

Legislative Update

May 23, 2025

FROM WASHINGTON, D.C.

On early Thursday morning, the House passed President Trump's sweeping tax and spending cuts package, after more than a 21-hour Rules Committee markup session. The House reconciliation bill includes an early termination of tax breaks for consumers who buy or lease electric vehicles (EVs), and others for households that make their homes more energy efficient. The legislation would end the tax breaks after 2025, with few exceptions, about seven years earlier than under current law. The \$7,500 tax credit for new EVs and leases, as well as the \$4,000 credit for used EVs, are among those being considered for termination. President Trump's "One Big Beautiful Bill" now advances to the Senate for consideration and debate.

FROM AUSTIN

There are only 10 days left in the Texas Legislature. May 24 is the last day for House committees to pass Senate bills. May 27 is the final day for the House to pass Senate bills on the House floor. June 1 is the final day to adopt conference committee reports. The last day of the 89th Texas Legislature (sine die) is June 2. June 22 is the final day for Governor Abbott to sign or veto bills.

The House Transportation Committee met on May 19 at 8 am to review several bills of interest. SB 35 (Nichols) would reduce the number of design build contracts TxDOT can enter into each state fiscal biennium from six to two. SB 1365 (Nichols) is a broad vehicle registration and fraud prevention measure that includes changes to EV registration fees and dealership database access. SB 1394 (Hall) would align Texas law with federal axle weight standards for ready-mix concrete trucks without increasing weight limits. SB 2199 (Birdwell) would increase the penalties for loading vehicles transporting hazardous materials over their authorized weight limits, making severe violations a second-degree felony. SB 2200 (Birdwell) would criminalize off-road transportation. All bills were left pending.

The Senate Transportation Committee met on May 23 at 8 am to review and approve several bills. One bill of particular interest, HB 4520 (Martinez), which would reduce the local match requirement from 10% to 5% for aviation facility grants in economically disadvantaged counties, helping small airports access funding, was approved by the committee.

May Texas Transportation Commission (TTC) Hearing

The Texas Transportation Commission met on May 21. Routine information was presented for their approval, including highway letting contracts, rejection of building maintenance bids, State Infrastructure Bank loans, Federal and State aviation awards, and rule adoptions. Additionally, an Energy Sector Update was presented.

HIGHLIGHTED BILLS WITH ACTION

- SB 2351, Relating to the construction, expansion, or modification of certain concrete plants under a standard permit. Passed the House on May 9, 2025. Enrolled and forwarded to the governor for action.
- HB 265, Relating to the allocation of certain constitutional transfers of money to the economic stabilization fund, the state highway fund, and the Grow Texas fund and to the permissible uses of money deposited to the Grow Texas fund. Passed the House on May 16, 2025. Received in the Senate.

- HB 871, Relating to the residential and commercial building codes of municipalities. Passed the House on May 16, 2025. Received in the Senate.
- HB 2078, Relating to the joint planning of desired future conditions in groundwater management areas. Passed the House on May 16, 2025. Received in the Senate.
- HB 4207, Relating to obstructing a railroad crossing and the liability of a railway company for such an obstruction. Passed the House on May 16, 2025. Received in the Senate.
- HB 4991, Relating to open meetings and public information training for certain public officials and attorneys regarding the open meetings and public information laws. Passed the House on May 16, 2025. Received in the Senate.
- SB 2799, Relating to increasing the criminal penalty for the offense of reckless driving. Passed the House on May 16, 2025. Received in the Senate.
- HB 2003, Relating to provision to the Texas Department of Transportation of information regarding certain high-speed rail projects. Passed the Senate on May 19, 2025. Enrolled and forwarded to the governor for action.
- HB 2029, Relating to vehicle safety inspections of certain travel trailers. Passed the Senate on May 19, 2025. Enrolled and forwarded to the governor for action.
- HB 2559, Relating to the imposition by a municipality of a moratorium on property development in certain circumstances. Passed the Senate on May 19, 2025. Enrolled and forwarded to the governor for action.
- SB 765, Relating to the confidentiality of fraud detection and deterrence information under the public information law. Signed by the governor on May 19, 2025.
- SB 1062, Relating to the type of newspaper required for publication of public notices. Signed by the governor on May 19, 2025.
- SB 1197, Relating to the operation of an unmanned aircraft over a spaceport. Signed by the governor on May 19, 2025.
- SB 1366, Relating to the inclusion of information about construction or maintenance work zones in the curriculum of driver education and driving safety courses. Signed by the governor on May 19, 2025.
- HB 2011, Relating to the right to repurchase from a condemning entity certain real property for which ad valorem taxes are delinquent. Recommended for Senate Local/Uncontested Calendar on May 20, 2025.
- HB 1893, Relating to the disclosure under the public information law of a motor vehicle license plate number captured in a video recording obtained or maintained by a law enforcement agency. Passed the Senate on May 20, 2025. Enrolled and forwarded to the governor for action.
- SB 305, Relating to the criminal offense of passing certain vehicles on a highway. Signed by the governor on May 20, 2025.
- SB 1967, Relating to the projects eligible for financial assistance from the flood infrastructure fund. Signed by the governor on May 20, 2025.
- SB 1493, Relating to lighting equipment requirements for motor vehicles. Passed on House local calendar on May 21, 2025.
- HB 2564, Relating to the evaluation of Defense Economic Adjustment Assistance Grant Applications. Passed the Senate on May 22, 2025. Enrolled and forwarded to the governor for action.

RECENT COMMITTEE HEARINGS

TEXAS HOUSE

- Transportation (May 19)
 - SB 35 Relating to design-build contracts (Approved)

- SB 1365 Relating to vehicle registration, license plates, and inspection reports (Approved)
- SB 1394 Relating to weight and tire load restrictions for the operation of a vehicle transporting ready-mixed concrete on a public highway (Approved)
- SB 2199 Relating to increasing the criminal penalty for loading certain overweight vehicles transporting hazardous materials at a weight that exceeds the weight limitations authorized for the vehicle (Approved)
- SB 2200 Relating to a prohibition on the operation or movement of certain overweight vehicles transporting hazardous materials under certain circumstances; creating a criminal offense (Approved)
- Ways and Means (May 19)
 - SB 1277 Relating to the expiration of the municipal sales and use tax for street maintenance in certain municipalities (Approved)
- Criminal Jurisprudence (May 20)
 - SB 826 Relating to the operation of a motor vehicle in a school crossing zone while intoxicated (Pending)
 - SB 2017 Relating to the creation of a criminal offense for operating a vehicle under certain circumstances causing a tire of the vehicle to spin, lose traction, or leave the surface of a highway (Failed)

TEXAS SENATE

- Economic Development (May 19)
 - HB 2564 Relating to the evaluation of Defense Economic Adjustment Assistance Grant Applications (Approved)
- Local Government (May 19)
 - HB 2011 Relating to the right to repurchase from a condemning entity certain real property for which ad valorem taxes are delinquent (Approved)
- Business and Commerce (May 20)
 - HB 2520 Relating to the open meetings law (Approved)
 - HB 3512 Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments (Approved)
- Natural Resources (May 21)
 - HB 2440 Relating to the authority of a state agency or the state's air quality state implementation plan to impose certain restrictions with respect to a motor vehicle, including a motor vehicle powered by an internal combustion engine (Approved)
 - HB 5033 Relating to elimination of the motor vehicle emissions inspection and maintenance program (Approved)
- Business and Commerce (May 22)
 - HB 3112 Relating to the application of the open meetings law and public information law to government information related to certain cybersecurity measures (Pending)
- Criminal Justice (May 22)
 - HB 1607 Relating to license plates and license plate windshield insignia issued for and displayed on a vehicle (Pending)
- Administration (May 23)
 - HB 1135 Relating to temporary vehicle tags and the offense of tampering with a governmental record (Approved)
- Transportation (May 23)

- HB 4520 Relating to requirements for loans or grants provided by the Texas Transportation Commission to aviation facilities located in economically disadvantaged counties (Approved)

US SENATE

- The Senate Environment and Public Works Committee met on May 21 to review the FY 26 Environmental Protection Agency budget.