

89TH LEGISLATIVE SESSION

REAL ESTATE WINS





A GREAT YEAR TO BE A **TEXAS REALTOR®!**

The 89th Regular Texas Legislative Session brought major wins for Texas REALTORS®, their clients, and every property owner, buyer, tenant, and seller across the state. Thanks to the strong grassroots advocacy of our members—from REALTOR® Day at the Capitol to local efforts in the community—and the relentless work of the association's legislative team, sixty REALTOR®-supported bills passed, including all six of our priority bills, and are now becoming law.

Of 9,240 bills filed this session, only 13% were enacted into law. That means every legislative win was hard-fought and made possible by a united REALTOR® voice. From committee testimony to block walking, phone banking, and poll watching, members made a difference as part of the Texas REALTORS® strategic advocacy success.

This resource organizes key legislative wins by category, each with a brief summary and direct links to the bill text.

For questions or more details, contact the legislative team at policy@texasrealtors.com.

-Texas REALTORS® Governmental Affairs Team

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**"Advocacy is invisible
until it fails"**

- Anonymous

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89TH LEGISLATIVE SESSION BY THE NUMBERS

100%



Of Bills Were Read by Lobby Staff



9,240

Bills Filed

2,534 

Bills & Joint Resolutions
Monitored by Staff

6 (ALL)



Texas REALTOR®
Priority Bills Passed

54 MORE

Real Estate-Friendly
Bills Passed



 **150**

Bills Were Opposed by Texas REALTORS®



Bills Opposed by Texas REALTORS® Passed



PROPERTY RIGHTS

Protecting the property rights of all Texans is one of our utmost priorities. Texas REALTORS® represented a united front to protect Texas property owners, and we secured two huge victories. These bills protect agricultural operations and property rights, ensuring vital protections for years to come.

S.B. 1844: Disannexation for Service Failures

Addresses the disannexation of certain areas from a municipality due to failure to provide services. The bill allows a majority of property owners in an annexed area to petition for disannexation if the municipality fails to provide specified services within the timeframes outlined in various subchapters and agreements. The bill includes provisions that prevent landowners from receiving tax or fee refunds if disannexation occurs and

excludes certain areas, such as those previously designated as industrial districts, from disannexation.

S.B. 1035: Relief from Governmental Requirements for Agricultural Operations

Allows agricultural operators aggrieved by a political subdivision's enforcement of a governmental requirement affecting certain agricultural operations in violation of applicable state statutory or constitutional provisions to bring an action against the political subdivision to obtain declaratory and injunctive relief to block enforcement of the governmental requirement, with potential awards for court costs and attorney's fees.

REAL ESTATE RESTRICTIONS, LICENSING, & REPRESENTATION

A strong real estate market sometimes goes beyond finding the perfect home for our clients. Texas REALTORS® supported these bills because they further the state's interest in national security while protecting the Fair Housing Act and ensuring that licensees are not responsible for enforcing the law. They also modernize agency law, which increases overall transparency for consumers while working with license holders.

S.B. 17: Restrictions on Foreign Property Acquisition

Centered squarely on who can and cannot own or lease property in Texas, Senate Bill 17 was one of the main issues Texas REALTORS® and our real estate coalition partners focused on this session. The prohibition created by SB 17 says explicitly that governments or agents of the governments of designated countries, certain companies or organizations, or specific individuals may not purchase, lease, or otherwise acquire an interest in real property in Texas.

- Restricts real property acquisition by specific individuals or entities from countries deemed by the US Director of National Intelligence as national security risks (currently China, Russia, Iran, and North Korea), and any additional countries or entities identified by the Governor.
- Exempts leases of less than one year.
- US citizens and lawful permanent residents are exempted.
- Provides an exception for specific individuals purchasing a homestead if they are lawfully

present and residing in the US at the time of the purchase or acquisition.

- Creates a criminal offense (state jail felony) for individuals and imposes civil penalties for entities.
- Enforcement mechanisms via the Attorney General.

S.B. 1968: Licensing and Regulation of Real Estate Professionals

This Texas REALTORS® top priority legislation ensures Texas law reflects modern-day practices, including elements from the Sitzler lawsuit regarding the timing of information buyers receive in the homebuying process.

The bill:

- Eliminates subagency in all real estate transactions.
- Requires license holders to enter into a written agreement with prospective buyers of residential real property before showing any residential properties or, if no showings, before presenting an offer.
- Introduces a showing or touring-only agreement without representation, which must be non-exclusive for no more than 14 days.
- The bill also adjusts broker licensing requirements, recognizes associate brokers, updates continuing education programming offered by TREC, and requires that license holders provide their business address and phone number to TREC (and keep current).

PROPERTY TAX RELIEF

Texas REALTORS® is proud to have a long history of fighting for property tax relief. Whether it's reducing tax burdens or increasing transparency, we are always at the front lines, fighting for everyday Texans. 2025 was an excellent year for this issue, with 14 bills passed. These bills focus on tax exemptions, transparency in tax-related ballot propositions, and protections for property owners. Undoubtedly, these changes will strengthen our real estate market, the Texas economy, and Texas homeowners.

***S.J.R. 2: Constitutional Amendment to Increase Homestead Exemption**

Proposes a constitutional amendment to increase the homestead exemption for school district ad valorem taxes from \$100,000 to \$140,000, with an additional \$10,000 exemption for disabled or elderly individuals based on economic need. Includes provisions to protect school districts from revenue losses. The amendment will be voted on November 4, 2025.

***S.B. 4: Homestead Exemption Increase and School District Revenue Protection**

Increases the homestead exemption for school district ad valorem taxes from \$100,000 to \$140,000 and provides state aid to offset school district revenue losses. Includes provisions for debt service, transitional tax rate calculations, and provisional tax bills for 2025, effective contingent on voter approval of S.J.R. 2.

S.J.R. 85: Constitutional Amendment for Elderly/Disabled Homestead Exemption

Proposes a constitutional amendment to increase the ad valorem tax exemption for elderly or disabled individuals' residence homesteads from \$10,000 to \$60,000. Prevents eligible individuals from receiving both exemptions and requires formulas to protect school districts from revenue losses. To be voted on November 4, 2025.

S.B. 23: Elderly/Disabled Homestead Exemption Increase

Increases the ad valorem tax exemption for elderly or disabled individuals' residence homesteads from \$10,000 to \$60,000, contingent on voter approval of S.J.R. 85. Provides state aid to school districts to offset revenue losses, with detailed procedures for tax rate adjustments and provisional tax bills. Temporary provisions expire between 2026 and 2029.

***H.B. 9: Ad Valorem Tax Exemption for Income-Producing Personal Property**

Amends the Tax Code to exempt \$125,000 of the appraised value of tangible personal property used for income production from ad valorem taxation. Defines terms like "related business entity" and adjusts property rendering requirements. Effective contingent on voter approval of H.J.R. 1.

***H.J.R. 1: Constitutional Amendment for Personal Property Tax Exemption**

Proposes a constitutional amendment to allow the legislature to exempt \$125,000 of the market value of tangible personal property used for income production from ad valorem taxation, removing prior taxable value thresholds. To be voted on November 4, 2025.

S.B. 1025: Ballot Proposition Text for Tax Changes

Amends the Election Code to require ballot propositions for tax increases to state the amount or maximum tax rate and include a prominent "THIS IS A TAX INCREASE" statement. Tax reduction propositions must specify the reduction amount or the new rate.

S.J.R. 18: Constitutional Amendment Prohibiting Capital Gains Tax

Proposes a constitutional amendment to prohibit taxes on realized or unrealized capital gains for individuals, families, estates, or trusts, while preserving ad valorem, sales, and use taxes. To be voted on November 4, 2025.

S.B. 467: Temporary Ad Valorem Tax Exemption for Fire-Destroyed Homes

Provides a temporary ad valorem tax

exemption for residence homesteads destroyed by fire, prorated for the tax year. To qualify, the property must have been a habitable dwelling immediately before the fire and remain uninhabitable for at least 30 days after the incident.

H.B. 1244: Open-Space Land Appraisal Eligibility After Transfer

Allows land to retain open-space appraisal status after ownership transfer if the new owner uses it similarly. Specifies that ownership is not considered to have changed if the land is transferred to the surviving spouse or if the new owner uses the land in materially the same way as the former owner, with the same individuals overseeing the use.

H.B. 1533: Property Appraisal System Reforms

Several amendments to the Tax Code aimed at increasing transparency, accessibility, and fairness in the property appraisal and protest process for ad valorem tax purposes:

- Requires that specific notices be sent by certified mail, and modifies the information agents must provide when submitting electronic forms.



2025 Board Chairman, Christy Gessler testifying before the House Committee on Ways & Means in support of HB 9 which increases business property tax exemption from \$2,500 to \$125,000.

- Mandates that appraisal districts in counties with populations of 120,000 or more maintain an internet website and post updated appraisal records weekly, excluding confidential information.
- Revises property tax protest hearings procedures, allowing property owners to elect telephone or video conference hearings.
- Expands the right of lessees contractually obligated to pay property taxes to appeal appraisal review board decisions through binding arbitration for properties valued at \$5 million or less.
- Restricts court-ordered discovery in property tax appeals to only those requested by a party and prevents courts from accelerating expert witness discovery deadlines beyond those set by the Texas Rules of Civil Procedure.
- Sets new eligibility requirements for trainers of property tax courses contracted by the Comptroller, emphasizing taxpayer representation and independence from appraisal districts.

H.B. 2730: Residence Homestead Exemption Application Requirements

Amends Tax Code to clarify the conditions under which a chief appraiser can require a person who has been granted a residence homestead exemption from ad valorem taxation to file a new application or confirm their current qualification for the exemption. The bill also states that if the person is 65 years or older, the exemption cannot be canceled due to failure to file a new application unless certain conditions are met.

H.B. 2894: State Aid for Disabled Veteran Tax Relief

Amends Local Government Code to revise the eligibility criteria for local governments to receive state aid in the form of disabled veteran assistance payments. The bill expands the definition of 'local government' to include all municipalities and counties, removing the previous requirement that they be adjacent to or contain a United States military installation. It also establishes new thresholds for lost ad valorem tax revenue that must be met for a local government to qualify for state aid.

S.B. 1352: Ad Valorem Tax Exemption Application Deadlines for Freeport Goods

Amends Tax Code to adjust deadlines and penalties related to applications for certain ad valorem tax exemptions and allocations, specifically those involving freeport goods:

- Stipulates that if a chief appraiser extends the deadline for property owners to file a rendition statement or property report to May 15, the deadline for filing an exemption application or an allocation application is also extended to May 15.
- For good cause, the chief appraiser may further extend the exemption application



Texas REALTORS® Public Policy Oversight Committee Chair, Dixon Holman of Arlington, was invited to testify before the Senate Committee on Local Government February 11, 2025 in support of Senate Bill 4 (SB 4) and Senate Joint Resolution 2 (SJR 2) to increase the homestead tax exemption to \$140,000.

deadline by up to 60 days and the allocation application deadline by up to 30 days through a written order.

- Modifies the calculation of penalties for late applications, capping the penalty at the lesser of 10 percent of the tax difference or 10 percent of the tax imposed with the exemption or allocation.



On June 16th, House Bill 9, Senate Bill 4 and Senate Bill 23 providing reductions in property taxes through higher exemptions on homeowners, seniors, disabled veterans, and business owners' property were signed into law by Governor Abbott. Texas REALTORS® were honored to be the only non-legislators invited to the signing event in Denton, Texas. Texas REALTORS® Chairman Christy Gessler and CEO Mike Barnett joined the Governor on the stage during the signing. A good day for Texas property owners!

HOMEOWNERS' ASSOCIATIONS (HOAs)

Homeowners' Associations (HOAs) are the reality for countless Texas homeowners. These bills address HOA regulations, focusing on protecting property owners' rights and ensuring fair governance, a key priority for Texas REALTORS®.

H.B. 517: Prohibition on Fines for Discolored Vegetation During Water Restrictions

Amends the Property Code to prohibit HOAs from fining property owners for discolored vegetation or turf during municipal or water supplier-imposed watering restrictions due to droughts, extending 60 days post-restriction.

H.B. 621: HOA Regulation of Assembly and Speech

Amends the Property Code to prevent HOAs from prohibiting property owners or residents from inviting governmental officials or political candidates to meet in common areas, while allowing standard gathering rules (e.g., fees, occupancy limits). Exempts 501(c)(3) associations.

*****S.B. 711: Regulation of Property Owners' Associations**

This bill builds upon S.B. 1588 (2023). This bill extends transparency measures to property owners' associations, in a separate chapter for condominium associations. Amends the Property Code to require HOAs with 60+ units or management contracts to publish dedicatory

instruments online, record management certificates with the Texas Real Estate Commission, and limit how HOAs can regulate fencing. Limits liability for filing delays and sets resale certificate fees not to exceed \$375.

H.B. 431: Solar Roof Tiles Regulation

Clarifies that solar roof tiles are included in the definition of "solar energy device" under the Property Code, preventing HOA restrictions.



April 2, 2025 - Vice President of Governmental Affairs, Tray Bates testified on behalf of Texas REALTORS® as neutral in the Homeland Security, Public Safety and Veterans' Affairs Committee hearing on HB 17 (Hefner) relating to the purchase of or acquisition of title to real property by certain aliens or foreign entities; creating a criminal offense.



April 22, 2025 - President of the Austin Board of REALTORS®, Brandy Wuensch, testified before the Senate Committee on Local Government regarding SB 23 and SJR 85 which would provide an additional homestead exemption of \$50,000 to seniors over 65 and for the disabled.

HOUSING AFFORDABILITY

Texas continues to see a massive influx of new homeowners. These bills aim to increase housing availability and affordability by easing zoning and development restrictions, aligning with Texas REALTORS® goals for accessible housing. Thanks to this commonsense legislation, Texas can continue to grow and thrive.

***S.B. 15: Residential Lot Size and Density Requirements**

Prohibits municipalities in counties with populations over 150,000 from enforcing lot sizes greater than 3,000 square feet or widths greater than 30 feet and depths greater than 75 feet for residential lots in unplatted, single-family-zoned tracts of five acres or more. Limits restrictions on small lots (4,000 square feet or less), such as excessive setbacks, mandatory covered parking, more than one parking space per unit, or open space requirements exceeding 30 percent, with exceptions. Provides legal recourse for individuals or housing organizations adversely affected by municipal violations, including declaratory and injunctive relief, and mandates the awarding of attorney's fees to prevailing claimants.

***S.B. 785: Regulation of HUD-Code Manufactured Housing**

Amends Occupations Code to revise regulations concerning the installation of new HUD-code manufactured homes. The

bill requires municipalities to permit the installation of such homes in at least one residential zoning classification, district, or a dedicated classification for manufactured homes. It mandates that these areas be clearly indicated on zoning maps if such maps exist. Municipalities must process installation applications within 45 days, granting approval by default unless a written denial is issued. The legislation prohibits municipalities from requiring specific use permits or similar permits for new HUD-code manufactured homes if such permits are not required for comparable residential properties.

S.B. 1567: Municipal Regulation of Dwelling Unit Occupancy

Amends Local Government Code by adding new provisions that restrict the authority of certain home-rule municipalities with populations under 250,000 to regulate the occupancy of dwelling units. The legislation prohibits these municipalities from adopting or enforcing zoning ordinances that limit the number of occupants in a dwelling unit based on age, familial status, occupation, relationship status, or degree of relatedness. However, municipalities may impose occupancy limits and other codes based on minimum floor area per occupant, with some exceptions. The bill also prohibits municipalities from requiring real estate professionals to submit leases for review to determine the number of unrelated occupants.

*H.B. 24: Zoning Regulation Procedures

Amends the Local Government Code to revise procedures for municipal zoning changes, particularly those that increase residential development. Property owners can formally protest non-comprehensive changes if they represent at least 20% of the affected or adjoining land, triggering a higher voting threshold for approval by the municipal governing body. Additionally, it mandates that home-rule municipalities post large notice signs on affected properties or public rights-of-way at least 10 days before hearings on specific zoning changes.

H.B. 2559: Municipal Development Moratoriums

Amends the Local Government Code to regulate the imposition of moratoriums on property development by municipalities in Texas. The bill mandates that municipalities must hold two public hearings before adopting a moratorium, with the second hearing occurring no sooner than 30 days after the first. The bill also clarifies the timeline of such hearings, when final determinations are to be made, and when moratoriums expire.



H.B. 3526: Fiscal Transparency for Local Bonds

A new act aimed at enhancing fiscal transparency for bonds issued by local governmental entities in Texas. It amends the Government Code to require the Attorney General to send bond information to the Bond Review Board for inclusion in specific reports. Mandating the creation of a publicly accessible and searchable database on the Board's website, detailing information about each bond proposed or issued by local governments. This database will include details such as the principal amount, estimated interest, total payment amounts, and annual debt service requirements.



On March 25, Texas REALTORS® COO David Jones testified before the House Committee on Intergovernmental Affairs in support of Chairman Cody Harris' HB 2615 to add PID information to CAD tax transparency websites.

TENANTS/PROPERTY MANAGEMENT

Along with new homeowners, Texas has also seen an influx of new renters. With the rising cost of living, finding real solutions to secure rental properties is imperative. These bills address eviction processes and tenant protections, supporting Texas REALTORS® priorities for efficient property management and transparency.

*****S.B. 2349: Floodplain Notice Requirements for Leased Dwellings**

Introduces new notice requirements for leased dwellings located in floodplains. Specifically, it exempts leases with terms of less than 30 days and temporary residential tenancies up to 90 days created by a contract for sale from the notice requirements. Additionally, it specifies that required notices must be included in the lease, as an addendum, or in a separate document given to the tenant at or before execution of the lease.

S.B. 38: Eviction Procedures for Unauthorized Occupants

Amends the Property Code to revise procedures for eviction suits. The bill restricts the ability to modify or suspend eviction procedures to the legislature, with limited exceptions for the Supreme Court during disasters. It updates notice requirements and mandates that eviction petitions be sworn and conform to the Texas Rules of Civil Procedure. The bill also streamlines service of process, sets strict timelines for trials and appeals, and allows for electronic court appearances by agreement.

It revises procedures for appealing eviction judgments, including requirements for tenants to file statements of inability to pay court costs and for courts to determine and manage rent payments during appeals, with specific provisions for cases involving government rent assistance. The bill clarifies the issuance and execution of writs of possession, making them ministerial acts with expedited service requirements, and limits landlord liability for damages resulting from enforcement. Nonlawyer representation is permitted in justice court eviction suits, and certain previous provisions of the Property Code are repealed.

S.B. 1333: Unauthorized Property Transactions and Evictions

This bill significantly revises the Penal and Property Codes to address unauthorized entry, occupancy, and fraudulent real estate transactions. It increases penalties for property damage, especially involving homes and criminal trespass. New offenses are created for using false documents to transfer property and for unlawfully selling or leasing residential property, with varying penalties based on severity. A new legal process (Chapter 24B) allows property owners to request immediate removal of unauthorized occupants under specific conditions, involving sworn complaints and law enforcement verification. The bill also limits liability for law enforcement and property owners during removals, but allows wrongfully removed individuals to seek damages and attorney's fees.

S.B. 790: Simplified Utility Complaint Process

Authorizes the Public Utility Commission to establish a simplified procedure for resolving complaints filed by tenants against property owners regarding water or wastewater service bills. The bill stipulates that the standard administrative procedures do not apply to complaints resolved through this simplified process, thereby streamlining the resolution mechanism.



Director of Public Policy, Julia Parenteau testifies before the Senate Committee on Local Government in support of SB 673 regarding municipal and county regulation of accessory dwelling units.

COMMERCIAL

Texas has a history of welcoming businesses and entrepreneurs, and Texas REALTORS® has fought hard to keep it that way. These bills focus on commercial real estate development and conversions, supporting Texas REALTORS® priorities for economic growth and adaptive reuse of properties.

S.B. 2477: Conversion of Office Buildings to Residential Use

This bill creates new rules for converting office buildings into mixed-use or multifamily residential units in larger municipalities and counties. It applies only to buildings at least five years old where at least 65% of the space will be residential, and excludes properties near heavy industrial areas, airports, or military bases. Municipalities are barred from imposing certain restrictions, such as traffic studies, added parking, tighter density limits, or stricter design standards. Impact fees are largely prohibited unless already in place, and the conversion increases utility demand. The bill requires administrative approval for qualifying projects and allows legal action to enforce compliance, including recovery of attorney's fees.

***S.B. 840: Municipal Regulation of Mixed-Use and Multifamily Developments**

This bill limits how large municipalities regulate mixed-use and multifamily residential developments. It requires cities to allow such developments in areas already zoned for office, commercial, retail, or warehouse use without

requiring rezoning or special approvals, except in certain restricted zones like heavy industrial areas or near airports. Cities cannot impose stricter development standards than those for commercial use, and parking requirements are limited. Municipalities cannot mandate traffic studies, extra parking, or off-site improvements beyond basic code requirements to convert older buildings for residential use. Impact fees are restricted unless they were already in effect before the permit application, and the bill allows legal action to enforce these provisions, including recovery of attorney's fees.



A photograph of Bruno Zavaleta, a man with a beard and glasses, wearing a blue suit and a light purple shirt. He is seated at a wooden desk with a microphone in front of him, appearing to be in a legislative or public hearing setting. Other people are visible in the background, seated in rows of chairs.

INFRASTRUCTURE

HB 3680

April 17, 2025 - Bruno Zavaleta, Brownsville-South Padre Island Board President testified on behalf of Texas REALTORS® before the House Land and Resource Management Committee in support of HB 3680 (Gámez, Lopez, J., Longoria) relating to subdivision plat requirements in Cameron County.

These vital bills focus on water, land development, broadband, wildfire prevention, and utility infrastructure. One of Texas REALTORS®' top priorities is to facilitate community growth and economic development, and these bills do just that. Thanks to Texas REALTORS® and real estate champions in Austin, our infrastructure will continue to thrive and meet future needs.

***S.B. 7: Oversight and Financing of Water Infrastructure**

This bill strengthens oversight, coordination, and funding of Texas water infrastructure projects under the Texas Water Development Board (TWDB). It promotes joint planning and system interconnectivity while expanding eligible projects to include desalination, water reuse, and out-of-state water acquisitions. The legislation creates a new administrative fund, raises bond issuance and assistance limits,

and broadens TWDB's authority over water rights and fund management. It mandates a study on incorporating wastewater into the state water plan. It expands the Texas Water Fund Advisory Committee's oversight, focusing on transparency and inclusion of historically underutilized businesses. The act also requires a public online tool for tracking water infrastructure progress and includes staggered implementation dates tied to a constitutional amendment.

***H.J.R. 7: Constitutional Amendment for Texas Water Fund**

A constitutional amendment to dedicate a portion of Texas state sales and use tax revenue to the Texas Water Fund and specifies how these funds will be allocated and used. The Texas Water Fund will consist of these tax revenues, legislative appropriations, investment earnings, gifts, grants, and other sources. The

legislature may allocate these funds to accounts administered by the Texas Water Development Board, and such allocations cannot be changed for the first ten fiscal years. In the event of a declared state disaster, these allocations may be suspended, with the intent to restore any repurposed funds when practicable. The amendment also restricts the use of these funds for certain groundwater transport infrastructure projects.

****H.B. 3680: Subdivision Plat Requirements in Border Counties**

This bill creates new subdivision platting requirements for counties that border both Mexico and the Gulf of Mexico. It establishes Subchapter G, outlining detailed standards for land subdivision, including infrastructure requirements for water, sewer, drainage, roads, and utilities. Subdividers must provide certified documentation of utility availability, comply with floodplain regulations, and ensure lots are properly equipped before sale or lease. Counties are authorized to charge fees, require financial guarantees, and enforce compliance through penalties and legal action. The bill also amends related codes to align with the new rules, clarifies the role of model water and sewer regulations, and sets procedures for public notice, hearings, and timelines for county actions.

S.B. 34: Wildfire Prevention and Volunteer Fire Department Funding

This bill aims to strengthen wildfire prevention and response efforts, especially for volunteer fire departments. It requires a joint study by the Texas A&M Forest Service and West Texas A&M University to assess wildfire risks and fuel loads statewide, with a report due by December 1, 2026. The Texas A&M Forest Service must also create a real-time, statewide

database of firefighting equipment to aid in emergency coordination. The bill ensures that at least 10% of state assistance funds for volunteer fire departments go to those in high-risk wildfire areas, with unused funds reallocated as needed. These measures enhance planning, coordination, and support for wildfire management across Texas.

H.B. 144: Distribution Pole Management and Inspection Plans

This bill requires all electric cooperatives, utilities, and municipally owned utilities that distribute electricity to submit a detailed distribution pole management and inspection plan to the Public Utility Commission of Texas. The plan must cover safety goals, inspection procedures, training, response to landowner complaints, cost estimates, and compliance monitoring. Entities must submit annual updates by May 1, reporting on progress, costs, and corrective actions. The Commission will review submissions for compliance and may accept equivalent reports required by other laws. The goal is to enhance public safety and oversight of utility infrastructure.

S.B. 1121: Exemption from Notice Requirements for Fiber-Optic Projects

Amends the Natural Resources Code to expand the list of activities on nonfederal public land that are categorically excluded from certain notification requirements intended to protect archaeological sites. The bill specifically adds the installation, maintenance, operation, replacement, or minor modification of buried communication facilities located within the right-of-way of existing roads to the list of activities that do not require notification. The bill also clarifies that projects for which a state permit application was submitted before the promulgation of relevant rules are excluded from notification requirements.

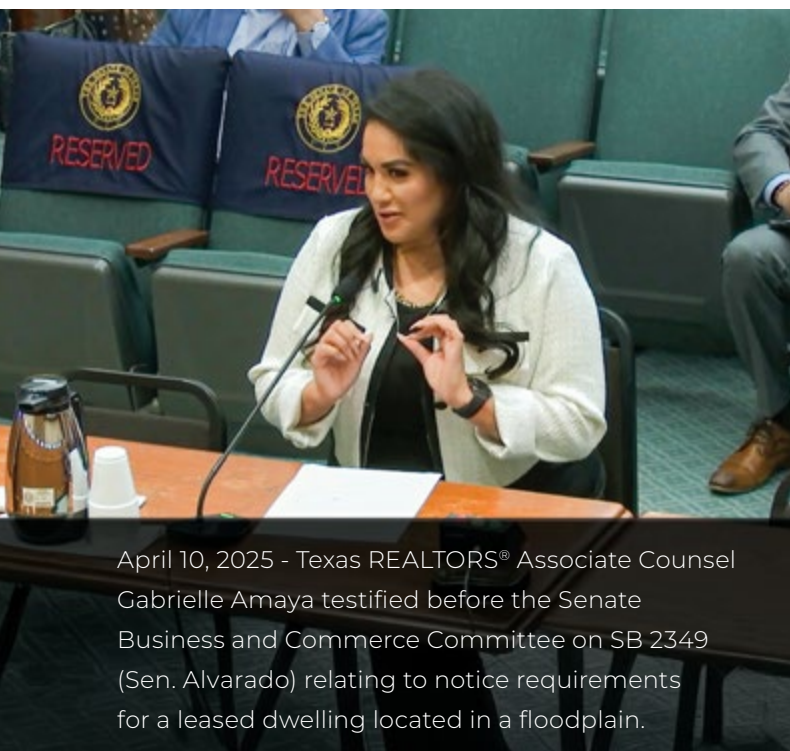


S.B. 1261: Financing for State Water Plan Projects

Introduces Chapter 1373 to the Government Code, which authorizes the issuance of obligations to finance water supply projects identified in the state water plan. The bill defines 'eligible projects' as those with cumulative capital costs of at least \$750 million and outlines the process for issuing obligations, including the requirement for approval by the governing body of an issuer and review by the Attorney General. The obligations can be secured by various revenue sources, but not by ad valorem taxes. The bill also amends several sections of the Water Code to align with the new chapter, allowing funds to be used for eligible projects as defined.

S.B. 1967: Financial Assistance for Flood Infrastructure

Amends the Water Code, specifically focusing on the financial assistance provided by the Texas Water Development Board for water-related projects. The amendments expand the use of the loan fund to include grants for drainage districts for water supply projects with flood control components, even if these districts lack historical water use data, do not provide retail water services, or lack a certificate of convenience and necessity. Additionally, the criteria for prioritizing projects now include the presence of a flood control component in water supply projects.



April 10, 2025 - Texas REALTORS® Associate Counsel Gabrielle Amaya testified before the Senate Business and Commerce Committee on SB 2349 (Sen. Alvarado) relating to notice requirements for a leased dwelling located in a floodplain.

REAL ESTATE TRANSACTIONS

This bill regulates real estate professionals and transactions to ensure transparency, professionalism, and consumer protection. It is imperative that Texas REALTORS® fight for transparency to safeguard our profession for future generations.

S.B. 2173: Tax Certificates in Property Transfers

Amends the Texas Tax Code by clarifying that if a property transfer is accompanied by a tax certificate that erroneously indicates no delinquent taxes, penalties, or interest due, the tax lien is extinguished, and the purchaser is absolved of liability. Furthermore, the original taxpayer remains personally liable. However, it introduces exceptions where the tax lien is not extinguished if the transfer occurs between related individuals, an employer and employee, a parent company and its subsidiary, or a trust and its beneficiary.



INSURANCE

With the rising cost of living, insurance costs are at the forefront of everyone's mind. These bills focus on improving insurance accessibility, affordability, and transparency, particularly in high-risk areas, supporting Texas REALTORS® consumer protection goals. Easing the burden of rising insurance costs will help Texas homeowners thrive, and our economy along with it.

H.B. 2067: Insurance Policy Declination and Cancellation Notices

This bill amends the Texas Insurance Code to improve transparency and accountability in insurance policy decisions. It requires insurers to provide written explanations when declining, canceling, or not renewing policies, and permits electronic delivery of these notices. Insurers must also submit quarterly reports to the Department of Insurance, detailing reasons by ZIP code (except for workers' compensation, which is reported statewide), with aggregated summaries posted online. For commercial policies, declination notices must be sent to the applicant's agent, who must notify the applicant.

H.B. 2517: Tax Exemptions for TWIA and FAIR Plan

Amends the Insurance Code to exempt the Texas Windstorm Insurance Association and the Texas FAIR Plan Association from the applicability of premium and maintenance taxes. Specifically, the bill adds these two

associations to the list of entities not subject to these taxes. The legislation clarifies that any tax liabilities accrued before the 2023 calendar year remain unaffected and will continue to be governed by the previous law for purposes of collection and enforcement.

H.B. 2518: TWIA Installment Payment Plans

Amends Insurance Code to prohibit the use of premium financing arrangements for Texas Windstorm Insurance Association policies, as the association will now offer multiple installment payment plans directly to policyholders at no additional cost. This change ensures that insured individuals can pay their premiums in installments without incurring extra fees or relying on third-party financing.

S.B. 1238: Prohibition on Marital Status Discrimination in Insurance

Amends the Insurance Code to prohibit insurance companies from discriminating against individuals based on their marital status following the death of a spouse. Specifically, insurers are not allowed to refuse coverage, limit coverage, or charge different rates to widowed individuals compared to those who are married. However, the act allows title insurance companies to impose reasonable requirements on widowed individuals for determining heirship or probate matters, similar to non-widowed individuals.



On REALTOR® Day, March 26, Texas REALTORS® Associate Public Policy Director, Seth Juergens testified before the House Trades, Workforce, and Economic Development Committee in support of Chairman Cody Harris' HB 2468.

SPECIAL DISTRICTS

These bills enhance transparency in public improvement districts, aligning with Texas REALTORS® priorities for consumer protection and disclosure. Both of these bills were pivotal talking points during REALTOR® Day at the Texas Capitol, which means our legislators saw our commitment to Texas real estate and took real action.

***H.B. 2468: Termination Rights for Public Improvement District Notice Failure

Amends the Property Code to strengthen the rights of purchasers in real estate transactions involving properties located within a public improvement district. The bill stipulates that if a seller fails to provide the required notice that a property is in a public improvement district, the purchaser is entitled to terminate the contract for any reason within seven days after receiving the notice, provided that the municipality or

county had filed a copy of the service plan with the county clerk before the contract was executed, as required by Section 372.013 of the Local Government Code.

***S.B. 1106: Publication of Public Improvement District Plans

This bill requires municipalities and counties to publish public improvement district service plans and assessments on their websites within seven days of approval or updates. It also mandates electronic submission of assessment rolls to appraisal districts for integration into property tax databases. Property owners must be notified of assessment hearings, though a missed notice does not invalidate the process. The bill further amends the Tax Code to include detailed public improvement district information in the property tax database, enhancing transparency and accessibility.

WORKFORCE DEVELOPMENT

Supporting workforce development has always been an important issue to Texas REALTORS®. These bills support workforce development through educational funding. A well-trained workforce is a robust workforce that will keep the Texas economy thriving.

S.J.R. 59: Constitutional Amendment for Texas State Technical College Funding

This proposed Constitutional amendment creates two new funds—the Permanent Technical Institution Infrastructure Fund and the Available Workforce Education Fund—to support capital needs at the Texas State Technical College System (TSTC). These funds will be used for infrastructure, equipment, library materials, and debt service, but not for athletics or auxiliary services. The Comptroller will manage the Permanent Fund and control annual distributions, capped at 5.5% to preserve long-term value. For fiscal year 2026, TSTC's

total funding from these and existing Section 17 funds is capped at \$52 million, with future adjustments for inflation. The amendment also clarifies that institutions funded under the new Section 21 are excluded from certain other state funding sources.

S.B. 2448: Rural Workforce Development Grant Program

This bill creates the Rural Workforce Development Grant Program to support workforce training and education in rural Texas. Administered by the Texas Workforce Commission, the program provides grants to nonprofit organizations that assist rural schools and colleges in addressing skills gaps and workforce needs. Eligible nonprofits must apply and meet specific experience and criteria requirements. Grant funds may only be used for technical assistance and support services.



Texas REALTOR® Leigh York testifying as neutral on SB 2713 before the Committee on Trade, Workforce and Economic Development.

SPECIAL SESSIONS

The Texas Legislature adjourned just after midnight on September 4, closing out its second special session of the 89th Legislature. Throughout both sessions, Texas REALTORS® was at the table—making sure Texas REALTORS® businesses, clients, and the real estate market were represented as key policies were debated and passed.

The first special session ran from July 21 to August 15. Within hours of its adjournment, Governor Abbott called a second session that stretched through September 4. During that time, lawmakers advanced several REALTOR®-relevant measures, including:

- **H.B. 23 – Tax Exemptions For Agricultural Programs Like 4H In Harris County**
- **S.B. 18 – Flood Control Construction**
- **S.B. 14 – Credits For Impact Fees In Water Projects**
- **S.B. 16 – Stronger Protections Against Deed Fraud, Including Tougher Penalties And ID Requirement**

Beyond real estate, legislators also took action on disaster preparedness and flood mitigation—critical issues for Texas property owners and communities.

A third special session is rumored, with disaster relief and other priorities still on the table. Texas REALTORS® will continue to monitor, engage, and keep you updated as new laws roll out and additional sessions convene.

Texas REALTORS® members can stay ahead of the curve—subscribe to the Advocacy Recap Newsletter (RECAP) to follow legislative changes affecting your business and your clients.

LEGEND

***DENOTES REALTOR® DAY
AT THE TEXAS CAPITOL BILL**

****DENOTES TEXAS
REALTORS® FILED BILL**

*****DENOTES REALTOR® DAY &
TEXAS REALTORS® FILED BILL**



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