

1-1 By: Bell of Kaufman, et al. H.B. No. 1545  
1-2 (Senate Sponsor - Parker)  
1-3 (In the Senate - Received from the House May 5, 2025;  
1-4 May 5, 2025, read first time and referred to Committee on Business  
1-5 & Commerce; May 22, 2025, reported adversely, with favorable  
1-6 Committee Substitute by the following vote: Yeas 11, Nays 0;  
1-7 May 22, 2025, sent to printer.)

1-8 COMMITTEE VOTE

| 1-9  |            | Yea | Nay | Absent | PNV |
|------|------------|-----|-----|--------|-----|
| 1-10 | Schwertner | X   |     |        |     |
| 1-11 | King       | X   |     |        |     |
| 1-12 | Blanco     | X   |     |        |     |
| 1-13 | Campbell   | X   |     |        |     |
| 1-14 | Creighton  | X   |     |        |     |
| 1-15 | Johnson    | X   |     |        |     |
| 1-16 | Kolkhorst  | X   |     |        |     |
| 1-17 | Menéndez   | X   |     |        |     |
| 1-18 | Middleton  | X   |     |        |     |
| 1-19 | Nichols    | X   |     |        |     |
| 1-20 | Zaffirini  | X   |     |        |     |

1-21 COMMITTEE SUBSTITUTE FOR H.B. No. 1545 By: Nichols

1-22 A BILL TO BE ENTITLED  
1-23 AN ACT

1-24 relating to the sunset review process and certain governmental  
1-25 entities subject to that process.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 ARTICLE 1. LIMITED-SCOPE REVIEWS

1-28 SECTION 1.01. TEXAS FUNERAL SERVICE COMMISSION. (a)  
1-29 Notwithstanding Section 651.002, Occupations Code, the Sunset  
1-30 Advisory Commission shall conduct a limited-scope review of the  
1-31 Texas Funeral Service Commission for the 90th Legislature.

1-32 (b) In conducting the limited-scope review under this  
1-33 section, the Sunset Advisory Commission staff evaluation and report  
1-34 must be limited to assessing the Texas Funeral Service Commission's  
1-35 administration of functions and duties regarding the regulation of  
1-36 willed body programs, non-transplant anatomical donation  
1-37 organizations, and anatomical facilities under Section 651.005,  
1-38 Occupations Code, and under Chapters 691 and 692A, Health and  
1-39 Safety Code.

1-40 (c) The Sunset Advisory Commission's recommendations to the  
1-41 90th Legislature may include any recommendation the commission  
1-42 considers appropriate based on the limited-scope review conducted  
1-43 under this section.

1-44 (d) This section takes effect only if Senate Bill 2721 or  
1-45 similar legislation of the 89th Legislature, Regular Session, 2025,  
1-46 relating to the licensing and regulation of persons who provide  
1-47 services in relation to the deceased does not become law. If  
1-48 legislation described by this subsection does become law, this  
1-49 section has no effect.

1-50 SECTION 1.02. STATE SOIL AND WATER CONSERVATION BOARD.  
1-51 Section 12, Chapter 358 (S.B. 1424), Acts of the 88th Legislature,  
1-52 Regular Session, 2023, is repealed.

1-53 ARTICLE 2. ENTITIES GIVEN 2027 SUNSET DATE

1-54 SECTION 2.01. TEXAS DEPARTMENT OF INSURANCE. Section  
1-55 31.004(a), Insurance Code, is amended to read as follows:

1-56 (a) The Texas Department of Insurance is subject to Chapter  
1-57 325, Government Code (Texas Sunset Act). Unless continued in  
1-58 existence as provided by that chapter, the department is abolished  
1-59 September 1, 2027 [2029].

1-60 SECTION 2.02. OFFICE OF PUBLIC INSURANCE COUNSEL. Section  
1-61 501.003, Insurance Code, is amended to read as follows:

2-1           Sec. 501.003. SUNSET PROVISION. The office is subject to  
 2-2 Chapter 325, Government Code (Texas Sunset Act). Unless continued  
 2-3 in existence as provided by that chapter, the office is abolished  
 2-4 September 1, 2027 [~~2029~~].

2-5           ARTICLE 3. ENTITIES GIVEN 2031 SUNSET DATE

2-6           SECTION 3.01. CREDIT UNION DEPARTMENT. Section 15.212,  
 2-7 Finance Code, is amended to read as follows:

2-8           Sec. 15.212. SUNSET PROVISION. The Credit Union Department  
 2-9 and the Credit Union Commission are subject to Chapter 325,  
 2-10 Government Code (Texas Sunset Act). Unless continued in existence  
 2-11 as provided by that chapter, the department and commission are  
 2-12 abolished September 1, 2031 [~~2035~~].

2-13           SECTION 3.02. STATE OFFICE OF ADMINISTRATIVE HEARINGS.  
 2-14 Section 2003.023, Government Code, is amended to read as follows:

2-15           Sec. 2003.023. SUNSET PROVISION. The State Office of  
 2-16 Administrative Hearings is subject to review under Chapter 325  
 2-17 (Texas Sunset Act), but is not abolished under that chapter. The  
 2-18 office shall be reviewed during the periods in which state agencies  
 2-19 abolished in 2031 [~~2027~~] and every 12th year after 2031 [~~2027~~] are  
 2-20 reviewed.

2-21           SECTION 3.03. TEXAS JUVENILE JUSTICE DEPARTMENT. (a)  
 2-22 Section 202.010, Human Resources Code, is amended to read as  
 2-23 follows:

2-24           Sec. 202.010. SUNSET PROVISION. The Texas Juvenile Justice  
 2-25 Board and the Texas Juvenile Justice Department are subject to  
 2-26 Chapter 325, Government Code (Texas Sunset Act). Unless continued  
 2-27 in existence as provided by that chapter, the board and the  
 2-28 department are abolished September 1, 2031 [~~2027~~].

2-29           (b) Notwithstanding Section 202.010, Human Resources Code,  
 2-30 as amended by this Act, the Sunset Advisory Commission shall  
 2-31 conduct a limited-scope review of the Texas Juvenile Justice  
 2-32 Department for the 90th Legislature.

2-33           (c) In conducting the limited-scope review under this  
 2-34 section, the Sunset Advisory Commission staff evaluation and report  
 2-35 must be limited to assessing the Texas Juvenile Justice  
 2-36 Department's administration of its regionalization duties aimed at  
 2-37 prioritizing the use of local levels of the juvenile justice system  
 2-38 over placement or commitment to secure facilities operated by the  
 2-39 Texas Juvenile Justice Department.

2-40           (d) The Sunset Advisory Commission may not review the office  
 2-41 of independent ombudsman of the Texas Juvenile Justice Department  
 2-42 as part of the limited-scope review conducted under this section.

2-43           (e) The Sunset Advisory Commission's recommendations to the  
 2-44 90th Legislature may include any recommendation the commission  
 2-45 considers appropriate based on the limited-scope review conducted  
 2-46 under this section.

2-47           (f) The Texas Juvenile Justice Department shall submit a  
 2-48 report not later than September 1, 2026, to the Sunset Advisory  
 2-49 Commission, the speaker of the house of representatives, the  
 2-50 lieutenant governor, and the standing committees of each house of  
 2-51 the legislature with primary jurisdiction over juvenile justice  
 2-52 that includes information about:

2-53           (1) the status of the United States Department of  
 2-54 Justice's investigation into the Texas Juvenile Justice Department  
 2-55 and the Texas Juvenile Justice Department's progress in addressing  
 2-56 findings as detailed in the United States Department of Justice's  
 2-57 report titled "Investigation of the Texas Juvenile Justice  
 2-58 Department," published on August 1, 2024;

2-59           (2) the waitlist of youth committed to the Texas  
 2-60 Juvenile Justice Department awaiting transfer to state secure  
 2-61 facilities from county facilities;

2-62           (3) the Texas Juvenile Justice Department's staffing  
 2-63 and turnover at state facilities for each fiscal year since fiscal  
 2-64 year 2016; and

2-65           (4) the progress on construction of additional state  
 2-66 juvenile correctional facilities for which the legislature  
 2-67 appropriated funding in the 2024-2025 biennium.

2-68           ARTICLE 4. ENTITIES GIVEN 2033 SUNSET DATE

2-69           SECTION 4.01. STATE BOARD OF VETERINARY MEDICAL EXAMINERS.

(a) Section 801.003, Occupations Code, is amended to read as follows:

Sec. 801.003. APPLICATION OF SUNSET ACT. The State Board of Veterinary Medical Examiners is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished September 1, 2033 [2027].

(b) This section takes effect only if S.B. 2155 or similar legislation of the 89th Legislature, Regular Session, 2025, relating to the regulation of veterinary professionals and facilities by the State Board of Veterinary Medical Examiners and the temporary administration of the board by the Texas Department of Licensing and Regulation becomes law. If legislation described by this subsection does not become law, this section has no effect.

#### ARTICLE 5. ENTITIES GIVEN 2035 SUNSET DATE

SECTION 5.01. LOWER COLORADO RIVER AUTHORITY. Section 8503.0021(a), Special District Local Laws Code, is amended to read as follows:

(a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall not include the management of the generation or transmission of electricity under the wholesale electricity operation of the authority and the authority's affiliated nonprofit corporations. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2035 [2031], and every 12th year after that year.

#### ARTICLE 6. AMENDMENTS TO THE TEXAS SUNSET ACT

SECTION 6.01. SUNSET ADVISORY COMMISSION. Section 325.003(a-1), Government Code, is amended to read as follows:

(a-1) A public member acts on behalf of the legislature when participating on the commission in furtherance of the legislature's duty to provide oversight of state ~~[executive branch]~~ agencies' implementation of legislative priorities.

SECTION 6.02. AGENCY REPORT TO COMMISSION. Section 325.007(a), Government Code, is amended to read as follows:

(a) Before September 1 of the odd-numbered year before the year in which a state agency subject to this chapter is abolished or reviewed, the agency shall report to the commission:

(1) information regarding the application to the agency of the criteria in Section 325.011; and

(2) any other information that the agency considers appropriate or that is requested by the commission.

SECTION 6.03. REPORTING REQUIREMENTS OF AGENCY BEING REVIEWED. Section 325.0075, Government Code, is amended to read as follows:

Sec. 325.0075. REPORTING REQUIREMENTS OF AGENCY BEING REVIEWED. Before September 1 of the odd-numbered year before the year in which a state agency subject to this chapter is abolished or reviewed, the agency shall submit to the commission, the governor, the lieutenant governor, and each member of the legislature a report that:

(1) lists each report that the agency is required by a statute to prepare; and

(2) evaluates the need for each report listed in Subdivision (1) based on whether factors or conditions have changed since the date the statutory requirement to prepare the report was enacted.

SECTION 6.04. COMMISSION DUTIES. Section 325.008(a), Government Code, is amended to read as follows:

(a) Before January 1 of the year in which a state agency subject to this chapter and its advisory committees are abolished or reviewed, the commission shall:

(1) review and take action necessary to verify the reports submitted by the agency under Section 325.007;

(2) consult the Legislative Budget Board, the Governor's Budget, Policy, and Planning Division, the State Auditor, and the comptroller of public accounts, or their successors, on the application to the agency of the criteria provided in Section 325.011;

(3) conduct a review of the agency based on the criteria provided in Section 325.011 and prepare a written report; and

(4) review the implementation of commission recommendations contained in the reports presented to the legislature during the preceding legislative session and the resulting legislation.

SECTION 6.05. PUBLIC HEARINGS. Section 325.009(a), Government Code, is amended to read as follows:

(a) Before February 1 of the year a state agency subject to this chapter and its advisory committees are abolished or reviewed, the commission shall conduct public hearings concerning but not limited to the application to the agency of the criteria provided in Section 325.011.

SECTION 6.06. REVIEW OF CERTAIN AGENCIES. Sections 325.0125(a) and (b), Government Code, are amended to read as follows:

(a) In the two-year period preceding the date scheduled for the abolition or review of a state agency under this chapter, the commission may exempt certain agencies from the requirements of this chapter relating to staff reports, hearings, and reviews.

(b) The commission may only exempt agencies that have been inactive for a period of two years preceding the date the agency is scheduled for abolition or review, that have been rendered inactive by an action of the legislature, or that the commission determines are unable to participate in the review due to a declared disaster.

#### ARTICLE 7. EFFECTIVE DATE

SECTION 7.01. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

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