86.51 and 86.52; amends Occupations Code Sections 1101.0045, 1101.054, 1101.152(a), 1101.154(a), 1101.356(a) & (b-1), 1101.358(a), 1101.451(d), 1101.603(f), 1101.610(a)-(b), 1103.003(6), 1103.0545(d), 1103.057(c), 1103.101-.105, 1103.209(e), 1103.452(b)-(c), 1103.458(c), 1103.459(c), 1103.5011, 1103.5012, 1103.507(a), and 1103.521(a); amends Property Code Section 5.086 and redesignates as Section 5.0205; adds Occupations Code Sections 1101.355(d)-(e); repeals Occupations Code Sections 1101.357, 1101.360(a), 1101.361, 1101.406, 1101.603(a) & (e), 1101.604(d), and 1103.259.

Author: Menendez

Sponsor: King

Renames the Real Estate Research Center the Texas Real Estate Research Center. Makes numerous housekeeping changes regarding the Real Estate Research Advisory Committee and Real Estate License Act (RELA). Modernizes various terminology and practices, e.g., changing “chairman” to “presiding officer,” and allowing Committee meetings to be held by conference call or internet teleconference. Amends the existing disclosure requirement regarding an option or other interest in a real estate contract to require said disclosure in writing, and adds that the notice must be given to any seller as well as any potential buyer. Clarifies that the statutory licensing and renewal fees are annual. Exempts LLCs and S corporations from licensure previously required under RELA, if the entity

receives a license holder's compensation as its only brokerage act, and the entity registers with TREC. Eliminates the in-state experience requirement for brokerage license applicants, and caps at 60 hours the classroom education requirements for said applicants. Raises the limits for payments out of the Real Estate Recovery Trust Account. Re-titles the Commissioner of the Texas Appraiser Licensing and Certification Board as Executive Director.

Effective Date: January 1, 2024

House Bill 1363

Relating to the repeal of the real estate inspection recovery fund.

Amends Occupations Code Sections 1101.603(c), 1102.114, 1102.402, 1102.403(b); repeals Occupations Code Sections 1101.603(d) and 1102.351-.364

Author: Kuempel Sponsor: Zaffirini

Eliminates the real estate inspection recovery fund (REIRF), leaving in place the requirement that inspectors carry liability insurance; also eliminates the inspector licensing fee that was paid into the REIRF. Reallocates to the general fund those administrative penalties that were previously paid into the REIRF, and establishes an offset of the TREC remittance to the general fund equal to the amount of said penalties deposited to the general fund. Creates a process to wind down the REIRF.

Effective Date: September 1, 2023

Senate Bill 1222

Relating to regulation of appraisers and the duties of the Texas Appraiser Licensing and Certification Board.

Amends Occupations Code Sections 1103.004, 1103.205(c), and 1103.554(a); adds Occupations Code Section 1104.2051; repeals Occupations Code Sections 1103.205(b) and 1103.259

Author: Zaffirini Sponsor: Kuempel

Excludes from the Texas Appraiser Licensing and Certification Act (TALCA) those persons performing appraisals in connection with the Practical Applications of Real Estate Appraisal course, but does allow such appraisals to count towards the experience requirement for a license or certificate under TALCA. Disqualifies as acceptable appraisal experience activity as a mortgage lending officer or real estate broker performing appraisals or doing technical reviews of appraisals. Allows the presiding officer of the Texas Appraiser Licensing and Certification Board (TALCB) to form an investigative committee to review and determine facts of a complaint under the Texas Appraisal Management Company Registration and Regulation Act, and to timely submit a written report to the TALCB. Repeals the requirement for an applicant to provide an affidavit swearing to having completed the required number of hours of experience. Eliminates the requirement for the TALCB to publish guidelines and study guides.

Effective Date: September 1, 2023

House Bill 2706

Relating to the regulation of manufactured homes.

Amends Occupations Code Sections 1201.1025(c), 1201.153(c), 1201.201(5), 1201.219(a), 1201.219(c), and 1201.357(b); adds Occupations Code Section 1201.1025(a-1)

Author: Shine Sponsor: Zaffirini

Allows the sale of manufactured homes without a retailer's license if all the manufactured homes are in a manufactured home community, if the sale involves the land where the community is located, and they are offered to the same purchaser. Excludes from a retailer's inventory those manufactured homes used by the retailer as equipment. Specifies the form for perfecting a lien against a retailer's inventory as the financing statement recited by Section 9.310 of the Business & Commerce Code. Changes the informal statutory meeting between the TDHCA Director and a manufacturer, retailer, or installer that does not provide warranty service from mandatory to optional.

Effective Date: September 1, 2023

Title 8. Regulation of Environmental & Industrial Trades

House Bill 2334

Relating to an exemption from the plumbing licensing law for certain work performed on certain private property.

Adds Occupations Code Section 1301.059

Author: Burns Sponsor: Paxton

Relaxes the requirement that one must be a licensed plumber to install, service, or repair service mains or service lines that provide water, sewer, or storm drainage services on private property in an area that extends from a public right-of-way or public easement to not less than five feet from a building or structure. Exempts one-family and two-family dwellings from this change.

Effective Date: September 1, 2023

House Bill 1859

Relating to the regulation of air conditioning and refrigeration contracting, including eligibility for an air conditioning and refrigeration technician registration or certification.

Amends Occupations Code Sections 1302.002(5-c), 1302.502, 1302.503, 1302.5035(a), 1302.5036; adds Occupations Code Sections 1302.1015 and 1302.5037

Author: Schaefer Sponsor: Perry

Allows the successful completion of a career and technology education program (CTEP) as a substitute for the 2,000 hours of combined classroom instruction and on-the-job training currently required for an air conditioning and refrigeration technician certification, and directs the Texas Commission of Licensing and Regulation (TCLR) to establish standards for such a program, which shall include both classroom instruction and a practical component; allows appropriate on-the-job training to count towards the practical component. Requires TCLR

to consult with the Texas State Technical College and air conditioning and refrigeration trade groups in establishing the initial standards, and to obtain the State Board of Education's approval of said standards if the CTEP will be offered in high schools; also requires the high school CTEP to be as stringent as a CTEP offered in higher education institutions. Limits CTEP instructors to licensed air conditioning and refrigeration contractors and those certified air conditioning and refrigeration technicians whose certification was issued on or after September 1, 2018, and provides a license renewal fee exemption and a continuing education reduction for said instructors. Lowers the minimum allowable age from 18 to 16, and requires that minors working as air conditioning and refrigeration technicians are at all times directly supervised by a licensed air conditioning and refrigeration contractor or a certified air conditioning and refrigeration technician.

Effective Date: September 1, 2023

House Bill 1391

Relating to the requirements to obtain a residential wireman license.

Amends Occupations Code Sections 1305.157 and 1305.167(d); adds Occupations Code Section 1305.1575

Author: Schaefer Sponsor: Perry

Allows the successful completion of a career and technology education program (CTEP) as a substitute for the 4,000 hours of on-the-job training currently required for a residential wireman license, and directs the Texas Commission of Licensing and Regulation (TCLR) to establish standards for such a program, which shall include both classroom instruction and a practical component; allows appropriate on-the-job training to count towards the practical component. Requires TCLR to consult with the Texas State Technical College and electrical trade interest groups in establishing the initial standards, and to obtain the State Board of Education's approval of said standards if the CTEP will be offered in high schools; also requires the high school CTEP to be as stringent as a CTEP offered in higher education

institutions. Limits CTEP instructors to licensed master electricians, journeyman electricians, and residential wiremen, and provides a license renewal fee exemption for said instructors.

Effective Date: September 1, 2023

Title 12. Practices & Trades Related to Water, Health, & Safety

House Bill 3744

Relating to the regulation of water well drillers and water well pump installers.

Amends Occupations Code Sections 1901.051(a), 1901.155, 1901.201, 1901.202(a), 1902.051(a), 1902.155, 1902.201, and 1902.202; repeals Occupations Code Sections 1901.054, 1901.203, 1901.204, 1902.054, and 1902.203

Author: Goldman Sponsor: Perry

Eliminates the requirement that the Texas Department of Licensing and Regulation (TLDR) prepare the licensing exams for water well drillers and water well pump installers, in favor of a broader requirement that TLDR provide for said exams. Allows for a licensing period of two years in addition to the current one-year period, determined by Texas Commission of Licensing and Regulation rule. Eliminates the requirement to maintain a register of licensed water well drillers and water well pump installers, as well the requirement for anonymous grading and the option to take an oral exam.

Effective Date: September 1, 2023

Senate Bill 1213

Relating to the establishment of the Mold Assessment and Remediation Advisory Board under the Texas Department of Licensing and Regulation.

Amends Occupations Code Section 1958.001(1); adds Occupations Code Chapter 1958, Subchapter A-1 and Section 1958.001(1-a)

Author: Zaffirini Sponsor: Goldman

Establishes an eleven-member Mold Assessment and Remediation Advisory Board with the following composition:

- Three licensed and practicing mold assessment consultants;
- Three licensed and practicing mold remediation contractors;
- Two members who are contractors primarily engaged in home construction and are members of a statewide building trade association;
- One member representing the insurance industry;
- One member representing an accredited mold training provider; and
- One member representing the public.

Describes the Board's duties as advising the Texas Commission and Department of Licensing and Regulation on the following as related to mold assessment and remediation:

- Technical matters;
- Standards of performance and work practices;
- Licensure qualifications, including training and continuing education; and
- Other relevant issues.

Requires appointment of the Board members by no later than December 1, 2023.

Effective Date: Immediate

Title 13. Sports, Amusement, & Entertainment

Senate Bill 500

Relating to the value of a residential dwelling offered or awarded as a prize at a charitable raffle.

Amends Occupations Code Section 2002.056(b-1)

Author: West Sponsor: Thompson

Raises the maximum value of a residential dwelling offered as a raffle prize from \$250,000 to \$750,000.

Effective Date: September 1, 2023

PARKS & WILDLIFE CODE

Title 2. Parks & Wildlife Department

House Bill 3065

Relating to the taking of wildlife by an employee of the Parks & Wildlife Department or by a person or agent of the person on the person's property.

Amends Parks & Wildlife Code 12.01(a) and adding (c), (d), e) and (f) to 12.013

Author: Bailes Sponsor: Perry

Permits employees of the Parks & Wildlife Department to shoot wildlife on a public road or right of way if the wildlife is mortally injured or behaving in a manner consistent with the wildlife being diseased. Permits landowner or his agent to shoot wildlife on landowner's property if the person has written authorization from the Department and is participating under the supervision of a department employee in a program for disease control in wildlife. Permits Parks & Wildlife Commission to adopt rules for implementation of these changes.

Effective Date: September 1, 2023

Title 3. Parks

Senate Bill 1648

Relating to the centennial parks conservation fund.

Amends Parks & Wildlife Code by adding Chapter 21A

Author: Parker Sponsor: Walle

Creates centennial parks conservation fund to be administered by the Parks and Wildlife Department to improve state parks. Requires that investments of the fund to be made as prudent investor. Permits the Parks and Wildlife Department to request a distribution from the fund to acquire real property for parks. Prohibits

funds from being used for items such as salaries or maintenance of parks.

Effective Date: January 1, 2024, if constitutional amendment in SJR 74 passes.

PENAL CODE

Title 9. Offenses Against Public Order and Decency

House Bill 611

Relating to the creation of the criminal offense of unlawful disclosure of residence address or telephone number.

Adds Penal Code Chapter 42 Section 42.074

Author: Capriglione Sponsor: Zaffirini

Makes it unlawful for a person to post the residence address or telephone number of a person on a publicly accessible website with intent to cause harm or a threat of harm. It does not apply to public servants who post this information as part of their lawful duties, for example, district and county clerks.

Effective Date: September 1, 2023

PROPERTY CODE

Title 2. Conveyances

House Bill 697

Relating to seller's disclosures regarding fuel gas piping in residential real property.

Amends Property Code Section 5.008(b)

Author: Holland Sponsor: Hughes

Modifies the required form of seller's disclosure for certain residential sales to require the seller to state whether the property has fuel gas piping, black iron pipe, corrugated stainless steel tubing, and copper. Applies to transfers if the contract of purchase and sale is executed after September 1, 2023.

Effective Date: September 1, 2023

Title 4. Actions and Remedies

Senate Bill 1768

Relating to the correction or removal of certain obsolete provisions of the Property Code.

Amends Property Code Sections 27.001(4), (5), and (8), Section 27.002(b), Section 27.003(a), and Section 27.004; Amends Property Code Section 53.172; Amends Property Code Section 74.3013(h); Amends Property Code Section 112.058; Amends Property Code Sections 202.002, 202.003, 202.004, 204.010

Author: Creighton Sponsor: Bryant

Removes references to the Texas Residential Construction Commission Act. Corrects and updates certain other statutory references.

Effective Date: Immediate

House Bill 2022

Relating to residential construction liability.

Amends Property Code Sections 27.001, 27.002(b), 27.003, 27.0042(a), and 27.006; Adds Property Code Sections 27.008 and 27.009; Repeals Property Code Sections 27.004(l), 27.0042(b), and 27.007(c)

Author: Leach Sponsor: King

Revises several definitions concerning residential construction liability and removes cross-references to the Texas Residential Construction Commission Act. Modernizes and simplifies some terms.

Broadens the term “appurtenance” to include a garage, outbuilding and retaining wall and to include structures regardless of whether or not they are attached to a dwelling unit. Simplifies the term “construction defect” to mean “a deficiency in the design, construction, or repair of a new residence, of an alteration of or repair or addition to an existing residence, or of an appurtenance to a residence, on which a person has a complaint against a contractor” and narrows the construction defect to remove damage “proximately caused by a construction defect.”

Broadens the definition of a contractor to include persons contracting with developers of other housing projects besides condominiums. Excludes damages for bodily or personal injury from the “economic damages” that may be recovered by a claimant. Revises the term “residence” to include one-family dwellings, two-family dwellings, certain townhouses, and certain accessory structures. Defines a townhouse.

Provides that a contractor is liable “only to the extent a defective condition proximately causes... actual physical damage to the residence[,],... an actual failure or lack of capability of a building component to perform its intended function or purpose[,],... or ... a verifiable danger to the safety of the occupants.”

Broadens some exceptions to a contractor’s liability for damages, including damages caused by a third party’s failure to mitigate damages or to maintain a residence; adds an exception for failure to “timely notify a contractor of a construction defect.” Removes liability for normal cracking.

Requires a claimant of breach of a warranty of habitability to establish that (1) a latent defect existed when “the residence was completed or title was conveyed” and (2) the latent defect “has rendered the residence unsuitable for its intended use as a home.”

Allows a contractor to conduct up to three inspections of the residence during the 35-day period after receipt of a claimant’s notice of defect.

Revises the time for a contractor to make a settlement offer to be 60 days after the contractor receives a claimant’s notice of defect.

Increases the time for a contractor to make repairs from 45 days to 60 days after receipt of the claimant’s notice of defect (although it appears that the time for repairs may be more than 60 days if the time is clearly stated in the settlement offer and the settlement offer is accepted).

Adds certain arbitration costs to economic damages to those that may be recovered for a construction defect.

Allows a court to order that a contractor's settlement offer is timely (even if it is made after 60 days after the notice of defect) if the contractor is "prejudiced in the contractor's opportunity to inspect... or make an offer" or if the claimant failed to provide available evidence to the contractor or if the claimant "amended a claim to add a new alleged defect" or "due to events beyond the contractor's control."

Adds a requirement to proof of causation that the claimant prove that the defect existed "at the time of completion of the construction, alteration, or repair."

Provides that arbitration tolls the statute of limitations on an action. Makes an attempted waiver of the provisions of Chapter 27 of the Property Code void.

Effective Date: September 1, 2023

[House Bill 3485](#)

Relating to a contractor's or subcontractor's right to elect not to proceed with additional work under a contract.

Adds Government Code Section 2251.0521; Adds Property Code Section 28.0091

Author: Bell Sponsor: Johnson

Allows contractors and subcontractors under public and private contracts to not proceed with additional work under a contract if they have not received a fully signed change order for the work and if the value of all additional work not covered by a signed change order exceeds ten percent of the original contract amount. Provides that, in such cases, the contractor or subcontractor who doesn't proceed with additional work is not responsible for damages caused by not proceeding.

Effective Date: September 1, 2023

[House Bill 450](#)

Relating to a cause of action for the bad faith washout of an overriding royalty interest in an oil and gas lease.

Adds Property Code Chapter 31

Author: Craddick Sponsor: Hughes

Defines a "washout" of an overriding royalty interest as the elimination or reduction of that interest by the lessee of the oil and gas lease (or certain lessee-related parties) forfeiting or surrendering the oil and gas lease or the mineral estate and then reacquiring it, free of the interest. Defines "bad faith" as the "conscious taking of action for the purpose of" completing a washout.

Permits a person to bring a lawsuit for a bad faith washout of the person's overriding royalty interest and entitles the person to relief if the person "proves by a preponderance of the evidence" that the plaintiff had an overriding royalty interest and that the defendant caused a washout in bad faith "by knowingly and intentionally causing a washout." Prescribes the venue for the action as the district court of the county in which the property subject to the oil and gas lease is located. Entitles a party prevailing in the action to recover actual damages, a constructive trust over the lease, and court costs and attorneys' fees. Limits the time to bring the action to 2 years after actual knowledge that the washout occurred.

Effective Date: September 1, 2023

[House Bill 207](#)

Relating to the exclusion of certain conveyances from classification as sham or pretended sales.

Adds Property Code Section 41.0022

Author: Murr Sponsor: Middleton

Establishes that certain qualified conveyances by individuals to entities, including conveyances by an individual to certain related entities (entities that are partially or wholly owned directly or indirectly by the individual or the individual's spouse) and conveyances of parcels that are not urban homesteads, are not shams or pretended sales. Clarifies that those transactions, and/or the liens related to them, may not be determined to be void under certain provisions of Texas law (including Section 50(c) of Article XVI of the

Texas Constitution) and, as a result, individuals are estopped from claiming sham or pretended sale or claiming homestead rights to avoid the conveyance or a related lien. Does not apply to parcels with residences of less than ten acres that are urban homesteads under Section 41.002(a) of the Texas Property Code.

Requires that, to satisfy the definition, the conveyance (1) take place at least thirty days prior to granting a lien, (2) not be the individual's residence at the time of the conveyance, (3) not be a parcel contiguous to the individual's residence, (4) not include conditions of defeasance (a provision that the conveyance will be null and void if some condition is occurs), and (5) be accompanied by a recorded affidavit that recites certain information.

The required affidavit must be titled "Affidavit Regarding Conveyance To An Entity" and must include several statements by the individual, including statements that evidence that the transaction meets all of the foregoing conditions and that the individual, after having reviewed the affidavit and having an opportunity to meet with an attorney, acknowledges that it is estopped from either claiming that the transaction is a sham or pretended sale or that the individual has not abandoned homestead rights. The affidavit must state that the individual understands that, if the parcel is specially taxed an open space land, "the entity must apply in its own name by the applicable filing deadline." The affidavit must also state that the lender and the entity can rely on the affidavit.

Clarifies that other transactions that do not meet the statutory requirements may be valid if the homestead has otherwise been legally abandoned or disclaimed.

Effective Date: September 1, 2023

Title 5. Exempt Property and Liens

Senate Bill 62

Relating to posting certain documents and information related to certain real property sales on a county's Internet website.

Amends Property Code Section 51.002(f-1); Adds Tax Code Section 34.015, Subsection (c-1)

Author: Zaffirini Sponsor: Guillen

Requires counties to post notices of foreclosure sales and the date, time and location of such sales on their website where they post "other auction information." Requires the county assessor-collector for each county to post a form to be used (or, if the comptroller's form is allowed, post a link to the comptroller's form) to request that the county assessor-collector state whether there are any delinquent property taxes owed for the applicable property.

Effective Date: September 1, 2023

House Bill 4635

Relating to organized crime, racketeering activities, and collection of unlawful debts; providing a civil penalty; creating criminal offenses.

Adds Civil Practice and Remedies Code, Chapter 140B; Amends Code of Criminal Procedure, Article 12.01; Adds Code of Criminal Procedure, Article 12.015; Amends Penal Code, Section 71.02(a); Adds Penal Code, Chapter 72; Adds Property Code, Chapter 68

Author: Guillen Sponsor: Flores

Sets forth numerous provisions related to RICO lien notices, which are notices filed by an "investigative agency" (defined as the Department of Public Safety, the attorney general [if the local prosecutor consents], or a local prosecutor) or authorized by an ex parte order "on a showing of probable cause to believe that the property was used in the course of, intended for use in the course of, derived from, or realized through conduct constituting an offense under Section 72.02, 72.03, or 72.04, Penal Code."

Provides that filing a RICO lien notice creates a lien on any real property in the county and any beneficial interest in any real property in the county.

Creates a process to provide notice of an ex parte order and allows the property owner to move to

discharge the lien. Requires the lien to be discharged if the court finds that certain criteria for the RICO lien notice were not satisfied.

Establishes the term of RICO lien notices; some are valid for 90 days (subject to a 90-day extension for good cause) from the date the court granted authorization and others are governed by Chapter 140B of the Civil Practice and Remedies Code. Creates procedures for expiration, renewal and releases of RICO lien notices.

Sets forth requirements for the form of the notice. Establishes that the filing “constitutes notice to the owner and knowledge by the owner that the property was used in the course of, intended for use in the course of, derived from, or realized through conduct constituting an offense under Section 72.02, 72.03, or 72.04, Penal Code, such that lack of such notice and knowledge is not a defense in any subsequent civil action under Chapter 140B, Civil Practice and Remedies Code.”

Permits an investigative agency to name a person acquiring an interest in property subject to the RICO lien notice as a defendant in a civil action under Chapter 140B, Civil Practice and Remedies Code.

Establishes certain duties of a trustee and a trust when a RICO lien notice is filed. Creates a criminal offense for failure to comply with certain duties.

Effective Date: September 1, 2023

Title 6. Unclaimed Property

[Senate Bill 658](#)

Relating to the disposition of money from certain attorney accounts delivered to the comptroller as unclaimed property.

Amends Property Code Section 74.602; Adds Property Code, Section 74.604

Author: Perry Sponsor: Leach

Changes the Texas Comptroller’s required use of unclaimed property if the property is unclaimed, unidentified, or abandoned money from an

attorney’s client trust account, including an abandoned IOLTA account (an account “established... by the Interest on Lawyers’ Trust Accounts Program” for the separate maintenance of client trust funds). Requires the Comptroller to credit the unclaimed funds to the Texas Judicial Fund’s basic civil legal services account to provide such services to indigent people through programs approved by the Texas Supreme Court. Provides that the funds shall also be used to reimburse the Texas Comptroller if the Texas Comptroller has paid a claim for money deposited to the basic civil legal services account. Clarifies that the statute does not apply to less than \$5,000 that the Texas Comptroller delivers to a reported owner pursuant to Section 74.503 of the Texas Property Code.

Allows the Texas Comptroller and the Texas Supreme Court to adopt rules to implement the new section of the Property Code. Applies to funds delivered before or after effective date of the statute and requires the Texas Comptroller to identify and deposit applicable funds “as soon as practicable after the effective date.”

Effective Date: September 1, 2023

Title 8. Landlord and Tenant

[Senate Bill 1259](#)

Relating to the maximum judgment amount awarded by a justice court in certain civil cases regarding the repair of residential rental property.

Amends Property Code, Section 92.0563(e)

Author: Creighton Sponsor: Vasut
Increases the maximum judgment amount that a justice court may award a tenant for certain residential rental disputes from \$10,000 to \$20,000, excluding interest and court costs.

Effective Date: September 1, 2023

[House Bill 3536](#)

Relating to a commercial landlord’s remedies regarding certain unlawful activities on the premises of commercial rental property.

Amends Property Code, Section 93.013(a)

Author: Manuel Sponsor: Paxton

Adds the operation of a non-compliant massage establishment to the Property Code's list of unlawful activities for which a commercial landlord may terminate a tenant's right of possession and recover possession of the leased premises.

Effective Date: September 1, 2023

Title 9. Trusts

House Bill 2333

Relating to noncharitable trusts without an ascertainable beneficiary.

Amends Property Code, Sections 111.04(4); adds Property Code, Chapter 112, Subchapter F

Author: Allison Sponsor: Flores

Adds a subchapter on noncharitable trust without ascertainable beneficiary to be included in the definition of an "express trust" and provides the requirements for a noncharitable trust without ascertainable beneficiary.

Effective Date: Immediate

House Bill 2196

Relating to trusts.

Amends Property Code, Sections 41.0021(a), 112.035, 112.036(b) and (c), 112.0715(a) and (b), 115.014(b), 112.0715(a) and (b); repeals Property Code, Section 112.0715(c)

Author: Smithee Sponsor: Parker, Tan

Adds to the definition of a "qualifying trust." States that a beneficiary of the trust may not be considered to be a settlor merely because the beneficiary held or exercised a testamentary power of appointment other than a general power of appointment, held a testamentary general power of appointment, or exercised a testamentary general power of appointment in favor of takers in default of the appointive assets. If a beneficiary exercised testamentary general

power of appointment in favor of appointee other than takers in default of the appointive assets, includes the appointive assets as subject to claim of creditors of the beneficiary and not subject to administration as part of the beneficiary's estate, recovery by the personal representative of the beneficiary's estate, or the payment of taxes or administration expenses. Adds that if the interest in one trust is distributed to another trust with a different effective date, the effective date of that interest in the second trust becomes the earlier of the effective dates of the two trusts. Amends that an interest in a trust must vest not later than the later of 300 days after the effective date or 21 years after some life in being, plus a period of gestation. States that a second trust created by a distribution of principal may retain the name and tax identification number of the first trust.

Changes in the Act apply to a trust created before, on, or after the effective date of the Act, except as otherwise provided by the Act.

Effective Date: Immediate

Senate Bill 801

Relating to an instrument that names a trust as a party.

Adds Property Code Section 114.087; Amends Property Code Section 5.028(a)

Author: Hughes Sponsor: Longoria

Provides that, effective as of the date of the original instrument, unless the trust is a legal entity under state law, the trustee of a trust is the named party to an instrument to which the trust is a party. States that the trustee is not required to be identified by a correction deed under Section 5.028 of the Property Code.

Creates a presumption that a recorded certification of trust under Section 114.086 correctly identifies the trust and the trustee. Allows a lender and a good faith purchaser for value to rely on the certification of trust. Allows a correction instrument to make a nonmaterial change to be used to correct the identity of a trustee named as a party. Applies to instruments executed on, before, or after the date of the statute.

Effective Date: September 1, 2023

Title 11. Restrictive Covenants

House Bill 4559

Relating to the application of statutes that classify political subdivisions according to population.

Amends Property Code, Sections 5.0622(a), 201.001(a), 204.002(a), 210.002, 211.001(4), and 211.002(a); amends, adds, and repeals various provisions of the Water Code, Parks and Wildlife Code, Occupations Code, Agriculture Code, Alcoholic Beverage Code, Local Government Code, Government Code, Code of Criminal Procedure, Penal Code, Transportation Code, Education Code, Tax Code, Election Code, Family Code, Health and Safety Code, Insurance Code, Natural Resources Code, and Utilities Code

Author: Darby Sponsor: Huffman

Omnibus bill that, for the most part, adjusts the threshold population numbers for municipalities and the application of population-specific code sections. Substantive portions related to the practice of real estate law include: (i) ISD use of property taxes for junior colleges; (ii) comptroller appraisal methods in school districts; (iii) voting on creation of hospital districts and related tax levies; (iv) requirements to put fencing around swimming pools in certain unoccupied properties; (v) commissioners' court procedures to lease property to for-profit entities for certain uses; (vi) certain municipalities' limited rights to sell land near lakes; and (vii) creation of public improvement districts for hotels in certain municipalities.

Effective Date: September 1, 2023

House Bill 1193

Relating to prohibiting housing discrimination by a property owners' association against a residential tenant based on tenant's method of payment.

Adds Property Code, Section 202.024

Author: Turner Sponsor: Miles

Prohibits a property owners' association (POA) from discriminating against a tenant based on the tenant's method of payment, or including such provision in the POA's dedicatory instrument.

Effective Date: September 1, 2023

House Bill 614

Relating to property owners' association fines.

Adds Property Code, Section 209.0061

Author: Shaheen Sponsor: Springer

Requires certain property owners' associations to adopt an enforcement policy on the levying of fines by the association. Policy must include general categories of violations and a schedule of fines for each category. Requires that the association provide a copy of the policy to each property owner and make the policy available on the association's website.

Effective Date: January 1, 2024

House Bill 886

Relating to requirements to file a property owners' association assessment lien.

Amends Property Code, Section 209.0094

Author: Shaheen Sponsor: Springer

Requires a property owners' association to provide multiple notices of delinquency to a property owner before filing an assessment lien. The first notice must be provided by first class mail or email. The second notice must be provided by certified mail, return receipt requested and at least 30 days after the first notice is given. An assessment lien may be filed 90 days after the second notice is sent. Applies only to an assessment that becomes delinquent on or after the effective date of the bill.

Effective Date: September 1, 2023

[House Bill 1558](#)

Relating to the extension or amendment of deed restrictions in certain older subdivisions.

Adds Property Code, Chapter 216

Author: Johnson Sponsor: Whitmire

Creates a procedure for older subdivisions to extend and amend restrictions in limited cases where the subdivision has no available process to make such changes, including the removal of discriminatory restrictions. Defines “older subdivision” as a subdivision described by a recorded map or plat filed before 1947. Applies to an older subdivision that (i) is located partially or fully in a municipality with a population greater than two million; (ii) does not have a written procedure to extend or amend restrictions; and (iii) has a single, non-mandatory property owners’ association.

Effective Date: Immediate

Title 13. Disclaimer of Property Interests

[Senate Bill 1650](#)

Relating to durable powers of attorney and the construction of certain powers conferred in those durable powers of attorney.

Amends Estates Code, Sections 751.002(5), 751.00201, 751.133, 751.251, 752.001(a), and 752.107; amends Property Code, Section 240.008; repeals Estates Code, sections 751.052 and 751.133(b)

Author: Parker, Tan Sponsor: Smithee

Changes “person” to “individual” in various definitions. Revokes the powers and authority granted in a power of attorney upon the court appointment of a permanent guardian of the estate for a ward and suspends the powers and authority granted in a power of attorney upon the court appointment of a temporary guardian of the estate, unless the court affirms the effectiveness of the power of attorney, and requires the agent whose powers are revoked to deliver the assets of the ward to the guardian of the estate. Allows a principal or agent, guardian, conservator, or other

fiduciary acting for the principal, a beneficiary, a governmental agency, and a person who demonstrates interest in the principal’s welfare or estate to bring an action requesting a court to construe or determine the validity or enforceability of a durable power of attorney or review an agent’s conduct under a durable power of attorney and award attorney’s fees and costs. Adds a provision limiting the authority granted in a power of attorney to be subject to the terms of an agreement governing or relating to an entity or entity ownership interest and to the extent the agent is permitted by law to act for the principal.

Effective Date: September 1, 2023

Title 15. Fair Housing Practices

[House Bill 567](#)

Relating to discrimination on the basis of hair texture or protective hairstyle associated with race.

Adds Property Code, Section 301.0045; adds Education Code, Sections 25.902 and 51.979; adds Labor Code, Section 21.1095

Author: Bowers Sponsor: Miles

Provides that racial discrimination under the Texas Fair Housing Act includes discrimination based on a person’s hair texture or a protective hairstyle that is commonly or historically associated with race, such as braids, locks, and twists.

Effective Date: September 1, 2023

TAX CODE

Title 1. Property Tax Code

[House Bill 1228](#)

Relating to the delivery of certain information under the Property Tax Code.

Amends Tax Code, Sections 1.07(a), 1.085, 25.192(d), 25.193(b), 25.195, 41.461(c), 41.47(d); repeals Tax Code, Sections 1.085(b – c), (g – h), and (k – m), 1.086, 41.46(e), and 41.47 (d – l).

Author: Metcalf Sponsor: Springer

Establishes a procedure for property owners to opt to communicate electronically with taxing authorities, requires the taxing authority to implement the procedure, and prohibits the charging of a fee for the use of such electronic communications.

Effective Date: January 1, 2024

[House Bill 1285](#)

Relating to the training and duties of a taxpayer liaison officer for an appraisal district.

Amends Tax Code, Sections 5.06, 6.052, 41.66(q)

Author: Shine Sponsor: Springer

Sets out procedures for filing and resolving complaints with the taxpayer liaison officer regarding disputes with the appraisal district or the appraisal review board not related to the appraisal of property. Expands on the required contents of taxpayer assistance pamphlets to include information relating to taxpayer liaison officers and advice on bringing a protest. Increases the scope of taxpayer liaison officer functions to include the provision of information and materials to taxpayers to assist in filing complaints under Section 41.66(g) (complaint that appraisal review board has adopted or is implementing improper procedures not consistent with those promulgated by the Comptroller) and requesting limited binding arbitration under Section 41A.015. Authorizes the appointment of deputy taxpayer liaison officers and requires annual performance reviews of taxpayer liaison officers. Mandates the removal of the chairperson of the appraisal review board upon a judicial finding, in concurrence with recommendations of the board of directors of the appraisal district, that a section 41.66 complaint has merit.

Effective Date: January 1, 2024

[House Bill 3207](#)

Relating to the composition of the agricultural advisory board of an appraisal district.

Amends Tax Code, Section 6.12(b)

Author: Murr Sponsor: Springer

Removes the requirement that the agricultural advisory board of an appraisal district be comprised of landowners who have been residents of the district for at least five years.

Effective Date: September 1, 2023

[House Bill 456](#)

Relating to an exemption from ad valorem taxation of certain interests in a mineral in place owned by certain charitable organizations.

Amends Tax Code, Section 11.18(a)

Author: Craddick Sponsor: King

Expands the definition of property held by a charitable organization that may be entitled to exemption from ad valorem taxation to include mineral interests, including royalties from mineral interests, provided that the mineral interest either (a) is not severed from the surface estate; or (b) was donated to the charitable organization by the previous owner of the interest.

Effective Date: January 1, 2024

[Senate Bill 719](#)

Relating to an exemption from ad valorem taxation of property owned by a charitable organization that provides services related to the placement of a child in a foster or adoptive home.

Amends Tax Code, Section 11.18(d)

Author: Paxton Sponsor: Thierry

Adds organizations providing services related to planning for the placement of or placing children in foster or adoptive homes or providing support or relief to women who are or may be pregnant and are considering placing their unborn child for adoption to the list of charitable organizations exempt from taxation of buildings, tangible personal property, and real property. Revises

references to “handicapped” to be individuals, children, or persons “with disabilities”.

Effective Date: January 1, 2024

[Senate Bill 1381](#)

Relating to the eligibility of the surviving spouse of an elderly person who qualified for a local option exemption from ad valorem taxation by a taxing unit of a portion of the appraised value of the deceased person's residence homestead to continue to receive an exemption for the same property from the same taxing unit in an amount equal to that of the exemption for which the deceased person qualified without applying for the exemption.

Amends Tax Code, Section 11.43

Author: Eckhardt Sponsor: Hefner

Adds date of birth of the applicant's spouse to the form for an application for a residence homestead exemption. Permits the surviving spouse to receive the exemption for individual 65 years of age or older in the next tax year without applying for the exemption if the appraisal district learns of the person's death and the surviving spouse is otherwise eligible to receive the exemption. Does not apply if the chief appraiser determines the surviving spouse is no longer entitled to any exemption on the property.

Effective Date: January 1, 2024

[Senate Bill 1801](#)

Relating to a requirement that each appraisal district periodically confirm that recipients of residence homestead exemptions qualify for those exemptions.

Adds Tax Code, Section 11.43(h-1)

Author: Springer Sponsor: Darby

Adds requirement for chief appraiser of an appraisal district to develop program for period review of each residence granted a homestead exemption to confirm the recipient still qualifies for the exemption. Requires the program to review each residence homestead exemption at

least once every five tax years. Allows the program to provide for the review to take place in phases, with a portion of the exemptions reviewed in each tax year.

Effective Date: September 1, 2023

[House Bill 4077](#)

Relating to the procedure for qualifying for an exemption from ad valorem taxation of the residence homestead of an elderly person.

Amends Tax Code Section 11.43(m)

Author: Noble Sponsor: Eckhardt

Clarifies that a person who receives a tax exemption in a given year and turns 65 the following tax year is not only entitled to receive the exemption in that following year, but that the chief appraiser must allow the exemption without requiring an application or other request.

Effective Date: January 1, 2024

[House Bill 2121](#)

Relating to the form of a rendition statement or property report used to render property for ad valorem tax purposes.

Amends Tax Code, Section 22.24(e)

Author: Paul Sponsor: Springer

Expands the categories of renditions and reports exempt from the requirement of sworn verification under Section 22.24 to include a report filed on behalf of a property owner who is rendering tangible personal property used for the production of income and whose good faith estimate of the market value of that property is not more than \$150,000.

Effective Date: January 1, 2024

[House Bill 260](#)

Relating to the calculation of net to land in the appraisal of open-space land for ad valorem tax purposes.

Amends Tax Code, Section 23.51(4)

Author: Murr Sponsor: Perry

Modifies method of calculating the average annual net income derived from the use of open-space land during the five-year period preceding the appraisal year to require that the appraiser take into consideration the affect that the presence of diseases or pests affecting the wildlife, livestock or crops on the subject property or an adjacent property may have on the net income from the subject property.

Effective Date: January 1, 2024

[House Bill 2354](#)

Relating to the eligibility of land to continue to be appraised for ad valorem tax purposes as qualified open-space land following a transfer to a surviving spouse.

Amends Tax Code, Section 23.54

Author: Hefner Sponsor: Springer

Exempts already qualified open-space agricultural land inherited by surviving spouses from the requirement of a new application to continue qualified open-space status for appraisal purposes under Section 23.54 by providing that such inheritance does not constitute a change of ownership.

Effective Date: January 1, 2024

[Senate Bill 1191](#)

Relating to late applications for the appraisal of land for ad valorem tax purposes as qualified open-space land following the death of the owner of the land.

Amends Tax Code, Section 23.541

Author: Zaffirini Sponsor: Hefner

Allows surviving spouse or surviving child, executor or administrator of the estate, or a fiduciary acting on behalf of the surviving spouse or surviving child to apply for appraisal of qualified agricultural land after the deadline for

filing the application if the land was appraised in the preceding tax year, the ownership of the land changed as a result of the death of an owner during the preceding tax year, and the application is filed not later than the delinquency date for the taxes on the land for the year in which the application is filed.

Effective Date: Immediate

[House Bill 1911](#)

Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.

Amends Tax Code, Section 25.025(a)

Author: Burrows Sponsor: Perry

Expands the categories of persons who may elect to restrict access to their personal information in ad valorem tax records to include (1) current and former employees and contract staff members of a university health care provider or corrections facilities operated by either the Texas Department of Criminal Justice or the Texas Juvenile Justice Department; and (2) current and former attorneys for the Department of Family and Protective Services.

Effective Date: Immediate

[Senate Bill 617](#)

Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.

Amends Tax Code, Section 25.025(a)

Author: Blanco Sponsor: Gonzalez

Adds customs and border protection officers and border patrol agents, along with their spouse, surviving spouse, and adult children, to the categories of persons who may elect to restrict access to their personal information in ad valorem tax records.

Effective Date: Immediate

[House Bill 3273](#)

Relating to public notice of the availability on the Internet of property-tax-related information.

Amends Tax Code, Sections 25.19, 26.04, 26.05, 26.17, and 41.46(a)

Author: Thierry Sponsor: Bettencourt

Requires the chief appraiser of each appraisal district and an assessor for each taxing unit that participates in the appraisal district to clearly post on each of their Internet websites, if maintained, a notice informing the owners within an appraisal district of the estimated amount of taxes. Provides the notice requirements along with instructions for registering on the appraisal district's website to have the notices regarding updates sent by email. Requires the chief appraiser of each appraisal district to deliver email notifications regarding updates to the property tax database if that owner registers. Permits the comptroller to adopt formatting, posting and publication rules for the notice.

Effective Date: January 1, 2024

[Senate Bill 1999](#)

Relating to the calculation of the unused increment rate of a taxing unit.

Amends Tax Code, Section 26.013

Author: Bettencourt Sponsor: Hefner

Updates the formula used to calculate a taxing unit's unused increment rate for property tax purposes.

Effective Date: January 1, 2024

[House Bill 796](#)

Relating to the creation and maintenance by an appraisal district of a publicly available Internet database of information regarding protest hearings conducted by the appraisal review board established for the district.

Amends Tax Code, Section 26.17(c); adds Tax Code, Section 41.13

Author: Button Sponsor: Bettencourt

Requires the chief appraiser of each appraisal district to create and maintain a publicly available and searchable (the term "searchable" is not defined) online database containing certain information regarding protest hearings conducted by the district's appraisal review board. Mandates that the chief appraiser update the database not later than October 1 of each year and sets a deadline of January 1, 2030 for the database to include information relating to all protests for the preceding five (5) years. Requires the internet website for each taxing unit in which the property is located to provide a link to the database (i.e., each county, city, ISD, MUD, hospital district, et al. in which the property is located must have a link to the database on their website).

Effective Date: January 1, 2024

[Senate Bill 2091](#)

Relating to the authority of a taxing unit to sell certain seized or foreclosed property to an owner of an abutting property without conducting a public sale.

Amends Tax Code, Sections 33.43(a), 34.02(a) and (d); adds Tax Code, Section 34.0101

Author: West Sponsor: Sherman

Provides process for selling real property seized under a tax warrant or ordered sold pursuant to foreclosure of a tax lien to an owner of abutting property at a private sale. Applies only to property that is landlocked, that cannot be used independently under its current zoning classification or development ordinances because of its shape or size, or that is in a floodway or an area at risk of flooding.

Effective Date: September 1, 2023

[House Bill 4250](#)

Relating to the right of the clerk of a court to deduct from the amount of the excess proceeds from an ad valorem tax sale of property the cost of postage for sending to the former owner of the

property a notice of the owner’s right to claim the proceeds.

Adds Tax Code, Section 34.03(d)

Author: Lalani Sponsor: Miles

Permits the clerk of the court that issued the warrant to seize real property or order of a tax sale pursuant to a foreclosure of a tax lien to deduct from the amount of excess proceeds under such tax sale the cost of postage for sending formal notice to a former property owner setting forth the excess amount, their rights to claim such amount, and copies of the applicable Tax Code.

Effective Date: September 1, 2023

[House Bill 4101](#)

Relating to the matters that may be the subject of limited binding arbitration to compel compliance with procedural requirements related to protests before appraisal review boards.

Amends Tax Code, Section 41A.015

Author: Shine Sponsor: Bettencourt

Authorizes a property owner who files a notice of a property tax protest to request limited binding arbitration to require the appraisal review board or chief appraiser to comply with the hearing procedures adopted by the appraisal review board under Section 41.01(c). Applies to a request for limited binding arbitration related to a protest under Chapter 41 of the Tax Code for which a notice of protest is filed by a property owner on or after January 1, 2024.

Effective Date: January 1, 2024

[House Bill 2488](#)

Relating to the burden of proof in certain ad valorem tax appeals.

Amends Tax Code, Section 42.23

Author: Geren Sponsor: Alvarado

Provides that, in an appeal of an order of an appraisal review board determining a protest

involving an increase in appraised value, an appraisal district shall have the burden of establishing the appraised value of the subject property by clear and convincing evidence if the appraised value of the property for the preceding tax year was determined at a trial on the merits.

Effective Date: September 1, 2023

Title 2. State Taxation

[Senate Bill 1013](#)

Relating to the franchise and insurance premium tax credit for the certified rehabilitation of certified historic structures.

Renames Tax Code, Title 2, Subtitle F; adds Tax Code, Chapter 172

Author: Hughes Sponsor: Noble

Moves key provisions of Texas’ historic preservation tax credit, currently found within Chapter 171 of the Tax Code on franchise tax, to a separate chapter. The credit is available for rehabilitation costs of designated historic buildings. The stated concern was that, at some point, the franchise tax may be repealed, taking this successful program with it.

Effective Date: September 1, 2023

[House Bill 1058](#)

Relating to a franchise or insurance premium tax credit for certain housing developments.

Adds Tax Code, Chapter 171, Subchapter K; adds Insurance Code, Subtitle B, Chapter 233

Author: Goldman Sponsor: Perry

Provides a franchise and insurance premium tax credit for qualified multifamily developments, to be administered by the Texas Department of Housing and Community Affairs; “qualified developments” are those for which the TDHCA awards or allocates federal tax credits; allows developers of low-income housing to “layer” state and federal credits to reduce development costs.

Effective Date: January 1, 2024

TRANSPORTATION CODE

Title 6. Roadways

[Senate Bill 1869](#)

Relating to the disposition of surplus real property no longer needed for state highway purposes.

Amends Transportation Code Sections 202.021 and 202.030

Author: Perry Sponsor: Darby

Raises the value threshold for the requirement to get Governor and Attorney General approval of the sale of TxDOT surplus real property, from \$10,000 to \$100,000.

Effective Date: September 1, 2023.

UTILITIES CODE

Title 2. Public Utility Regulatory Act

[House Bill 1500](#)

Relating to the continuation and functions of the Public Utility Commission of Texas and the Office of Public Utility Counsel, and the functions of the independent organization certified for the ERCOT power region; increasing an administrative penalty.

Amends multiple Utilities Code sections in Chapters 12, 13, 35, 36, 3, 39, 40, 41, and 52; adds multiple Utilities Code sections in Chapters 12, 35, 38, and 39; adds Water Code Section 13.4132(b-1); repeals Business & Commerce Code, Section 304.201; repeals Utilities Code Sections 31.003, 39.155(b), 39.904, 39.916(g), 39.918(k), 52.006; and repeals Section 34, Chapter 426, Acts of the 87th Legislature, Regular Session 2021.

Author: Holland Sponsor: Schwertner

Generally, amends current laws relating to the continuation of the Public Utility Commission of Texas (the “Commission”) and the Office of

Public Utility Counsel (“OPUC”), as well as the functions of the Commission, OPUC, and the Electric Reliability Council of Texas (“ERCOT”). Specifically, it (a) extends the sunset date of the Commission and OPUC to September 1, 2029, (b) establishes a required training program for the Commission’s members, and (c) prohibits a member from voting or deliberating until that person completes the program. Other topics in the bill include (a) the Commission’s public participation policies, (b) required contents of the Commission’s biennial report, (c) improvement of the Commission’s public communication effectiveness, (d) requirements for voluntary mitigation plans, (e) reporting of unplanned service interruption, (f) pricing standards for wholesale transmission services, (g) mandatory circuit segmentation studies, (h) delegation of the Commission’s rule-making authority, (i) wholesale electric market monitors, (j) additional reporting requirements for the Commission and utilities, and (k) additional renewable energy studies.

Effective Date: September 1, 2023

[Senate Bill 1016](#)

Relating to the consideration of employee compensation and benefits in establishing the rates of electric utilities.

Adds Utilities Code Section 36.067

Author: King Sponsor: Dean

Provides that when establishing an electric utility’s rates, the regulatory authority shall presume that employee compensation and benefits expenses are reasonable and necessary if the expenses are consistent with market compensation studies issued not earlier than three years before the initiation of the proceeding to establish the rates.

Effective Date: Immediate

[Senate Bill 1015](#)

Relating to periodic rate adjustments by electric utilities.

Amends Utilities Code Section 36.210(a), (d), and (g); Adds Utilities Code Section 36.210(h) and (i); Repeals Utilities Code, Section 36.210(d-1)

Author: King Sponsor: Spiller

Provides deadlines and procedures under which an electric utility may request a periodic rate adjustment from the Public Utility Commission of Texas.

Effective Date: Immediate

[Senate Bill 365](#)

Relating to the issuance or amendment of a certificate of public convenience and necessity that authorizes the construction of an electrical substation.

Amends Utilities Code Section 37.054

Author: Zaffirini Sponsor: Landgraf

Provides the Public Utility Commission of Texas require applicants for a certificate of convenience and necessity to provide written notice of each proposed substation to owners of adjacent property to where the substation will be located, and to property located directly across a highway, road, or street adjacent to the property where the substation will be located.

Effective Date: September 1, 2023

[House Bill 5066](#)

Relating to electricity service in areas of this state with a need for transmission projects.

Amends Utilities Code Sections 37.056(c) and (c-1); Amends Utilities Code Section 37.057; Adds Utilities Code Sections 39.166 and 39.167

Author: Geren Sponsor: Schwertner

Revises factors under which the Public Utility Commission of Texas (the “Commission”) will grant a certificate of convenience for construction of new transmission lines. Requires the Commission to consider the historical load, forecasted load growth, and additional load

currently seeking interconnection, including load for which the electric utility has yet to sign an interconnection agreement, as determined by the electric utility with the responsibility for serving the load. Provides the Commission must approve or deny an application for a certificate of convenience for a new transmission facility from 1 year to 180 days after the date the application is filed. Requires the Commission to direct the certified independent organization for the ERCOT power region to develop a reliability plan for the Permian Basin region, which plan must (1) address extending transmission service to areas where mineral resources have been found; (2) address increasing available capacity to meet forecasted load; and (3) provide available infrastructure to reduce interconnection times in areas without access to transmission service.

Effective Date: Immediate

[Senate Bill 1076](#)

Relating to the deadline for approving a certificate of public convenience and necessity for certain transmission projects.

Amends Utilities Code Section 37.057

Author: King Sponsor: Geren

Requires the Public Utility Commission of Texas to approve or deny an application for a certificate for a new transmission facility not later than 180 days (as opposed to one year) from the date the application is filed.

Effective Date: Immediate

[Senate Bill 1093](#)

Relating to facilities included in the electricity supply chain.

Amends Utilities Code Section 37.157; Amends Utilities Code Section 38.201(a), (b), and (c); Adds Utilities Code Section 38.20(a-1); Amends Utilities Code Section 38.202(c); Amends Utilities Code Section 38.203(a); Adds Utilities Code Section 38.203(f), (g), (h), and (i)

Author: Schwertner Sponsor: Metcalf

Requires each electric utility, transmission and distribution utility, electric cooperative, and municipally-owned utility to provide the utility's service area boundary map, using good faith efforts, in a geographic information system format to the Public Utility Commission of Texas. Redefines "electricity supply chain" to include roads necessary to access facilities in the electricity supply chain, as well as water and wastewater treatment plants. Limits access to the electricity supply chain map.

Effective Date: Immediate

Senate Bill 1170

Relating to the initiation of customer choice by municipally owned utilities that provide electric service.

Amends Utilities Code Sections 40.053(c), (d), and (e); Amends Utilities Code Section 40.057(c)

Author: Perry Sponsor: Tepper

Eliminates mandate that a municipally-owned utility designate itself or another provider of last resort for customers and replaces it with an option to designate itself or one or more other entities as providers of last resort for customers. Allows the utility to delegate the authority to designate the provider(s) of last resort to the Public Utility Commission of Texas (the "Commission"), and provides the Commission may set the rate each provider of last resort may charge and is not required to comply with procedures or criteria adopted by the municipally-owned utility. Provides that a municipally-owned utility that opts for customer choice and does not sell electric energy to retail customers is not required to bill directly for distribution, transmission, and generation services provided to retail electric customers located in its certificated service area.

Effective Date: Immediate

Title 3. Gas Regulation

House Bill 2263

Relating to the authority of a natural gas local distribution company to offer energy conservation programs.

Adds Utilities Code Chapter 104, Subchapter J

Author: Darby Sponsor: Hughes

Allows local gas distribution companies to offer an energy conservation program, and gives the railroad commission exclusive original jurisdiction over such energy conservation programs. Prohibits a political subdivision from limiting an eligible customer from participating in the energy conservation program based on the type or source of energy delivered to the customer. Requires an annual report from any local distribution company that implements an energy conservation program. Authorizes proposed energy conservation programs to be combined in a portfolio to provide incentives and services to encourage energy conservation.

Effective Date: Immediate

Title 4. Delivery of Utility Services

House Bill 2664

Relating to the disclosure of customer information by government-operated utilities.

Amends Utilities Code Section 182.054

Author: Tepper Sponsor: Perry

Adds to the list of entities to which a government-operated utility may disclose personal information in a customer's account record.

Effective Date: Immediate

WATER CODE

Title 2. Water Administration

Senate Bill 1397

Relating to the continuation and functions of the Texas Commission on Environmental Quality.

Amends Health and Safety Code Sections 382.05101, 382.0511(c); Adds Health and Safety Code Sections 382.051985 and 382.056 (k-2); Amends Water Code Sections 5.014, 5.0535(b) and adds Subsection (d), 5.113, 5.129(a) and

adds Subsection (a-1), adds Sections 5.136, 5.1734 and adds Subchapter M-1, 5.754(c) and adds Subsection (c-1); Amends Water Code Section 7.052(c); Adds Water Code Section 7.0675; Adds Water Code Section 11.02363; Amends Water Code Section 11.1471(f) and adds Subsection (g); Amends Water Code Chapter 28A, adding Subchapter D

Author: Schwertner Sponsor: Bell

Updates types of permits that can by rule of the Texas Commission on Environmental Quality (“TCEQ”) be eligible for criteria for de minimis air contaminants. Creates standard permit for certain temporary concrete plants for public works. Requires TCEQ to hold open public comment period and period for which a contested case hearing may be requested if a public meeting is held for a permit application for which a consolidated notice was issued. Continues the TCEQ under the Texas Sunset Act until September 1, 2035. Updates training program for appointed TCEQ members. Updates requirements of public notices to include name of the permit applicant, type of permit applied for, and location of each existing or proposed site subject to the proposed permit. Requires TCEQ to provide outreach and education to the public on participating in the permit process. Requires electronic posting of permit applications and updates permitting procedures, including notifying the state senator and state representative who represent the area in which the activity that is subject of the permit application relates. Requires temporary permit holder with an indefinite term to report annually to the TCEQ. Updates requirements regarding a person’s compliance history. Caps penalties to \$40,000 a day under certain circumstances. Requires TCEQ to establish an enforcement diversion program for small businesses and local governments. Updates review requirements of environmental flow standards. Requires TCEQ to development and make available on its website best management practices for operational issues related to dust control, water use, and water storage. Provides deadlines for the establishment of various rules.

Effective Date: September 1, 2023

[Senate Bill 471](#)

Relating to the investigation by the Texas Commission on Environmental Quality of certain complaints.

Adds Water Code Section 5.176(c); Amends Water Code Section 5.177(c)

Author: Springer Sponsor: Harris

Authorizes the Texas Commission on Environmental Quality (“TCEQ”) to not investigate a complaint that may be addressed during other TCEQ activities or was filed by an individual when there is not a reasonable probability the complaint can be substantiated and (i) is repetitious or redundant of other complaints filed in the preceding 12 months that were not substantiated or (ii) the complainant has filed in the preceding 7 years at least 5 complaints no substantiated.

Effective Date: September 1, 2023

[House Bill 1565](#)

Relating to the functions of the Texas Water Development Board and continuation and functions of the State Water Implementation Fund for Texas Advisory Committee.

Amends Water Code Sections 6.013, Section 6.062(b) and adds Subsection (d); Amends Water Code Sections 15.438(k), 16.053(e) and adds Subsection (e-2); Adds Water Code Sections 16.147; 17.276(d-1), (d-2), and (d-3); Repeals Water Code Sections 15.108, 15.2187, and 15.3061

Author: Canales Sponsor: Perry

Amends Texas Water Development Board’s (“TWDB”) sunset review date to 2035. Enhances training program for TWDB board members. Requires executive administrator to create a training manual for board members and requires board members to sign and submit a statement acknowledging receipt and review of the training manual. Extends State Water Implementation Fund for Texas Advisory Committee to 2035. Requires each regional water plan to include information on large projects, including

expenditures on sponsor money, permit applications, and status updates on plans of construction of a project. Authorizes regional water planning group to plan for drought conditions worse than the drought of record. Requires TWDB board to develop and implement performance goals and performance metrics in reviewing proposed projects. Authorizes TWDB board to adopt procedures allowing the use of different standards of review and approval of design criteria for plans and specifications for sewage collection, treatment and disposal systems.

Effective Date: September 1, 2023

Senate Bill 28

Relating to financial assistance provided and programs administered by the Texas Water Development Board.

Amends Water Code Section 10.010; Amends Water Code, Chapter 15, adding Subchapters C-1 and H-1; Amends Water Code Sections 15.438(a), 15.472(a), 15.474(a), and 15.994(c); Amends Water Code Sections 16.0121, 16.401, and 16.4021(b); Adds Water Code Section 16.027

Author: Perry Sponsor: King

Establishes new water supply for Texas fund to be administered by the Texas Water Development Board (“TWDB”) for purpose of funding projects that will lease to seven-million-acre feet of new water supply by December 31, 2033. Requires TWDB to adopt rules to administer the fund. Replaces certain membership of the State Water Implementation Fund for Texas Advisory Committee (SWIFTAC) from a member of the committee senate and house having primary jurisdiction over natural resources to the chair of the committee of each chamber having primary jurisdiction over water resources. Provided a constitutional amendment is approved by voters, establishes the Texas Water Fund (TWF) to be administered by the TWDB for purposes of funding certain water projects. Authorizes TWDB to adopt rules to administer the TWF. If approved by voters the TWF will take effect January 1, 2024. Requires SWIFTAC to submit comments and recommendations to the TWDB regarding use of

funds and to review the overall operation, function and structure of the TWF at least annually. Requires the TWDB to establish a program to provide technical assistance to retail public utilities in conducting water audits. Changes name of Statewide Water Conservation Public Awareness Program to Statewide Water Public Awareness Program and establishes the Statewide Water Public Awareness Account.

Effective Date: September 1, 2023

Senate Bill 317

Relating to appellate jurisdiction of the Public Utility Commission regarding certain water or sewer service fees.

Amends Water Code Section 13.043(e) and adds Subsection (g-1)

Author: Hall Sponsor: Kitzman

Authorizes applicant for service from an affected county or water supply or sewer service corporation to appeal to the Public Utility Commission (“PUC”) any fee to obtain service, except a groundwater conservation district or other government fee as well as the regular membership or tap fees. Authorizes applicant to appeal to the PUC for a determination of whether the regular membership fee or tap fee is consistent with the tariff of the service provider. If found to be inconsistent, requires the PUC to issue an order requiring consistency. Requires an appeal to be initiated within 30 days after the service provider provides the cost of obtaining service.

Effective Date: Immediate

House Bill 2373

Relating to the authority of a water or sewer utility to consolidate more than one system under a single tariff.

Repeals Water Code Section 13.145

Author: Harris Sponsor: Nichols

Repeals law that requires the Public Utility Commission to approve consolidation under a

single tariff of more than one system only if the systems are substantially similar.

Effective Date: Immediate

[Senate Bill 1778](#)

Relating to the process for initiating, transferring, or terminating water or sewer service.

Adds Water Code Section 13.152

Author: Alvarado Sponsor: Rogers

Authorizes a retail public utility to initiate, transfer, or terminate a customer’s water or sewer service on receipt of a customer’s request by mail, telephone, through the internet, or another electronic transmission.

Effective Date: September 1, 2023

[House Bill 2774](#)

Relating to treatment of income tax expenses in rate proceedings for water and sewer utilities.

Amends Water Code Section 13.185(f)

Author: Thompson Sponsor: Nichols

Changes how tax expenses are calculated for water and sewer utility rate proceedings. Requires that income tax expenses be computed using the statutory income tax rates. Changes rules for income tax calculation for a utility in a consolidated group.

Effective Date: September 1, 2023

[House Bill 4385](#)

Relating to the provision of sewer service without a certificate of public convenience and necessity.

Amends Water Code Section 13.242(c)

Author: Guillen Sponsor: Alvarado

Authorizes the Public Utility Commission to allow a municipality or utility or water supply corporate to render retail sewer services without a certificate of public convenience and necessity

under certain circumstance, in same manner as water service is allowed under current law.

Effective Date: September 1, 2023

[Senate Bill 893](#)

Relating to the correction of a certificate of public convenience and necessity for providing water or sewer service.

Adds Water Code Section 13.244(e) and (f); Amends Water Code Section 13.246(j)

Author: Zaffirini Sponsor: King
Authorizes the executive director of the Public Utility Commission (“PUC”) to make a correction to a certificate of public convenience and necessity without formal amendment procedures if the correction is for (i) a clerical or typographical error, (ii) a name change for an incorporated certificate holder, (iii) correcting a mapping error in a certificate to reflect the metes and bounds of the certificated area, or (iv) correcting another similar nonsubstantive error or matter if authorized by the PUC. Requires the certificate holder to enter an agreement with any other service provider directly affected by any correction and to notify customers directly affected by any correction.

Effective Date: Immediate

[House Bill 2442](#)

Relating to certificates of public convenience and necessity issued to certain retail public utilities.

Adds Water Code Sections 13.2541(b-1), and 13.255

Author: Guillen Sponsor: Flores

Requires landowner who petitions to the Public Utility Commission (“PUC”) for streamlined expedited release from a certificate of public convenience and necessity to send by certified mail a copy of the petition to the certificate holder, who is then authorized to submit information to the PUC to controvert the information on the petition. Requires a municipality that submits an application for single certification to the PUC to send a copy of

the application to the retail public utility. Requires the PUC to grant by order single certification to a municipality that applies and determine in its order adequate compensation to the retail public utility for its property the PUC determines is being rendered useless or valueless by the single certification. Authorizes the retail public utility to appeal the final order to the PUC in a separate hearing before the PUC.

Effective Date: September 1, 2023

[Senate Bill 1965](#)

Relating to requirements for the purchase or acquisition of certain water and sewer systems.

Amends Water Code Section 13.301(h), and adds Subsections (1), (m), and (n)

Author: Alvarado Sponsor: Thompson

Requires the Public Utility Commission (“PUC”) to approve certain transactions without an owner’s signature if the owner has abandoned operations of the facilities and cannot be located or does not respond to an application. Requires the PUC to adopt an expedited process that allows a person appointed by the PUC or the Texas Commission on Environmental Quality (“TCEQ”) as a temporary manager of a utility, utility in receivership, or utility in supervision, who is also an operator of a Class A or Class B utility to apply for PUC approval for the acquisition of a temporarily managed system. Updates how to classify used and useful investment capital and just and reasonable operations and maintenance costs. Requires PUC and TCEQ to allow a reasonable time for a person acquiring a utility under this section to bring it into compliance before imposing a penalty.

Effective Date: September 1, 2023

[House Bill 3582](#)

Relating to the composition and use of money in the flood infrastructure fund.

Amends Water Code Section 15.001, adding Subdivision (14), Section 15.534(a), adding Subsections (c) and (d); Amends Water Code Section 16.454(j); Repeals Water Code Sections

15.531(4), 15.5341, 15.992(4), and 16.4545; Repeals Chapter 947 (S.B.7), Acts of the 86th Legislature, Regular Session, 2019, Sections 2.03 and 3.06.

Author: Harris Sponsor: Perry

Redefines “rural political subdivision” to be service area with a population under 50,000 or demonstrates to be an area that otherwise is rural. Adds rural political subdivision as eligible to receive below market interest rate loans for a flood project. Provides that except under certain circumstances only flood projects included in the state flood plan are eligible for funding. Requires that remaining balance of Hurricane Harvey account on September 1, 2031 be transferred to the flood infrastructure fund rather than the flood plan implementation account. Repeals current definitions of metropolitan statistical area and rural political subdivision. Repeals provision regarding use of the flood infrastructure fund and provision regarding flood implementation account.

Effective Date: September 1, 2023

[House Bill 2489](#)

Relating to renaming the Texas Natural Resources Information System as the Texas Geographic Information Office and the duties of certain officers of that entity.

Amends Water Code Sections 16.017(b), 16.021, 16.021 (a), (b), (c), and (e), and 16,023(b)

Author: Kacal Sponsor: Kolkhorst

Renames the Texas Natural Resources Information System as the Texas Geographic Information Office (“TGIO”). Requires the executive administrator of the TGIO to designate the deputy executive administrator of the TGIO to serve as the state geographic information officer.

Effective Date: September 1, 2023

Senate Bill 1289

Relating to the disposal of reclaimed wastewater

Adds Water Code Section 26.02715

Author: Perry Sponsor: King

Authorizes a wastewater treatment facility or reclaimed water production facility that treats domestic wastewater for reuse may dispose of the treated wastewater without a permit for an alternative means of disposal if the facility disposes of the treated wastewater through a collection system and has the consent of certain operators. Prohibits the owner of a reclaimed water production facility that meets these requirements from being required to be the owner of an associated domestic wastewater treatment facility permitted by the Texas Commission on Environmental Quality.

Effective Date: Immediate

House Bill 1971

Relating to the procedures for acting on a permit or permit amendment application by a groundwater conservation district and the disqualification of board members of groundwater conservation districts.

Amends Water Code Sections 36.053, 36.058, 36.409, 36.411, 36.412 (a) and (b, and adds Subsections (a-1), (b-1), and (f), 36.4165, adding Subsections (c), (d), (e), (f), and (g)

Author: Ashby Sponsor: Springer

Authorizes concurrence of a majority of directors eligible to vote of a Groundwater Conservation District (“GCD”) composed of 10 or more directors in making a final decision on a permit or permit amendment application. Prohibits director of a GCD who is required to file a conflicts of interest affidavit under Chapters 171 and 176 of the Local Government Code from attending a closed meeting relating or voting on a matter for which the director is required to file the affidavit. Prohibits a continuance from exceeding the time limit for the issuance of a final decision in a contested case hearing. Requires a board to ensure a decision on a permit or permit

amendment application is timely rendered in accordance with Chapter 36 of Water Code. Authorizes an applicant in a contested or uncontested hearing on an application to administratively appeal a decision by making a request in writing to the board and within the 20th day of a board’s decision unless the board issued its findings of fact and conclusions of law with its decision. Requires a board to consolidate requests for rehearing filed by multiple parties but authorizes only one rehearing to be considered per matter. Requires final decision of a board in a contested case hearing be in writing and either adopt proposed findings of fact and conclusions of law proposed by administrative law judge or revise findings of fact or conclusions of law consistent with Section 36.4165(b). Requires final decision of the board to be within 180 days of receipt of the final proposal for decision from the State Office of Administrative Hearings, but such date can be extended if all parties agree. Requires board to make a final decision on motion for rehearing within 90 days. Provides board is considered to have adopted a final proposal for decision of the administrative law judge (“ALJ”) on the 181st day after ALJ’s final proposal if the board has not issued a final decision by adopting findings of fact and conclusions of law proposed by ALJ or issued findings of fact and conclusions of law consistent with Section 36.4165(b), and further provides such proposal is final, immediately appealable, and not subject to a request for rehearing. Applies prospectively to applications for permit or permit amendments.

Effective Date: Immediate

House Bill 3278

Relating to the joint planning of desired future conditions in groundwater management areas.

Amends Water Code Section 36.108 (d-2) and (d-3) and adding Subsection (d-2a)

Author: Price Sponsor: Blanco

Requires groundwater conservation district (“GCD”), after close of public comment period regarding desired future conditions, to compile and submit to GCD representatives any supporting materials, including new or revised

groundwater availability model run results. Requires supporting materials to be made available on the internet for at least 30 days. Requires additional joint planning meeting to review supporting materials before adopting the desired future conditions for the management area.

Effective Date: Immediate

[House Bill 2443](#)

Relating to the authority of certain persons to petition a groundwater conservation district to change certain rules.

Adds Water Code Section 36.1025

Author: Harris Sponsor: Perry

Authorizes a person with a real property interest in groundwater within the boundaries of a groundwater conservation district to petition the district to modify or adopt a rule. Requires each district to prescribe a form for a petition. Requires district to respond to a petition within 90 days, either denying the petition, or engaging in rulemaking consistent with the petition. Districts must adopt rules to implement this procedure no later than December 1, 2023.

Effective Date: September 1, 2023

[Senate Bill 1746](#)

Relating to an exemption from the requirement to obtain a permit from a groundwater conservation district for certain temporary water wells.

Amends Water Code Section 36.117(b) and (d), and adding Subsection (d-1)

Author: Perry Sponsor: Bell

Requires a groundwater conservation district to allow a permit exemption for drilling a water well for temporary use to supply water for a rig that is actively engaged in drilling a groundwater production well permitted by the district. The exemption may not exceed 180 days, but the district may grant an exemption until the well is complete.

Effective Date: September 1, 2023

[House Bill 3059](#)

Relating to the export fee charged for the transfer of groundwater from a groundwater conservation district.

Amends Water Code Section 36.122(e) and (p), and adding Subsections (e-1), (e-2), and (e-3)

Author: King Sponsor: Kolkhorst

Updates export fee structure and rate cap allowed by groundwater conservation districts. Expands how a district may use export fees.

Effective Date: September 1, 2023

[House Bill 1845](#)

Relating to the licensing requirements for certain operators of wastewater systems and public water systems.

Adds Water Code Section 37.0045

Author: Metcalf Sponsor: Perry

Requires the Texas Commission on Environmental Quality (“TCEQ”) to establish a provisional certification program for a Class D license for wastewater and public water system operators.

Effective Date: September 1, 2023

Title 3. River Compacts

[House Bill 3437](#)

Relating to the authority to approve change orders for certain contracts for the construction, repair, and renovation of water district facilities.

Amends Water Code Section 49.273(i)

Author: Holland Sponsor: Nichols

Authorizes governing body of a water district to grant authority to an official or employee responsible for purchasing or administering a contract to approve a change order involving an

increase or decrease of \$150,000 or less, replacing the previous amount of \$50,000 or less.

Effective Date: September 1, 2023

Title 4. General Law Districts

House Bill 2816

Relating to notice provided to purchasers of property and information filed with the county clerk by certain special districts.

Amends Water Code Section 49.452(a) and adding Subsections (a-1) and (a-2)

Author: Jetton Sponsor: Creighton

Requires seller of property to provide written notice to purchasers that the property is within the boundaries of a district governed by Chapter 375 of the Local Government Code and prescribes the notice to purchasers. Requires a district governed by Chapter 375 of the Government Code to post on its website the notice to purchasers.

Effective Date: September 1, 2023

Senate Bill 2192

Relating to the notice and petition for the creation of a municipal utility district in certain counties.

Amends Water Code Section 54.001(4) and (5); Adds Water Code Section 54.0135; Amends Water Code Section 54.015

Author: Hall Sponsor: Bell

Requires notice to commissioners' court at least 30 days prior to petitioning for a municipal utility district outside the corporate limits of a municipality. Identifies the required contents of the notice.

Effective Date: September 1, 2023

Senate Bill 818

Relating to the disposition of real property interests by navigation districts and port authorities.

Amends Water Code Section 60.038

Author: Alvarado Sponsor: Perez

Gives navigation districts the authority to exchange interests in real property and to impose restrictions on those interests to achieve a public purpose.

Effective Date: Immediate

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