

MINUTES

SENATE COMMITTEE ON FINANCE

Monday, July 27, 2026

10:30 AM

Capitol Extension, Room E1.036

Pursuant to a notice posted in accordance with Senate Rule 11.10 and 11.18, a public hearing of the Senate Committee on Finance was held on Monday, July 27, 2026, in the Capitol Extension, Room E1.036, at Austin, Texas.

MEMBERS PRESENT:

Senator Joan Huffman, Chair
Senator Juan Hinojosa, Vice Chair
Senator Carol Alvarado
Senator Paul Bettencourt
Senator Donna Campbell
Senator Pete Flores
Senator Bob Hall
Senator Phil King
Senator Lois Kolkhorst
Senator Angela Paxton
Senator Charles Schwertner
Senator Royce West

MEMBERS ABSENT:

Senator Charles Perry
Senator Judith Zaffirini

The Chair called the meeting to order at 10:33 AM. There being a quorum present, the following business was transacted:

The Chair made opening remarks.

The Committee heard invited and public testimony on the following interim charges:

Data Center Investment and State Fiscal Effects: Since the passage of House Bill 1223, 83rd Legislature, in 2013, the state cost of providing a sales tax exemption to qualifying data centers

has grown from an estimated \$14.6 million for the 2014-15 biennium to a projected \$3.3 billion for the 2028-29 biennium. Study the cost and consequences of the sales tax exemption provided to data centers under Tax Code Sections 151.359 and 151.3595. Make recommendations providing safeguards to ensure that Texans benefit from data center investment.

Examining Crime Victims' Compensation and Assistance Funds: Study the administration, funding sources, and distribution of state victims' assistance and the Crime Victims' Compensation Fund. Examine eligibility criteria, allocation processes, and distribution methods to victims, service providers, and related programs. Make recommendations to improve these programs in fulfilling their statutory purposes.

Rural Fire Protection Funding: Monitor the implementation of appropriations provided by the 89th Legislature for the Rural Volunteer Fire Department Assistance Program. Examine the distribution of grants for firefighting equipment, training, and protective clothing. Evaluate the impact of the increased funding on reducing the grant application backlog and examine whether the allocation of funds to high-risk wildfire areas is effectively enhancing community safety. Make recommendations for any legislation needed to improve, enhance, or complete the delivery of these critical resources to rural fire departments.

Evaluating Transportation Resources: Study current transportation funding from all sources and the long-term needs of Texas drivers. Assess the implementation of funding appropriated by the 89th Legislature and make recommendations to ensure the effective and efficient use of transportation funding.

Witnesses testifying and registering are shown on the attached list.

The Chair moved that the public testimony be closed; without objection, it was so ordered.

There being no further business, at 8:14 PM Senator Huffman moved that the Committee stand recessed subject to the call of the chair. Without objection, it was so ordered.

Senator Joan Huffman, Chair

Stephanie Hoover, Clerk