# **North Central Texas Council of Governments Summary of Approved Transportation and Air Quality Bills** 89th Texas Legislature 2025



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## Summary of Approved Transportation and Air Quality Bills

89th Texas Legislature

#### **Air Quality**

HB 2440 (Curry) - 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.

HB 2440 prohibits state agencies and the state's air quality state implementation plan from imposing restrictions on the sale, use, or ownership of motor vehicles based on the energy source they use, including vehicles powered by internal combustion engines. It ensures that individuals can purchase and own any type of motor vehicle without energy source-based restrictions.

This Act takes effect on September 1, 2025.

## HB 5033 (Bell) - Relating to elimination of the motor vehicle emissions inspection and maintenance program.

HB 5033 adds Section 382.2025 to the Texas Health and Safety Code, which would prohibit the Texas Commission on Environmental Quality (TCEQ) and the Department of Public Safety (DPS) from implementing or enforcing any state-level vehicle emissions inspections. This change is designed to take effect 30 days after specific federal actions occur, such as the repeal or amendment of the Clean Air Act, a U.S. Supreme Court decision granting states the authority to opt-out of such programs, or a constitutional amendment providing this authority to states. If none of these federal conditions are met, the bill itself becomes law on September 1, 2025, but the operative section eliminating the program remains ineffective, preserving the current emissions inspection requirements.

This Act takes effect on September 1, 2025.

## SB 763 (Alvarado) - Relating to the renewal and review of standard permits for certain concrete plants.

SB 763 mandates that the Texas Commission on Environmental Quality (TCEQ) conduct a protectiveness review every eight years for standard permits issued to permanent concrete plants involved in wet batching, dry batching, or central mixing. These reviews will assess air pollutant concentrations, and any amendments to permits following such reviews must provide operators with reasonable time to comply with new requirements. Additionally, it requires plot plans for permit applications to clearly indicate specific details about the facility's location and compliance with any distance requirements.

This Act takes effect on September 1, 2025.

## SB 2321 (King) - Relating to the regulation of emissions by the Texas Commission on Environmental Quality during an event affecting electric demand or grid reliability.

SB 2321 adds Section 382.086 to Subchapter D, Chapter 382 of the Health and Safety Code, establishing a framework for the Texas Commission on Environmental Quality to waive enforcement of emissions limits for generation and on-site backup generation facilities during periods of high electric demand or grid reliability issues in the ERCOT region. It requires these facilities to follow specific operational protocols, maintain records, and document emissions events during

such periods. If the necessary documentation is not submitted, the commission may then pursue enforcement actions.

This Act takes effect September 1, 2025.

## SB 2351 (Alvarado) - Relating to the construction, expansion, or modification of certain concrete plants under a standard permit.

SB 2351 amends Sections 382.05195 and 382.05198 of the Health and Safety Code to regulate the construction, expansion, or modification of concrete plants under a standard permit. It introduces a requirement for facility operators to update their plans in accordance with any amendments to the standard permit if they did not initiate changes before the new permit's adoption. Additionally, it clarifies the application process by replacing references to "issuance" of a permit with "authorization to use" a standard permit and mandates the inclusion of a detailed plot plan meeting specific requirements.

This Act took effect May 24, 2025.

#### **Appropriations**

HB 500 (Bonnen) - Relating to making supplemental appropriations and reductions in appropriations and giving direction and adjustment authority regarding appropriations.

HB 500 is the supplemental budget for the 2024-25 biennium and makes additional appropriations across many state agencies and programs. HB 500 provides the Texas Department of Transportation (TxDOT) with several appropriations from the general revenue fund. These appropriations would include:

- \$250 million to provide grants for certain railroad grade separation projects;
- \$52 million to purchase three new aircraft; and,
- \$106.8 million to support TxDOT's aviation services, including \$14.8 million for McKinney National Airport.

This Act took effect June 22, 2025.

#### SB 1 (Huffman) - General Appropriations Bill.

SB 1 totals \$338 billion in All Funds for the Fiscal Year 26-27 biennium. See Table 1.

Table 1: SB 1 by Method of Finance

| Method of<br>Finance Type (in<br>millions) | FY 2024-25  | SB 1<br>FY 2026-27 | Biennial Change | % Change |
|--|-------------|--------------------|-----------------|----------|
| General Revenue<br>Funds                   | \$141,938.3 | \$149,173.1        | \$7,236.7       | 5.1%     |
| General Revenue-<br>Dedicated Funds        | \$9,901.8   | \$8,148.6          | - \$1,753.2     | - 17.7%  |
| Federal Funds                              | \$107,848.8 | \$100,925.2        | - \$6,923.4     | - 6.4%   |
| Other Funds                                | \$74,308.9  | \$79,770.4         | \$5,461.5       | 7.3%     |
| All Funds                                  | \$333,995.6 | \$338,017.2        | \$4,021.6       | 1.2%     |

Source: Legislative Budget Board

#### **Article VI – Natural Resources**

Texas Commission on Environmental Quality (TCEQ)
TCEQ under Article VI increased 15.8% over the last biennium. Total funding for the TCEQ is \$919.4 million for the FY26-27 biennium.

Budget riders of interest include:

#### · Air Quality Planning

(a) Amounts appropriated above include \$4,500,000 out of the General Revenue-Dedicated Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, for air quality planning activities to reduce ozone in "affected counties" (as defined in Health and Safety Code, Section 386.001(2)) not designated as nonattainment areas for the O3 National Ambient Air Quality Standards (NAAQS) as of September 1, 2024, and other areas at significant risk of being designated nonattainment for the O3 NAAQS in the future as approved by the Texas Commission on Environmental Quality (TCEQ). These activities may be carried out through interlocal agreements.

Expenditure of these funds is limited to: inventorying emissions, monitoring of pollution levels, air pollution data analysis, modeling pollution levels, regional air quality planning, and administration of the program. TCEQ shall allocate a base amount of \$281,250 to each state planning region containing such areas and the remaining funds proportionally to each state planning region with a combined population of affected counties in excess of 350,000.

Grants issued from appropriations identified in this rider should require that no more than 10 percent of the allocation be used for administrative purposes and prohibit the expenditure of the following: marketing and outreach activities, bicycle use programs, carpooling awareness, environmental awareness campaigns, and locally enforceable pollution reduction programs. The grant recipients shall channel the funds to those projects most useful for the State Implementation Plan (SIP).

For informational purposes, the affected counties that are not designated "nonattainment" for the O3 NAAQS as of September 1, 2024, include Bastrop, Caldwell, Comal, El Paso, Gregg, Guadalupe, Hardin, Harrison, Hays, Henderson, Hood, Hunt, Jefferson, Nueces, Orange, Rusk, San Patricio, Smith, Travis, Upshur, Williamson, and Wilson Counties. Additional ""attainment/unclassifiable" areas may also be added by TCEQ to this grant program based on their status as being part of a core-based statistical area (CBSA) with O3 design values in excess of 60 parts per billion (ppb).

(b) Amounts appropriated above include \$4,500,000 out of the General Revenue-Dedicated Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, for air quality planning activities to reduce fine particulate matter (PM2.5) in "affected counties" (as defined in Health and Safety Code, Section 386.001(2)) not designated as nonattainment areas for PM2.5 National Ambient Air Quality Standards (NAAQS) as of September 1, 2024, and other areas at significant risk of being designated nonattainment for PM2.5 NAAQS in the future as approved by the TCEQ. These activities may be carried out through interlocal agreements.

Expenditure of these funds is limited to: inventorying emissions, monitoring of pollution levels, air pollution data analysis; modeling pollution levels; regional air quality planning, and administration of the program. The TCEQ may allocate a base amount up to \$281,250 to each state planning region containing such areas and the remaining funds proportionally to each state planning region with a combined population of affected counties in excess of 350,000. Grants issued from appropriations identified in this rider should require that no more than 10 percent of the allocation be used for administrative purposes and prohibit the expenditure of the following: marketing and outreach activities, bicycle use programs, carpooling awareness, environmental awareness campaigns, and similar locally enforceable pollution reduction programs. The grant recipients shall channel the funds to those projects most useful for the SIP.

Additional "attainment/unclassifiable" areas may be added by TCEQ to this grant program contingent on available resources based on their status as being part of a core-based statistical area (CBSA) with an annual PM2.5 design value in excess of 8 micrograms per cubic meter (µg/m³), or 24-hour PM2.5 design value in excess of 25 µg/m³.

#### **Article VII – Business and Economic Development**

#### **Texas Department of Transportation**

Total funding for the Texas Department of Transportation (TxDOT) includes \$39.92 billion in All Funds for the FY26-27 biennium. Of the \$39.92 billion, \$35.5 billion is for highway planning, design, construction, maintenance, and preservation. New riders of interest for the North Texas region include:

#### Southern Gateway Deck Park

In addition to amounts appropriated above, any unobligated and unexpended balances of appropriations remaining as of August 31, 2025, from Federal Funds administered by the Department of Transportation for the Southern Gateway Deck Park Project (estimated to be \$0) are appropriated for the fiscal biennium beginning September 1, 2025, for the same purpose if the project meets federal funding requirements. It is the intent of the Legislature that funds appropriated above would cover the Phase II Infrastructure of the Southern Gateway Deck Park Project. Any project expenditures using Federal Funds shall be approved by the U.S. Department of Transportation, Federal Highway Administration.

#### Southern Gateway Deck Park

Out of amounts appropriated above, the Department of Transportation shall make available during the 2026-27 biennium \$10,000,000 in Federal Funds administered by the Department of Transportation for the Southern Gateway Deck Park Project if the project meets federal funding requirements. It is the intent of the Legislature that funds appropriated above would cover the construction and buildout of the Southern Gateway Deck Park Project. Any project expenditures using Federal Funds shall be approved by the U.S. Department of Transportation, Federal Highway Administration.

#### Southwestern Medical District Transformation Project

Out of amounts appropriated above, the Department of Transportation shall make available during the 2026-27 biennium \$20,000,000 in Federal Funds administered by the Department of Transportation to the Texas Trees Foundation for the Southwestern Medical District Transformation Project in the City of Dallas if the project meets federal funding requirements. It is the intent of the Legislature that funds appropriated above would cover the planning and construction of the Southwestern Medical District Transformation Project. Any project expenditures using Federal Funds shall be approved by the U.S. Department of Transportation, Federal Highway Administration.

#### **Artificial Intelligence**

HB 149 (Capriglione) - Relating to the regulation of the use of artificial intelligence systems in this state.

HB 149 establishes the Texas Responsible Artificial Intelligence Governance Act, which regulates the use, development, and deployment of artificial intelligence systems in the state, and introduces civil penalties for non-compliance. It includes provisions for transparency, consumer protection, prohibited uses, oversight via the Attorney General, and creates an Artificial Intelligence Regulatory Sandbox Program to encourage innovation under controlled conditions. It also forms a Texas Artificial Intelligence Council to guide policy and preempts local governments from enacting their own artificial intelligence (AI) rules.

This Act takes effect on January 1, 2026

HB 2818 (Capriglione) - Relating to the artificial intelligence division within the Department of Information Resources.

HB 2818 establishes the Artificial Intelligence Division within the Department of Information Resources to aid state agencies in the implementation of generative artificial intelligence technology for modernizing legacy systems and other

suitable projects. It also mandates the division to conduct cost analysis reports for projects, illustrating efficiencies achieved through the use of such technologies.

This Act takes effect on September 1, 2025.

HB 3512 (Capriglione) - Relating to artificial intelligence training programs for certain employees and officials of state agencies and local governments.

HB 3512 mandates annual artificial intelligence training alongside existing cybersecurity training for certain school districts, state and local government employees and elected officials in Texas. It establishes certification requirements for these AI training programs and holds governments accountable for compliance to apply for related criminal justice grants.

This Act takes effect on September 1, 2025.

SB 1964 (Parker) - Relating to the regulation and use of artificial intelligence systems and the management of data by governmental entities.

SB 1964 amends the Government Code to introduce comprehensive regulations for the use and management of Al systems by state and local government entities in Texas. It establishes definitions, mandates inventories and risk assessments for Al systems, requires adherence to a new Al code of ethics and minimum standards, and introduces oversight mechanisms such as an advisory board and a complaint webpage. Additionally, the bill sets educational outreach programs and disclosure requirements to ensure transparency and responsible Al use.

This Act takes effect September 1, 2025.

#### **Autonomous Vehicles**

SB 2807 (Hagenbuch) - Relating to motor vehicles, including automated motor vehicles; creating a criminal offense.

SB 2807 updates the Transportation Code by adding Subchapter J to regulate fully automated vehicles, particularly Society of Automotive Engineers (SAE) Levels 3–5. It defines key terms like "automated driving system" and "automated motor vehicle," and establishes that when the automation is engaged, the system is legally the vehicle's operator. It allows these vehicles to operate without a human driver present if they meet safety criteria such as federal compliance, recording devices, minimal risk fallback capability, registration, and liability insurance. Commercial automated vehicles also require formal authorization from the Texas Department of Motor Vehicles (TxDMV) (with detailed safety and emergency interaction protocols) and face a Class B misdemeanor penalty for unauthorized operations. TxDMV may suspend or revoke authorizations for safety risks, with administrative hearings available. Additionally, the bill prohibits local entities and state agencies from imposing regulations specific to automated vehicles, allows traffic-law exemptions by the Public Safety Commission, and integrates automated vehicles into existing transportation network company and insurance frameworks.

This Act takes effect September 1, 2025.

#### **Aviation and Unmanned Aircraft**

HB 2898 (Frank) - Relating to requirements for certain meteorological evaluation towers.

HB 2898 requires any entity erecting a meteorological evaluation tower to notify TxDOT at least 30 days before construction, using a TxDOT-approved online form. The notice must include the following details: the contact information for the tower's owner and operator, the tower's location, height, and elevation, the planned start date of construction, and any other necessary information. Under HB 2898, the entity must also notify TxDOT if the details change. HB 2898 expands the regulation to include towers with bases up to 12 feet in diameter (previously 6 feet). TxDOT must, within 30 days, notify nearby federal radar or military aviation training facilities within 50 nautical miles, all county judges in Texas with such facilities within 50 nautical miles, and county judges within 25 miles of those facilities.

This Act takes effect September 1, 2025.

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

HB 4520 amends Section 21.105(b) of the Transportation Code to specify that for loans or grants provided by the Texas Transportation Commission, projects in economically disadvantaged counties only need to secure 5% of the total project cost from non-state sources, while other projects continue to require 10%. Additionally, HB 4520 repeals Section 21.114(b), Texas Transportation Code, aligning state law with TxDOT's existing agreement with the Federal Aviation Administration regarding the State Block Grant Program.

This Act takes effect on September 1, 2025.

SB 1197 (Birdwell) - Relating to the operation of an unmanned aircraft over a spaceport.

SB 1197 amends Section 42.15 of the Penal Code to include spaceports alongside airports and military installations in prohibiting the operation of unmanned aircraft over these areas. It establishes a new criminal offense for knowingly or intentionally operating a drone over, making contact with, or causing disturbances to spaceports, unless specific defense conditions are met.

This Act takes effect September 1, 2025.

SB 1841 (Johnson) - Relating to the confidentiality of certain information collected by certain local governments and airport governing boards.

SB 1841 expands the confidentiality of personal identifying information collected by local governments and airport governing boards, ensuring it is not subject to public disclosure under the Government Code. Specifically, it protects detailed data about individuals' use of airport parking facilities, travel details, purchases, and financial transactions.

This Act takes effect September 1, 2025.

#### **Bicycle/Pedestrian**

SB 2039 (Hancock) - Relating to the applicability of certain pedestrian laws to certain sidewalk users.

SB 2039 amends various sections of the Transportation Code to ensure that sidewalk users are granted the same rights and responsibilities as pedestrians, including the right-of-way in crosswalks and requirements to stop at intersections with stop signs. A sidewalk user is defined as an individual lawfully operating a bicycle, motor-assisted scooter, electric

personal assistive mobility device, skateboard, roller skates, or a similar device on a sidewalk. Additionally, the bill introduces new sections specifying the conduct of sidewalk users at crosswalks and intersections, ensuring safety and orderly interaction with vehicular traffic.

This Act takes effect September 1, 2025.

#### **Eminent Domain**

HB 2011 (Bell) - Relating to the right to repurchase from a condemning entity certain real property for which ad valorem taxes are delinquent.

HB 2011 amends the Property Code to allow former property owners to repurchase real property acquired through eminent domain. Current law allows repurchase when the condemning entity cancels the intended use, fails to use the property within 10 years, or deems it unnecessary. HB 2011 amends the current law by adding the right to repurchase if the entity fails to pay property taxes on the land within three years of the due date. It introduces conditions and procedures for notifying former owners of their right to repurchase and outlines timelines for repurchase intentions and offers.

This Act takes effect on September 1, 2025.

#### **Energy**

HB 431 (Cortez) - Relating to the regulation by a property owners' association of the installation of solar roof tiles.

HB 431 amends the Property Code to explicitly include "solar roof tiles" in the definition of "solar energy device," ensuring their regulation by property owners' associations is covered under existing laws. This change ensures that homeowners' associations (HOAs) in Texas cannot prohibit or restrict the installation of solar roof tiles, offering the same legal protections as other solar equipment.

This Act took effect on May 29, 2025.

SB 1036 (Zaffirini) - Relating to the regulation of residential solar retail transactions.

SB 1036 establishes regulations for residential solar retail transactions in Texas by requiring occupational registration for solar retailers and salespersons, and authorizing fees, civil, and administrative penalties for compliance. It mandates the Texas Department of Licensing and Regulation to adopt rules to enforce these regulations, ensuring consumer protection through disclosures, educational materials, and specific contractual provisions. These requirements will apply to new contracts entered on or after their effective date with certain enforcement provisions taking effect in 2026.

This Act takes effect on September 1, 2025.

SB 1697 (Zaffirini) - Relating to a customer guide to home solar energy devices.

SB 1697 requires the development of a guide by the Public Utility Commission to help customers understand home solar energy device options, including best practices, financial and design considerations, and service provider questions. Utilities must link to and share the guide with customers.

#### Freight/Rail

SB 1555 (Nichols) - Relating to a grant program to fund certain railroad grade separation projects.

SB 1555 establishes a grant program administered by the Texas Department of Transportation (TxDOT) to fund railroad grade separation projects at intersections of railroads and public roadways that are not part of the state highway system, along with rail-pedestrian crossings. Each grant will be approved by the Texas Transportation Commission. Ten percent of the total project costs must come from non-state sources.

This Act took effect on May 24, 2025.

#### SB 2129 (Johnson) - Relating to the operation of vehicles at railroad grade crossings.

ailroad grade crossings. It increases the penalty for offenses where drivers disregard warnings given by a flagger. Specifically, if a driver is found guilty of such a violation, the minimum fine is increased to \$100 and the maximum to \$400, where previously fines ranged from \$50 to \$200 generally.

This Act takes effect September 1, 2025.

#### SB 2366 (Hughes) - Relating to a grant program to fund short line railroad projects.

SB 2366 defines a short line railroad and establishes a grant program administered by the Texas Department of Transportation (TxDOT) for districts that own or operate short line railroads. The grant funding may be used to replace short line railroad tracks or bridges, improve short line rail capacity, or restore short line railways. Each grant will be approved by the Texas Transportation Commission. Ten percent of the total project costs must come from non-state sources. A grant recipient may use the award as matching funds to secure additional funding for a short line railroad project.

This Act took effect June 20, 2025.

#### **High-Speed Rail**

HB 2003 (Harris) - Relating to provision to the Texas Department of Transportation of information regarding certain high-speed rail projects.

HB 2003 mandates that entities proposing high-speed rail projects in Texas annually submit detailed financial and project information to the Texas Department of Transportation, which includes financing methods, construction costs, and foreign investments, among other details. It also requires the department to make this information publicly available on its website.

This Act takes effect on September 1, 2025.

#### **Land Use/Planning**

HB 24 (Orr) - Relating to procedures for changes to a zoning regulation or district boundary.

HB 24 establishes new procedures for protesting and implementing changes to zoning regulations or district boundaries, including requirements for written protests and specific voting thresholds by governing bodies. It sets conditions for civil

actions, introduces presumptions of validity for less restrictive changes, and outlines enforcement roles for the Attorney General, with limitations on ad valorem tax rates for municipalities found in violation. It also sets notice sign requirements for certain zoning changes in home-rule municipalities.

This Act takes effect on September 1, 2025.

## SB 15 (Bettencourt) - Relating to size and density requirements for residential lots in certain municipalities; authorizing a fee.

SB 15 establishes specific size and density requirements for residential lots in certain municipalities with populations over 150,000 located in counties with populations over 300,000. It prohibits municipalities from enforcing ordinances that require lot sizes larger than specified dimensions or impose certain zoning restrictions on "small lots," while allowing property owners to bring legal actions against municipalities for violations of these provisions. Specifically, a city may not adopt or enforce an ordinance that requires a residential lot to be larger than 3,000 square feet, wider than 30 feet, or deeper than 75 feet in new subdivisions. It also prevents cities from enforcing building regulations, including setbacks, height restrictions, parking requirements, and bulk limits on smaller lots 4,000 square feet or less. Certain geographic exceptions are carved out for areas near military bases, and airports, allowing municipalities to enforce stricter regulations in those sensitive areas.

This Act takes effect on September 1, 2025.

## SB 840 (Hughes) - Relating to certain municipal and county regulation of certain multifamily and mixed-use residential development projects and conversion of certain commercial buildings.

SB 840 establishes a framework for regulating mixed-use and multifamily residential developments, as well as the conversion of certain commercial buildings to such uses, in cities with populations over 150,000 located in counties exceeding 300,000 residents. It requires that these developments be permitted in zoning classifications that already allow office, commercial, retail, warehouse, or mixed-use uses, without requiring a zoning change, variance, or special permit. The bill prohibits cities from imposing development standards on these residential projects that are more restrictive than those applied to commercial uses, including limits on density (below 36 units per acre), height (below 45 feet), setbacks (beyond 25 feet), floor area ratios, and parking (more than one space per unit or requiring multi-level structures). It also streamlines permitting by requiring administrative approval if city regulations are met, and prevents cities from mandating traffic studies, new parking, or additional utility upgrades for eligible commercial-to-residential conversions. Impact fees are restricted to those already in place prior to permit filing. The law exempts certain areas near industrial sites, airports, and military bases.

This Act takes effect on September 1, 2025.

## SB 2477 (Bettencourt) - Relating to certain municipal and county regulation of conversion of certain office buildings to mixed-use and multifamily residential occupancy.

SB 2477 applies to cities with populations over 150,000 in counties over 300,000 and defines "multifamily residential" and "mixed-use residential" developments. It requires city authorities to administratively approve building permits for conversions to these uses if they meet local regulations, without needing further governing body approval. For conversions of office buildings at least five years old to predominantly residential use (65% or more), cities cannot impose new traffic studies, require additional parking beyond existing spaces, enforce stricter density or design limits than allowed elsewhere, mandate zoning changes, or levy new impact fees unless already applicable or justified by increased water/wastewater demand. Exceptions apply near heavy industrial zones, airports, and military facilities. Aggrieved parties and certain nonprofit or housing organizations may sue for relief, with prevailing claimants entitled to attorney's fees.

SB 2835 (Johnson) - Relating to regulation of stairway requirements in certain multifamily residential buildings by political subdivisions.

SB 2835 allows cities to permit apartment buildings to be served by a single stairway regardless of the International Building Code if the building meets specific safety conditions. These include being no taller than six stories and not a high-rise, having no more than four units per floor, automatic sprinklers in stairways, fire-resistant stair enclosures, limited travel distances to exits, emergency escape openings on all floors, no electrical outlets in stairways, and a smoke and fire detection system that activates occupant notification in common and service areas.

This Act takes effect September 1, 2025.

#### **Military Planning**

HB 2564 (Wilson) - Relating to the evaluation of Defense Economic Adjustment Assistance Grant Applications.

HB 2564 modifies the process for evaluating Defense Economic Adjustment Assistance Grant (DEAAG) applications by replacing the panel previously responsible for evaluation with commissioners of the Texas Military Preparedness Commission. It specifies that the commissioners will assess each application and assign a score based on the significance of the effects on the local governmental entity and other criteria set by the commission.

This Act takes effect on September 1, 2025.

#### **Open Meetings and Public Information**

HB 1522 (Gerdes) - Relating to notice of a meeting held under the open meetings law.

HB 1522 amends the Open Meetings law by requiring public meeting notices to be posted at least three business days before the scheduled date, replacing the previous 72-hour rule. Additionally, if a governmental body is set to discuss or adopt a budget, the notice must include either a physical copy of the proposed budget, unless it's already clearly available on the entity's homepage, and a taxpayer impact statement comparing the current and projected property tax bills for a median-valued homestead, with exceptions for university system governing boards.

This Act takes effect on September 1, 2025.

HB 3112 (Tepper) - Relating to the application of the open meetings law and public information law to government information related to certain cybersecurity measures.

HB 3112 amends Texas's Open Meetings Act and Public Information Act by allowing governmental bodies to meet in closed session when discussing cybersecurity policies, contracts, or measures intended exclusively to protect critical infrastructure facilities without being required to publicly deliberate on them. It further exempts from public disclosure any information related to critical infrastructure facilities and related cybersecurity efforts, keeping related contracts, policies, and security measures confidential, and requires agencies to notify affected third parties within five business days if such information must be disclosed.

This Act takes effect on September 1, 2025.

HB 4214 (Curry) - Relating to public access to the mailing address and electronic mail address designated by a governmental body to receive a request for public information under the public information law.

HB 4214 mandates each governmental body to notify on or before October 1 of each year, the attorney general of the current mailing address and electronic mail address designated by the governmental body for receiving written requests for public information. The attorney general's office will maintain and publicly display these addresses in an accessible database on the office's website.

This Act takes effect on September 1, 2025.

## HB 4219 (Capriglione) - Relating to a governmental body's response to a request for public information.

HB 4219 requires governmental bodies to respond to public information requests within 10 business days by notifying requestors if no information is available or if information is withheld based on a prior legal determination, specifying the reason. When seeking an attorney general's decision on withholding information, the governmental body must state applicable exceptions within 10 business days. If a governmental body fails to respond as required, the requestor may file a complaint with the attorney general, who can mandate open records training for the body's public information officer, prohibit charging for the requested information, and require timely requests for attorney general decisions before withholding information unless there is a compelling reason.

This Act takes effect September 1, 2025.

## HB 4310 (Vasut) - Relating to a special right of access under the public information law for a member of a governing board.

HB 4310 grants members of a governing board a special right of access to obtain public information. Additionally, it permits confidentiality agreements for the sharing of confidential information, which may be reviewed by the Office of the Attorney General (OAG). The parties to the agreement and any person with a proprietary or privacy interest in the information covered by the agreement may appeal to a Travis County court. Members of a governing board may file a writ of mandamus to compel a governmental body to adhere to the new provision.

This Act takes effect September 1, 2025.

## SB 765 (Kolkhorst) - Relating to the confidentiality of fraud detection and deterrence information under the public information law.

SB 765 amends the Government Code to make information related to fraud detection and deterrence held by governmental bodies confidentially, exempting it from public access requirements under Section 552. It specifies that this includes various materials and communications that could reveal methods and means used to prevent, investigate, or evaluate fraud.

This Act takes effect September 1, 2025.

#### **Transportation Revenue**

## HB 1109 (VanDeaver) - Relating to an exemption from certain motor fuel taxes for counties in this state.

HB 1109 amends the Tax Code to exempt gasoline and diesel fuel purchased by a county for its exclusive use from the state motor-fuel tax, such as for law enforcement, road work, or emergency services. It also allows counties to claim tax refunds or credits for any qualifying purchases made after the law takes effect. Based on the Texas Comptroller of Public Accounts' estimates, the State Highway Fund is anticipated to decrease by the amounts outlined on the next page:

Table 2: Estimated Revenue Loss from the State Highway Fund

| FY 2026 | \$3,139,000 |
|---------|-------------|
| FY 2027 | \$3,202,000 |
| FY 2028 | \$3,266,000 |
| FY 2029 | \$3,331,000 |
| FY 2030 | \$3,397,000 |

Source: Texas Department of Transportation

This Act takes effect on July 1, 2025.

SB 771 (Hinojosa) - Relating to a credit or refund for diesel fuel taxes paid on diesel fuel used in this state by auxiliary power units or power take-off equipment.

SB 771 reinstates a portion of Chapter 153, Texas Tax Code, to allow a credit or refund of diesel fuel tax paid on diesel fuel used for auxiliary power units or power take-off equipment on any vehicle. Based on the Texas Comptroller of Public Accounts'estimates, the State Highway Fund is anticipated to decrease by the amounts outlined below:

**Table 3: Estimated Revenue Loss from the State Highway Fund** 

| FY 2026 | \$6,798,000 |
|---------|-------------|
| FY 2027 | \$7,579,000 |
| FY 2028 | \$7,744,000 |
| FY 2029 | \$7,905,000 |
| FY 2030 | \$8,063,000 |

Source: Texas Department of Transportation

This Act takes effect on September 1, 2025.

SB 1555 (Nichols) - Relating to a grant program to fund certain railroad grade separation projects.

SB 1555 establishes a grant program administered by the Texas Department of Transportation (TxDOT) to fund railroad grade separation projects at intersections of railroads and public roadways that are not part of the state highway system, along with rail-pedestrian crossings. Each grant will be approved by the Texas Transportation Commission. Ten percent of the total project costs must come from non-state sources.

This Act took effect on May 24, 2025.

#### SB 2366 (Hughes) - Relating to a grant program to fund short line railroad projects.

SB 2366 defines a short line railroad and establishes a grant program administered by the Texas Department of Transportation (TxDOT) for districts that own or operate short line railroads. The grant funding may be used to replace short line railroad tracks or bridges, improve short line rail capacity, or restore short line railways. Each grant will be approved by the Texas Transportation Commission. Ten percent of the total project costs must come from non-state sources. A grant recipient may use the award as matching funds to secure additional funding for a short line railroad project.

This Act took effect June 20, 2025.

#### **Safety**

#### HB 2029 - Relating to vehicle safety inspections of certain travel trailers.

HB 2029 amends the Transportation Code to regulate vehicle safety inspections for certain travel trailers. It retains an annual inspection program replacement fee of \$7.50 for motor vehicles, trailers, and others upon registration, while repealing Section 548.054 of the Transportation Code, repealing safety inspections for travel trailers.

This Act takes effect on September 1, 2025.

#### SB 305 (Perry) - Relating to the criminal offense of passing certain vehicles on a highway.

SB 305 amends Section 545.157(a) of the Texas Transportation Code to expand the list of stationary vehicles that, when using compliant visual signals, drivers are prohibited from passing on a highway. It adds vehicles operated by animal control officers, individuals authorized to dispose of animal carcasses, and local authority employees issuing parking citations to the list of protected vehicles.

This Act takes effect on September 1, 2025.

#### SB 546 (Menendez) - Relating to seat belts on buses that transport children.

SB 546 requires that all buses operated by or contracted for use by a school district for transporting schoolchildren be equipped with three-point seat belts for each passenger unless the school district's board of trustees determines it's not feasible within their budget and student needs, in which case two-point seat belts are allowed. Additionally, the bill permits school districts to accept gifts, grants, and donations from public or private sources to help implement these seat belt requirements.

This Act will take effect on September 1, 2025.

## SB 826 (Parker) - Relating to the operation of a motor vehicle in a school crossing zone while intoxicated.

SB 826 amends the Penal Code to increase the criminal penalty for operating a motor vehicle while intoxicated in a school crossing zone during times when the reduced speed limit is in effect, elevating the offense from a Class B misdemeanor to a state jail felony. It specifies that this change applies only to offenses committed on or after the effective date.

SB 1366 (Nichols) - Relating to the inclusion of information about construction or maintenance work zones in the curriculum of driver education and driving safety courses.

SB 1366 mandates the inclusion of information about construction or maintenance work zones in the curriculum of driver education and driving safety courses. It requires the curriculum to cover the dangers and penalties associated with traffic law violations in these zones.

This Act takes effect September 1, 2025.

#### SB 2039 (Hancock) - Relating to the applicability of certain pedestrian laws to certain sidewalk users.

SB 2039 amends various sections of the Transportation Code to ensure that sidewalk users are granted the same rights and responsibilities as pedestrians, including the right-of-way in crosswalks and requirements to stop at intersections with stop signs. A sidewalk user is defined as an individual lawfully operating a bicycle, motor-assisted scooter, electric personal assistive mobility device, skateboard, roller skates, or a similar device on a sidewalk. Additionally, the bill introduces new sections specifying the conduct of sidewalk users at crosswalks and intersections, ensuring safety and orderly interaction with vehicular traffic.

This Act takes effect September 1, 2025.

#### SB 2129 (Johnson) - Relating to the operation of vehicles at railroad grade crossings.

SB 2129 amends Section 545.251(f) of the Texas Transportation Code, which concerns the operation of vehicles at railroad grade crossings. It increases the penalty for offenses where drivers disregard warnings given by a flagger. Specifically, if a driver is found guilty of such a violation, the minimum fine is increased to \$100 and the maximum to \$400, where previously fines ranged from \$50 to \$200 generally.

This Act takes effect September 1, 2025.

#### Water/Flood

HJR 7 (Harris) - Proposing a constitutional amendment to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund.

HJR 7 proposes a constitutional amendment to dedicate up to \$1 billion per year of surplus state sales-and-use tax revenue, specifically the portion collected above the first \$46.5 billion, to the Texas Water Fund beginning in Fiscal Year 2027 through Fiscal Year 2047. It also outlines the management and allocation processes of these funds, including provisions for suspension during a state of disaster and specific constraints on usage, such as restrictions on funding certain groundwater transport infrastructure projects.

The amendment will be presented to voters on November 4, 2025.

## SB 7 (Perry) - Relating to the oversight and financing of certain water infrastructure matters under the jurisdiction of the Texas Water Development Board.

SB 7 establishes the Office of Water Supply Conveyance Coordination within the Texas Water Development Board to facilitate planning, coordination, and standards for water infrastructure projects, aiming to improve efficiency and interconnectivity while minimizing eminent domain usage. It also expands financial mechanisms and guidelines for water fund administration, prioritizes certain water infrastructure projects and permits utilization of funds for various strategic

purposes, contingent on voter approval of a related constitutional amendment. Financing for SB 7 is tied to voter approval of HJR 7.

This Act takes effect on September 1, 2025.

SB 480 (Perry) - Relating to the authority of a local government to enter into an interlocal contract with certain governmental entities to participate in water research or planning activities.

SB 480 adds Section 791.038 to Subchapter C, Chapter 791, of the Government Code. This authorizes local governments in Texas to enter into interlocal contracts with other local governments, the state, or the federal government to collaboratively participate in water research or planning activities.

This Act took effect on May 28, 2025.

SB 1967 (Hinojosa) - Relating to the projects eligible for financial assistance from the flood infrastructure fund

SB 1967 amends Section 15.531(2) of the Water Code to expand the definition of "flood project" eligible for financial assistance from the Flood Infrastructure Fund. It broadens the scope to include multi-purpose flood mitigation and drainage infrastructure projects that not only manage floodwater but also treat and distribute it for use as a water supply source.

This Act takes effect September 1, 2025.

#### **Vehicles**

HB 2029 (Noble) - Relating to vehicle safety inspections of certain travel trailers.

HB 2029 amends the Transportation Code to regulate vehicle safety inspections for certain travel trailers. It retains an annual inspection program replacement fee of \$7.50 for motor vehicles, trailers, and others upon registration, while repealing Section 548.054 of the Transportation Code, repealing safety inspections for travel trailers.

This Act takes effect on September 1, 2025.

SB 1729 (Miles) - Relating to the registration and inspection of vehicles.

SB 1729 modifies regulations related to vehicle registration and inspection in Texas. It establishes a 24-month registration period for certain new vehicles, adjusts related fees, and reallocates fee proceeds to specific funds, including the Clean Air Account and the Texas Mobility Fund. Additionally, it repeals specific sections of the Transportation Code related to vehicle inspections and fee assessments, effectively streamlining vehicle registration processes. Overall, SB 1729 removes unnecessary statutes that are no longer relevant due to the repeal of vehicle safety inspections during the 88th Legislative Session.

SB 1902 (Nichols) - Relating to the administration of the dealer-issued license plates database and to the removal and transfer of license plates.

SB 1902 amends the Transportation Code to enhance the administration of the dealer-issued license plates database by allowing the Texas Department of Motor Vehicles (TxDMV) to deny access to dealers engaged in fraudulent activities or previously denied access to related databases, with recourse for a hearing. Additionally, it revises procedures for removing and transferring license plates during vehicle sales or transfers, ensuring that plates are removed and can be reused or must be disposed of, with Department approval required for certain transfers.