

Legislative Session Update (5/23)

Day 130 (out of 140) - 93%

8,984 bills filed (100+ bills in TEDC Bill tracker)

By the Numbers

- House
 - 1,431 bills passed the House
+278 bills this week* (*estimated*)
- Senate
 - 1,218 bills passed the Senate
+217 bills this week (*estimated*)
- Sent to Governor – 424 bills

3 Days
Second Major Deadline:
Pass out of second chamber

Review Major Actions This Week

- **THC Ban (SB 3 – Perry)**

- Bans THC products throughout Texas
- *House/Senate battle*

- **Public Education Funding**

- **HB 2 (Buckley) - \$8.5 billion** in new funding
 - **\$4.2 billion** for permanent teacher and staff pay raises
 - **\$1.3 billion** in Allotment for Basic Costs (ABC) to assist districts with expenses like insurance, utilities, and TRS contributions
 - **~\$2 billion** to update special education formulas and fund full-day pre-K, early learning interventions, and Career & Technical Education (CTE)
 - **\$430 million** for school safety

Review Economic Development Policy (general)

- **SB 504 (Kolkhorst)** – Requires nonprofits to post their operating budget and salaries over \$115k if they have a contract with a city, county, or EDC exceeding \$500k
 - **No Change** – In House Calendars
- **HB 406 (Ordaz)** – Requires a city/county to provide written notice to their local workforce development board when they enter/amend/renew a 380/381 agreement.
 - **No Change** – Passed House (108-33) [Not yet referred]
- **SB 840 (Hughes)** – Preempts certain local zoning regulations for cities over 150k in population.
 - **Passed House as amended (101-38)** – Likely going to the governor's desk
- **SB 25 (Kolkhorst)** – Creates onerous food labeling requirements. *Potential Amdt*
 - **No Change** – Sent to House Calendars
- **HB 1585 (C. Bell)** – Omnibus housing finance corporations bill
 - **No Change** – Referred to Senate Local Gov't Committee

Review Economic Development Policy (tax/incentives)

HB 112 (Button) – Develops a plan to develop a “Texas Science Park”

- 5/21 - Referred to Senate Economic Development

HB 104 (Bonnen) – Creates the Texas Future Fund - Invests funds in the Economic Stabilization Fund (aka Rainy Day Fund) into innovative Texas companies.

- 5/21– Hearing in Senate Finance (“changes coming”...)

HB 1268 (Button) – State grant funds for SBIR projects

- No Change - Referred to Senate Finance

~~**HB 134 (Meyer)** – Destination versus origin-based sales tax~~

- ~~• No Change - In House Calendars Committee~~

SB 2206 (Bettencourt) – R&D Tax Credit renewal

- 5/24 – Scheduled on House Floor

~~**SB 878 (Birdwell)** – Omnibus chapter 380/381 overhaul~~

- ~~• No Change - Referred to House Ways & Means~~

Review Economic Development Policy (tax/incentives)

HB 4751 (Capriglione) – Establishes the Texas Quantum Initiative

- 5/22 – Passed out of Senate Business & Commerce

HB 5246 (Bonnen) – Space Commission Clean up (*amended*)

- 5/23 – On Senate Intent Calendar

HB 5265 (Wilson) – Creates the health care professional education fund

- 5/23 – On Senate Intent Calendar

HB 4735 (Ashby) – Creates "Rural Development Funds" offering tax credits to incentivize development/investment in rural areas.

- No Change – Referred to Senate Finance

HB 4308 (Gates) – Creates a county industrial development district. Bracketed to ~~Fort Bend County~~, all counties except Harris County

- No Change – Referred to Local Government Committee

Review Economic Development Policy (energy)

SB 819 (Kolkhorst) – Creates burdensome siting requirements for wind/solar electric generation projects

- No Change – Referred to House State Affairs

SB 1754 (Birdwell) – Prohibits a chapter 380, 381, or 312 agreement from being used for a wind, solar, or battery project.

- No Change – Referred to House Ways and Means

SB 715 (Sparks) / ~~HB 3356(Patterson)~~ – Requires existing electric generators to have back-up power.

- No Change – Referred to House State Affairs

SB 6 (King) – Improves the interconnection process for large loads
(Amended)

- 5/23 – On House Floor

HB 14 (Harris) – Incentive program for small modular nuclear reactors

- 5/23 – Pending in Senate Business & Commerce

Review Economic Development Policy (workforce)

HB 3260 (K Bell) – Improves the Texas Industry-Recognized Apprenticeship Grant Program

- 5/22 – Passed Senate (25-6), onto Governor's Desk

HJR 5 (Lambert) – \$850m in funding for TSTC

- No Change - Pending in Senate K-16 Committee hearing

HB 322 (Guillen) – Expands the use of the JET program at TX Workforce Commission

- 5/22 - Voted out of Senate K-16 Committee

SB 1143 (Blanco) – Aims to improve local workforce board programs impacting “opportunity youth” & ~~requires new reporting of economic development agreements that create over 100 jobs~~

- Sent to Governor- Amendment to remove economic development reporting

Review Economic Development Policy (New Adds)

SB 25 (Kolkhort) –Creates onerous food labeling requirements

- 5/24 – On House Floor (potential amendment)

SB 2529 (Bettencourt) – Increases the threshold for local governments to approve GO bonds (60%) and to increase the voter-approved tax rate (75%)

- 5/23 – In House Calendars

SB 2747 (Paxton) – Prohibits sales tax “funneling” agreements

- 5/23 – In House Calendars

HB 2765 (Guillen) - Clean-up for TX Dept. of Agriculture economic development program. Low-interest loans for rural areas (adds MOUs and other local/water districts)

- 5/22 – Passed Senate (26-5); onto the Governor

HJR 7 / SB 7 (Harris/Perry)– Dedicated Water Funding

- HJR 7 - In Senate Finance
- SB 7 – On House Floor today

Tracking TEDC Priorities

JETI Bills

- ~~HB 105 (Guillen)~~ – Broad/omnibus changes to program
 - 5/15 – Died on House Floor
- ~~HB 4022 (Lujan)~~ – Smaller focused changes
- SB 2322 (King) - exempts dispatchable energy from “compelling factor”
 - 4/15 – Voted out of Committee (3-2)
 - 4/29 – Passed Senate (20-11), Referred to House Ways and Means
 - 5/21 – Passed out of House Ways and Means

~~HB 3291 (Hefner)~~ - Exempts property owned by a Type A EDC from property taxes *(no hearing in House Ways)*

Funding for **Texas Capital Fund** within Tx Dept. of Agriculture
(not in either House/Senate budget)



Tracking TEDC Priorities

- **Enhance Economic Development Tools**
 - ~~JETI Improvements~~
- **Preserve Chapter 380/381 Agreements**
 - [SB 2747](#) is the only bill left amending this section
- **Protect EDC Sales Tax**
 - **No bills left**
- **Maintain Funding for Economic Development Programs**
 - [SB 1](#) – Biennial Budget
 - [HB 500](#) – Supplemental appropriations
- **Support Workforce Development Programs**
 - [HJR 5](#) - TSTC Long Term Funding ([Pending in Senate Education](#))
 - [HB 322](#) – Expands usage of JET program ([Voted out of Senate Committee](#))
- **Enhance Infrastructure Investments**
 - [SB 6](#) – Improves ERCOT Interconnection Process ([On the House floor today](#))
 - [HJR 7/ SB 7](#) – Dedicated water funding ([In Senate Finance/On house floor today](#))

Preview Upcoming Activities

- **Saturday, 5/24**

- House Floor
 - **SB 25** – Food labeling bill
 - **SB 2206** – R&D Tax Credits

- **Sunday, 5/25**

- House Floor – TBD
- 5pm - Last House Calendar will be posted (for 5/27)

- **Monday, 5/26**

- House Floor - TBD

- **Tuesday, 5/27**

- House Floor - TBD

- **Wednesday-Sunday: Conference Committee Reports**

- On the lookout for language sneaking into bills

Questions/Comments/Suggestions



Next Meeting: Friday, May 30th