

**89<sup>th</sup> Texas Legislature Recap**  
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**6.27.25**

The Texas Legislature adjourned Sine Die on Monday, June 2 with a laundry list of statewide issues to take home and campaign on before the next legislative session. There were 8,719 pieces of legislation filed during the 89th Regular Session, the highest number of bills since 1991. This session's passage rate of 13.8% was the lowest since 1991, whereas most sessions experience a passage rate of usually 20%. This can be attributed to the high number of bills filed, House committees appointed later in the session and the high number of freshmen members submitting bill drafts. Over 1,300 bills & joint resolutions were passed and sent to the Governor or to voters for them to vote on in the upcoming November elections.

Texas lawmakers signed off on Senate Bill 1, the 2026-2027 two-year spending plan of \$338 billion including large-ticket items, such as property tax relief, the Education Savings Account program, and public school funding, among other things. As a sidenote, Texas became the 34th state to enact a school choice program when Governor Abbott signed Senate Bill 2 into law this past May.

House Bill 2- provides \$8.5 billion in additional funding for public education. Includes \$100M to offset rising regional insurance cost – a major win for coastal communities and school districts across South Texas.

Designated as an emergency item, a landmark bail reform package has already been signed by Governor Abbott - and part of it will be on the ballot for Texas voters this November. The package includes Senate Bill 9 and Senate Joint Resolution 5, which would give judges greater discretion to deny bail in serious violent cases and limit magistrates' ability to reduce bonds set by district courts.

Senate Bill 3 – the THC Ban - A comprehensive ban on consumable hemp-derived THC products, such as delta-8 and delta-9, was vetoed by Governor Abbott and will now be considered during a Special Session which he has set for July 21<sup>st</sup>. Additional items will be

added to the agenda and only he can identify the priorities that will be considered during the 30-day special session.

Additionally, the Texas Sunset Review process for the 90<sup>th</sup> Regular Session will include major agencies such as the Health & Human Services Commission, Texas Department of State Health Services, and Texas Workforce Commission.

The 90<sup>th</sup> Regular Session is set to convene on January 12, 2027 and lawmakers will waste no time during the interim holding hearings on key policy issues as they prepare for the new legislature and revisit issues that may not have made it across the finish line this session.

### **Nueces County Hospital District 89<sup>th</sup> Regular Session** **Legislation**

- **SB 2069 by Sen. Zaffirini** – Requires the Texas Health & Human Services Commission to create a workgroup to study the feasibility of creating a statewide or regional registry of available acute psychiatric beds. *Effective 9/1/25*
- **HB 19** - Relating to the issuance and repayment of debt by local governments, including the adoption of an ad valorem tax rate and the use of ad valorem tax revenue for the repayment of debt. ***Died in committee.*** Numerous versions of this bill dealing with certificates of obligations, bond elections, and use of these funds were attempted but we were able to work with our colleagues from the Teaching Hospital of Texas, Texas Municipal League, Tx Associations of Counties, Texas Association of Community Colleges, etc. to stall these on the House Calendars Committee. ***Numerous scaled back versions of the bill were attempted but we were able to stall them in committees.***
- **House Bill 3093 (Villalobos/J. Hinojosa)** – amends current law relating to the calculation of certain ad valorem tax rates of a taxing unit for a year in which a property owner provides notice that the owner intends to appeal an order of an appraisal review board determining a protest by the owner regarding the appraisal of the owner's property.
- Effective immediately as of 5/24/25

- **H.B. 2856** would direct the Texas Higher Education Coordinating Board to study the feasibility of regional portals—centralized platforms for coordinating and reserving clinical training placements at healthcare facilities—by assessing regional needs, estimating costs, and identifying necessary maintenance and staffing for implementation and long-term operation. Accordingly, this bill would explore a structured approach to streamlining clinical placement coordination, expand student access to hands-on training opportunities, and strengthen the healthcare workforce pipeline by assessing how institutions of higher education can better collaborate with healthcare facilities to meet growing demand. *NCHD supported. Effective 9/1/25.*
- **HB 3800** - In developing its October 2024 final report, the Texas Healthcare Workforce Task Force, which was created by the Texas Higher Education Coordinating Board to examine the health care workforce shortage in Texas, learned about several successful collaborations and partnerships, including those involving educational institutions from high schools to universities, employers, local clinics, physician offices, hospitals, and state and local government agencies, that have occurred across the state seeking to ensure the effective development of a local health care workforce. **H.B. 3800** seeks to further this collaboration by requiring the Texas Workforce Commission to create an advisory board with members from institutions of higher education, health care-related entities, and local workforce development boards to develop a resource guide to help facilitate collaborations among health care providers and such institutions in more effectively identifying and addressing local health care workforce needs. *Effective 9/1/25*
- **SB 19** – Prohibits use of taxpayer funds for the hiring of lobbyist. *Died in the House. May be added to the Governor’s Call as part of the 1<sup>st</sup> Called Special Session.*
- **SB 1453** -Relating to the current debt rate and tax rate of a taxing unit for ad valorem tax purposes. This bill essentially is written to tighten up the strings on I&S. The minimum amount to service debt (in my interpretation) would be a declaration of the current existing debt service plus any additional debt

within the budget that will be or is proposed to be issued during the budget cycle for purposes of determining I&S in the TNT calculations.

- **SB 1901** - Relating to the administration of the Texas Opioid Abatement Fund Council and Texas Opioid Abatement Trust Fund. **S.B. 1901** makes several changes to clarify and strengthen the ethics and administration of the Opioid Abatement Fund Council and its council members, including providing a six-year, staggered term for council members; defining conflicts of interest; allowing the Texas Treasury Safekeeping Trust Company to reallocate funds for distribution to local governments if a local government affirmatively refuses the funds; and repealing voting thresholds by the appointing authority to enable individual council members to recuse themselves due to conflicts of interest.
- **HB 2851** by Rep. Howard/ Sen. Kolkhorst - Relating to including nursing school applications in a consolidated application service. This bill requires a service or organization that provides consolidated application services for applications to medical schools or dental schools, including the Texas Medical and Dental Schools Application Service operated through the UT System must include applications for nursing schools in this state. The bill requires THES at UT to establish an advisory board for recommendations on how to include nursing school applications and an implementation plan. Advisory Board are members of nursing profession with expertise in professional nursing programs or expertise in application process.
- **HB 3801** by Rep. Orr - Relating to the establishment of the Health Professions Workforce Coordinating Council and the abolition of the statewide health coordinating council and the nursing advisory committee of that council. HB 3801 would create the health professions workforce coordinating council to study and develop a strategic approach for ensuring a thriving health care system and health professions workforce in this state. The statewide health coordinating council was abolished as it primarily focused on addressing physician, mental health and nursing workforce shortages. The goal of this broader council is to address all health professional shortages.
- **HB 879** by Rep. Frank/ Sen. Hagenbuch - Relating to the licensing of certain military veterans as health care providers. (Signed by Governor – Effective Sept. 1, 2025) HB 879 requires the TMB/TNB and Physician Assistant

Board to issue a license to practice medicine or nursing in this state to an applicant who is licensed in good standing in another state; is a veteran of the US armed forces who retired not more than one year before the date of the license; was at the time of retiring or leaving serving active duty in this state and authorized to treat military persons; has passed the Texas medical jurisprudence exam. Bill prohibits issuing a license to those who hold an inactive license or DEA license due to active investigation or disciplinary action or convicted of a felony or misdemeanor involving moral turpitude.

- **HB 2038** by Rep. Oliverson/ Sen. Sparks - Relating to the issuance by the Texas Medical Board of certain licenses to practice medicine and the authority of an insured to select certain license holders under the insured's health policy. HB 2038 requires the medical board to issue a provisional license to a foreign medical license holder who submits an application, has been granted a Doctor of Medicine degree or similar degree, has been licensed in good standing in another country and who has completed residency or similar program and has satisfied exam requirements, is proficiency in English and is authorized to work in US and offered employment and is a citizen of the US or has been issued a visa. Provisional license is good for 2 years and may only practice in a facility with an accredited residency program. The bill also contains a new licensure for physician graduates. The TMB may issue a limited license to practice medicine to residents of Texas that have graduated in the preceding 2 years from a board recognized US or Canadian medical school or school outside US that the TMB recognizes. If the applicant is in good standing and has passed first and second components of medical licensing, is not enrolled in a residency program and meets other requirements by board. The physician would have to have a sponsoring physician and supervising practice agreement. The bill limits the physician graduate to only practice in a county with a population less than 100,000 and provide services in specialty in which sponsoring physician is certified under supervision. *Effective 9/1/25.*
- **HB 4801/SB 2666 (Villalobos/Hinojosa)** – HB 4806 received a hearing in the House Intergovernmental Affairs Committee. Stakeholders shared concerns with lawmakers and committee members. We recommend an interim strategy to develop a new proposal and prepare for the 90<sup>th</sup> Regular Session.

**The Texas Higher Education Coordinating Board Health-Related Workforce Strategies were maintained or increased in Senate Bill 1 – the FY 2026-2027 Final Budget.**

- \$844,440 increase for the Child Mental Health Care Consortium
- \$71.33 million increase for GME Expansion Grant Programs
- Family Residency, Preceptorship, Trauma Care, and Joint Admission Medical Program, Professional Nursing Shortage Reduction Program, Forensic Psych fellowship, Rural residency, Nurse Scholarships and Nurse Loan repayment and Nursing Innovation Grants were maintained at last biennium's levels.
- New: \$5 million for the biennium the Family-Medicine Obstetrics program to support the development or expansion and administration of family medicine-obstetrics postgraduate training grant programs and to support the salaries and benefits of the training physicians
- New \$5 million for the biennium Behavioral Health Innovation to support to support recruitment, training, and retention programs in behavioral health fields through the solicitation of grant applications from public community colleges.