TEXAS REGISTER

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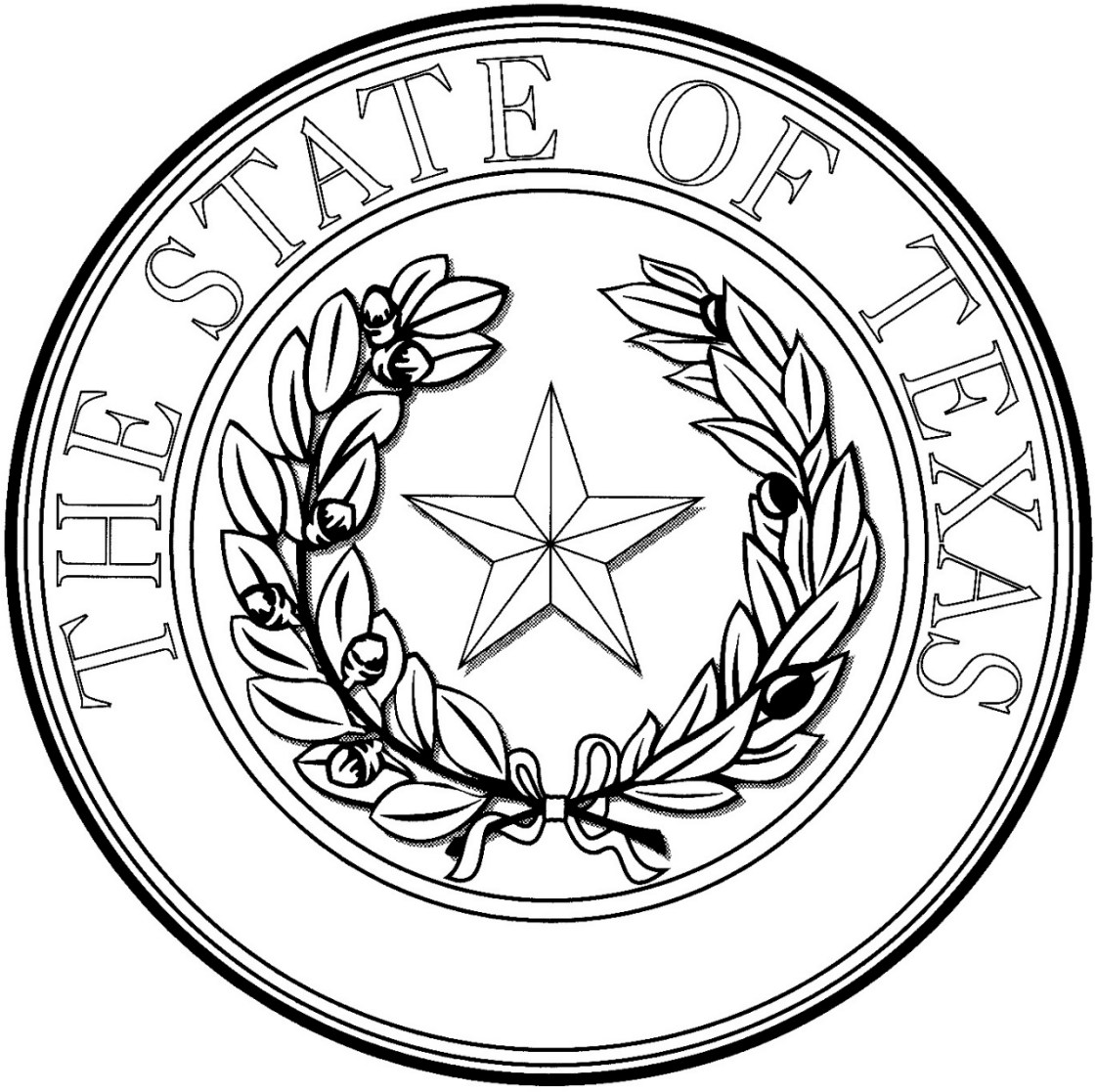

In This Issue

Open Meetings

Statewide agencies and regional agencies that extend into four or more counties post meeting notices with the Secretary of State.

Meeting agendas are available on the *Texas Register*'s Internet site:
https://www.sos.texas.gov/open/index.shtml

Members of the public also may view these notices during regular office hours from a computer terminal in the lobby of the James Earl Rudder Building, 1019 Brazos (corner of 11th Street and Brazos) Austin, Texas. To request a copy by telephone, please call 512-463-5561. Or request a copy by email: register@sos.texas.gov

For items ***not*** available here, contact the agency directly. Items not found here:

- minutes of meetings
- agendas for local government bodies and regional agencies that extend into fewer than four counties
- legislative meetings not subject to the open meetings law

The Office of the Attorney General offers information about the open meetings law, including Frequently Asked Questions, the *Open Meetings Act Handbook*, and Open Meetings Opinions.
http://texasattorneygeneral.gov/og/open-government

The Attorney General's Open Government Hotline is 512-478-OPEN (478-6736) or toll-free at (877) OPEN TEX (673-6839).

Additional information about state government may be found here:
http://www.texas.gov

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Meeting Accessibility. Under the Americans with Disabilities Act, an individual with a disability must have equal opportunity for effective communication and participation in public meetings. Upon request, agencies must provide auxiliary aids and services, such as interpreters for the deaf and hearing impaired, readers, large print or Braille documents. In determining type of auxiliary aid or service, agencies must give primary consideration to the individual's request. Those requesting auxiliary aids or services should notify the contact person listed on the meeting notice several days before the meeting by mail, telephone, or RELAY Texas. TTY: 7-1-1.

THE GOVERNOR

As required by Government Code, §2002.011(4), the *Texas Register* publishes executive orders issued by the Governor of Texas. Appointments and proclamations are also published. Appointments are published in chronological order. Additional information on documents submitted for publication by the Governor's Office can be obtained by calling (512) 463-1828.

Appointments

Appointments for November 12, 2025

Appointed to the Evergreen Underground Water Conservation District for a term to expire February 1, 2029, Weldon G. Riggs of Floresville, Texas (Mr. Riggs is being reappointed).

Appointed to the Sabine River Compact Administration for a term to expire July 12, 2031, Michael H. "Mike" Lewis of Newton, Texas (Mr. Lewis is being reappointed).

Appointments for November 17, 2025

Appointed to the Board for Lease of Texas Parks and Wildlife Lands for a term to expire September 1, 2027, Clifton E. "Cliff" Bickerstaff of Amarillo, Texas (Mr. Bickerstaff is being reappointed).

Appointed to the Board for Lease of Texas Department of Criminal Justice Lands for a term to expire September 1, 2027, Erin E. Lunceford of Houston, Texas (Judge Lunceford is being reappointed).

Appointments for November 19, 2025

Appointed to the Aerospace and Aviation Advisory Committee for a term to expire September 1, 2029, Aimee P. Burnett of Southlake, Texas (Ms. Burnett is being reappointed).

Appointed to the Aerospace and Aviation Advisory Committee for a term to expire September 1, 2029, Sonja L. Clark of Amarillo, Texas (Ms. Clark is being reappointed).

Appointed to the Aerospace and Aviation Advisory Committee for a term to expire September 1, 2029, Summer R. Webb of Valentine, Texas (replacing Lauren A. Dreyer of McGregor whose term expired).

Appointments for November 20, 2025

Appointed to the Sabine River Authority of Texas Board of Directors as president for a term to expire at the pleasure of the Governor, Clifford R. "Cliff" Todd of Long Branch, Texas.

Appointed to the Sabine River Authority of Texas Board of Directors for a term to be determined as set forth by law, Richard B. "Blair" Abney of Marshall, Texas.

Appointed to the Sabine River Authority of Texas Board of Directors for a term to be determined as set forth by law, Joshua A. "Josh" McAdams of Center, Texas.

Appointed to the Sabine River Authority of Texas Board of Directors for a term to be determined as set forth by law, Kevin M. Williams of Orange, Texas.

Appointments for November 21, 2025

Appointed to the Texas Historical Commission for a term to expire February 1, 2027, James H.C. "Jamey" Steen of Houston, Texas (replacing Frank T. "Tom" Perini of Buffalo Gap whose term expired).

Greg Abbott, Governor

TRD-202504306

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Proclamation 41-4245

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, seventeen proposed amendments to the Constitution of Texas were voted on in the Constitutional Amendment Special Election held on November 4, 2025; and

WHEREAS, on the 19th day of November, 2025, I, Greg Abbott, Governor of the State of Texas, did certify the tabulation prepared by the Secretary of State; and

WHEREAS, the tabulation and total of the votes cast for and against each proposed amendment established that the voters of the State of Texas adopted the following sixteen proposed amendments by a majority vote, to wit:

STATE OF TEXAS PROPOSITION 1, as submitted by Senate Joint Resolution No. 59, providing for the creation of the permanent technical institution infrastructure fund and the available workforce education fund to support the capital needs of educational programs offered by the Texas State Technical College System.

STATE OF TEXAS PROPOSITION 2, as submitted by Senate Joint Resolution No. 18, prohibiting the imposition of a tax on the realized or unrealized capital gains of an individual, family, estate, or trust.

STATE OF TEXAS PROPOSITION 3, as submitted by Senate Joint Resolution No. 5, requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony.

STATE OF TEXAS PROPOSITION 4, as submitted by House Joint Resolution No. 7, to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund and to provide for the allocation and use of that revenue.

STATE OF TEXAS PROPOSITION 5, as submitted by House Joint Resolution No. 99, authorizing the legislature to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

STATE OF TEXAS PROPOSITION 6, as submitted by House Joint Resolution No. 4, prohibiting the legislature from enacting a law imposing an occupation tax on certain entities that enter into transactions conveying securities or imposing a tax on certain securities transactions.

STATE OF TEXAS PROPOSITION 7, as submitted by House Joint Resolution No. 133, authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a veteran who died as a result of a condition or disease that is presumed under federal law to have been service-connected.

STATE OF TEXAS PROPOSITION 8, as submitted by House Joint Resolution No. 2, to prohibit the legislature from imposing death taxes applicable to a decedent's property or the transfer of an estate, inheritance, legacy, succession, or gift.

STATE OF TEXAS PROPOSITION 9, as submitted by House Joint Resolution No. 1, to authorize the legislature to exempt from ad valorem taxation a portion of the market value of tangible personal property a person owns that is held or used for the production of income.

STATE OF TEXAS PROPOSITION 10, as submitted by Senate Joint Resolution No. 84, to authorize the legislature to provide for a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire.

STATE OF TEXAS PROPOSITION 11, as submitted by Senate Joint Resolution No. 85, authorizing the legislature to increase the amount of the exemption from ad valorem taxation by a school district of the market value of the residence homestead of a person who is elderly or disabled.

STATE OF TEXAS PROPOSITION 12, as submitted by Senate Joint Resolution No. 27, regarding the membership of the State Commission on Judicial Conduct, the membership of the tribunal to review the commission's recommendations, and the authority of the commission, the tribunal, and the Texas Supreme Court to more effectively sanction judges and justices for judicial misconduct.

STATE OF TEXAS PROPOSITION 13, as submitted by Senate Joint Resolution No. 2, to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district from $100,000 to $140,000.

STATE OF TEXAS PROPOSITION 15, as submitted by Senate Joint Resolution No. 34, affirming that parents are the primary decision makers for their children.

STATE OF TEXAS PROPOSITION 16, as submitted by Senate Joint Resolution No. 37, clarifying that a voter must be a United States citizen.

STATE OF TEXAS PROPOSITION 17, as submitted by House Joint Resolution No. 34, to authorize the legislature to provide for an exemption from ad valorem taxation of the amount of the market value of real property located in a county that borders the United Mexican States that arises from the installation or construction on the property of border security infrastructure and related improvements.

IN TESTIMONY WHEREOF, I have hereto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 19th day of November, 2025.

Greg Abbott, Governor

TRD-202504272

THE ATTORNEY GENERAL

The *Texas Register* publishes summaries of the following: Requests for Opinions, Opinions, and Open Records Decisions.

An index to the full text of these documents is available on the Attorney General's website at https://www.texas.attorneygeneral.gov/attorney-general-opinions. For information about pending requests for opinions, telephone (512) 463-2110.

An Attorney General Opinion is a written interpretation of existing law. The Attorney General writes opinions as part of his responsibility to act as legal counsel for the State of Texas. Opinions are written only at the request of certain state officials. The Texas Government Code indicates to whom the Attorney General may provide a legal opinion. He may not write legal opinions for private individuals or for any officials other than those specified by statute. (Listing of authorized requestors: https://www.texasattorneygeneral.gov/attorney-general-opinions.)

Opinions

Opinion No. KP-0504

The Honorable Gary Gates

Chair, House Committee on Land and Resource Management

Texas House of Representatives

Post Office Box 2910

Austin, Texas 78768-2910

Re: Commissioners Court authority to select a firm to assist with redrawing precinct lines pursuant to Chapter 42, Texas Elections Code (RQ-0597-KP)

S U M M A R Y

The Fort Bend Commissioners Court may hire an outside law firm of its own choice to assist it in fulfilling its redistricting duties under Chapter 42 of the Election Code without interfering with or usurping the Fort Bend County Attorney's statutory duties.

The County Attorney may not unilaterally contract with an outside law firm of her choice to assist the Commissioners Court in carrying out its redistricting duties under Chapter 42 of the Election Code.

For further information, please access the website at www.texasattorneygeneral.gov or call the Opinion Committee at (512) 463-2110.

TRD-202504271
Justin Gordon
General Counsel
Office of the Attorney General
Filed: November 20, 2025

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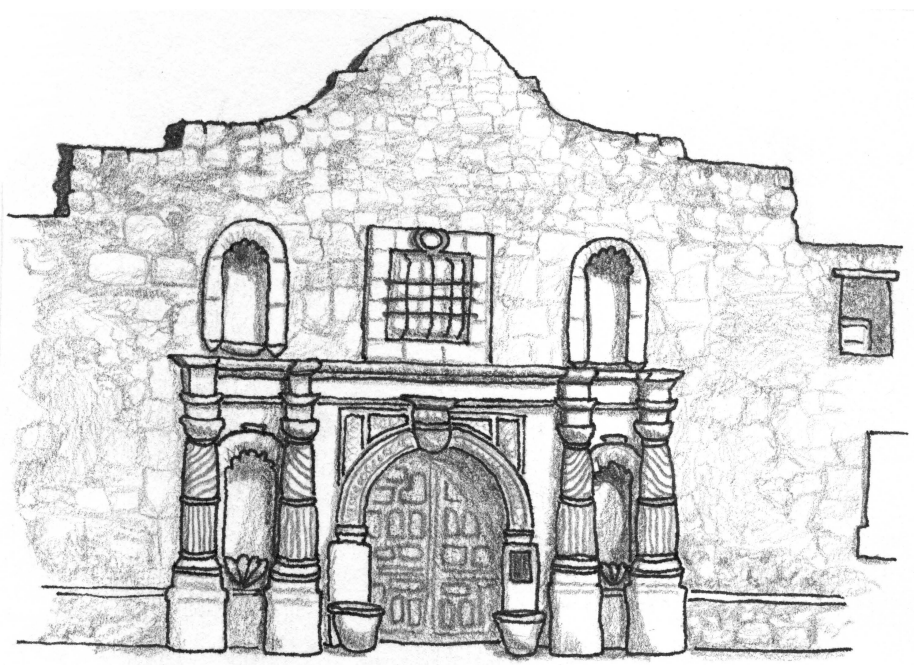

Proposed rules include new rules, amendments to existing rules, and repeals of existing rules. A state agency shall give at least 30 days' notice of its intention to adopt a rule before it adopts the rule. A state agency shall give all interested persons a reasonable opportunity to submit data, views, or arguments, orally or in writing (Government Code, Chapter 2001).

Symbols in proposed rule text. Proposed new language is indicated by underlined text. [~~Square brackets and strikethrough~~] indicate existing rule text that is proposed for deletion. "(No change)" indicates that existing rule text at this level will not be amended.

TITLE 1. ADMINISTRATION

PART 12. COMMISSION ON STATE EMERGENCY COMMUNICATIONS

CHAPTER 251. 9-1-1 SERVICE STANDARDS

1 TAC §251.2

The Commission on State Emergency Communications (CSEC) proposes amendments to 1 TAC §251.2.

BACKGROUND AND PURPOSE

CSEC proposes an amendment to rule 251.2 (Title 1, Part 12, Chapter 251 of the Texas Administrative Code) relating to 9-1-1 service arrangements. The primary purpose of the amendment is to address the use of Next Generation 9-1-1 systems and technologies to temporarily route 911 calls to a different emergency service provider or public safety answering point (PSAP) based on the caller's location using geographic coordinates and other information obtained by geographic information system (GIS) technology.

SECTION-BY-SECTION EXPLANATION

Section 251.2(c) is amended to provide the procedure for a service provider to implement temporary geospatial routing at the request of a Texas 9-1-1 administrative entity.

FISCAL NOTE

Andrew Friedrichs, CSEC's executive director, has determined that for each year of the first five fiscal years (FY) that amended §251.2 is in effect there will be no additional cost, reduction in cost, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the amended section. Changes in 9-1-1 service arrangements are initiated by and at the direction of each 9-1-1 administrative entity. As amended, the rule does not affect the authority of a 9-1-1 administrative entity to initiate or control changes in its 9-1-1 service arrangements. Therefore, the amended rule has no impact on any costs associated with 9-1-1 service arrangements or changes thereto.

PUBLIC BENEFITS AND COSTS

Mr. Friedrichs has determined that for each year of the first five years the amended section is in effect, the public benefits anticipated as a result of the proposed revision will be to ensure that a service provider only implements temporary geospatial routing when requested by a Texas 9-1-1 administrative entity to change its 9-1-1 service arrangement and only for a defined period of time. This will avoid any disruptions or degradations in 9-1-1 service from changes to 9-1-1 service arrangements that are either not requested by the proper entity or are not reverted back to the routing policy previously approved by the Texas 9-1-1 Administrative Entity in a timely manner.

RULE INCREASING COSTS TO REGULATED PERSONS

Government Code §2001.0045 precludes a state agency from adopting a proposed rule if the fiscal note imposes a cost on regulated persons, including another state agency, a special district, or a local government, unless on or before the effective date the state agency: (a) repeals a rule that imposes a total cost on regulated persons that is equal to or greater than the total cost imposed on regulated persons by the proposed rule; or (b) amends a rule to decrease the total cost imposed on regulated persons by an amount that is equal to or greater than the cost imposed on the persons by the rule. There are exceptions for certain types of rules under §2001.0045(c).

Section 2001.0045(b) is not applicable as no costs are imposed on regulated persons as a result of the amendment. Accordingly, no repeal or amendment of another rule to offset costs is required.

LOCAL EMPLOYMENT IMPACT STATEMENT

CSEC has determined that this proposal does not directly affect a local economy and therefore has not drafted a local employment impact statement as would otherwise be required under Administrative Procedures Act §2001.022.

GOVERNMENT GROWTH IMPACT STATEMENT

In compliance with the requirements of Texas Government Code §2001.0221, CSEC has determined that during the first five years that the amendment of this rule will be in effect it would:

(1) not create or eliminate a government program;

(2) not require the creation of new employee positions or the elimination of existing employee positions;

(3) not require an increase or decrease in future legislative appropriations to CSEC;

(4) not require an increase or decrease in fees paid to the agency;

(5) not create a new regulation;

(6) expand an existing regulation to address temporary geospatial routing in the context of changes to 9-1-1 service agreements;

(7) not increase or decrease the number of individuals subject to the rule's applicability; and

(8) not positively or adversely affects this state's economy

REGULATORY ANALYSIS OF MAJOR ENVIRONMENTAL RULES

CSEC has determined that this proposal is not a "major environmental rule" as defined by Government Code §2001.0225.

SMALL, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT ANALYSIS

In accordance with Government Code §2006.002(c), Mr. Friedrichs has determined that there will be no adverse economic effect on small businesses, micro-businesses, or rural communities. The proposal permits service providers to implement temporary geospatial routing for a planned event or in response to an emergency incident at the request of a 9-1-1 administrative entity and requires that the service provider revert the routing back to the previously approved routing policy after the conclusion of such event or incident. This process does not economically impact either party. Accordingly, CSEC has not prepared an economic impact statement or regulatory flexibility analysis, nor has it contacted legislators in any rural communities regarding this proposal.

TAKINGS IMPACT ASSESSMENT

CSEC has determined that the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Government Code §2007.043.

PUBLIC COMMENT

Comments on the proposal may be submitted in writing c/o Kenny Moreland, General Counsel, Commission on State Emergency Communications, 1801 Congress Avenue, Suite 11.100, Austin, Texas 78701, or by email to kennym@csec.texas.gov. CSEC invites specific comments regarding the effects of the proposed rule, including the costs associated with, and benefits that will be gained by the proposed amendment. CSEC also requests any data, research, or analysis from any person required to comply with the proposed rule or any other interested person. CSEC will consider the information submitted by commenters and the costs and benefits of implementation in deciding whether to modify the proposed rules on adoption. Please include "251.2 Rulemaking Comments" in the subject line of your letter or email.

Comments will be accepted for 30 days following publication of the proposal in the *Texas Register.*

STATEMENT OF AUTHORITY

The amended section is proposed pursuant to Health and Safety Code §§771.051, 771.055 - 771.056; and Title 1 Texas Administrative Code, Part 12, Chapter 251, 9-1-1 Service--Standards.

No other statute, article, or code is affected by the proposal.

§251.2. Changes to 9-1-1 Service Arrangements.

(a) Purpose. The purpose of this rule is to establish minimum requirements for implementing changes to 9-1-1 service arrangements in order to protect against degradation of service.

(b) Standards. All goods, services, systems, or technology purchased with 9-1-1 funds must be consistent with the current commonly accepted standards for enhanced and next-generation 9-1-1. The reference for commonly accepted standards for 9-1-1 networks, equipment, services, and databases is the National 911 Implementation and Coordination Office, commonly referred to as the National 9-1-1 Office. The Emergency Communications Advisory Committee will advise the Commission on matters including standards for statewide interoperability and interconnection of Texas 9-1-1 Administrative Entities' Emergency Services Internet Protocol Networks as provided in Commission Rule §252.8, Emergency Communications Advisory Committee.

(c) Requirements to prevent degradation of 9-1-1 service.

(1) 9-1-1 Database Management Services Provider and 9-1-1 Network Services Provider Requirements.

(A) The service provider, including 9-1-1 Next Generation Core Services Provider, making the proposal to the Texas 9-1-1 Administrative Entity verifies in writing, as part of the proposed agreement, that:

(i) Service provider will participate in joint planning meetings with affected service providers and Texas 9-1-1 Administrative Entities as necessary to prevent degradation of 9-1-1 service;

(ii) Reasonable notice of the proposal (i.e., at least 10 days before a joint planning meeting) has been provided to the current service provider (if a change in service providers is involved) and to other potentially affected service providers;

(iii) The service provider also verifies that at least one joint planning meeting occurred with at least 10 days' notice to all affected service providers that they may participate in the joint planning meeting; and

(iv) As a result of the joint planning meeting either each technical issue or objection by other service providers has fully been resolved or an impartial statement of each unresolved issue or objection has been provided (a joint planning meeting is open to evaluate all alternatives and is not limited to a discussion of one service provider's proposal).

(B) All certifications, prerequisites, and agreements requiring approval under applicable laws and regulations, specifically including Public Utility Commission's §§26.272, 26.433, and 26.435 (16 TAC Part 2, Chapter 26) as they pertain to 9-1-1 service, have been obtained, completed, and approved.

(C) Upon request from a Texas 9-1-1 Administrative Entity, a service provider may implement temporary geospatial routing for a defined period of time for a planned event or in response to an emergency incident. At the conclusion of the planned event or emergency incident, the geospatial routing must revert back to the routing policy previously approved by the Texas 9-1-1 Administrative Entity.

(2) Texas 9-1-1 Administrative Entity Requirements. Prior to the implementation of a change in a 9-1-1 service arrangement, a Texas 9-1-1 Administrative Entity must give reasonable notice to all neighboring or adjacent 9-1-1 entities that could potentially be affected by the change.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 21, 2025.

TRD-202504295
Kenny Moreland
General Counsel
Commission on State Emergency Communications
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 922-9089

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CHAPTER 252. ADMINISTRATION

1 TAC §§252.2, 252.3, 252.5 - 252.9

The Commission on State Emergency Communications (CSEC) proposes amendments to 1 TAC §§252.2, 252.3, 252.5 - 252.9.

BACKGROUND AND PURPOSE

CSEC proposes amendments to §§252.2, 252.3 and 252.5 - 252.9 (Title 1, Part 12, Chapter 251 of the Texas Administrative Code) relating to the administration of the agency. The primary purposes of the amendments are to update the rules to reduce inefficiency, be more consistent with relevant statutes, update the agency's procedures, reflect current terminology in the industry, and improve clarity.

SECTION-BY-SECTION EXPLANATION

Section 252.2 is amended to delete the first paragraph of subsection (a), which CSEC has determined is unnecessary because it merely restates policies and incorporates standards that can be found elsewhere. The second paragraph is also amended to update the references to rules of the Comptroller of Public Accounts to a general reference to Chapter 20 in case of future changes.

Section 252.3 is amended to remove two specific examples of serious illnesses of family members or employees, as CSEC determined that such limited examples are unnecessary. It is also amended to revise and clarify the process for prescribing procedures for the sick and family leave pool program.

Section 252.5 is amended to correct the specific statutory references to the State Employees Training Act, which is found in Texas Government Code, §§656.041 - 656.055, and to clarify that CSEC will also comply with the separate requirements in Texas Government Code Chapter 656 Subchapter D. State agencies are required under Texas Government Code § 656.048 to (a) adopt rules relating to: (1) the eligibility of the agency's administrators and employees for training and education supported by the agency; and (2) the obligations assumed by the administrators and employees on receiving the training and education; and (b) adopt rules requiring that before an administrator or employee of the agency may be reimbursed under § 656.047(b), the executive head of the agency must authorize the tuition reimbursement payment. Section 252.5 is also amended to update the name of CSEC's human resources policy document. Subsection (i), which relates to full or partial reimbursement of employee training to obtain a degree or certification, is deleted due to conflicts with Texas Government Code § 656.103. CSEC will adhere to Texas Government Code § 656.103 and, therefore, does not need to adopt a rule that just restates the statute or incorporates its standards by reference.

Section 252.6 is amended to clarify and revise the process that CSEC will follow for questions or disputes regarding the state demographer's population estimates from Regional Planning Commissions (RPCs) or Emergency Communication Districts (ECDs) whose 9-1-1 service boundaries and therefore population totals are not fully accounted for in the estimates. CSEC determined that subsection (b) needed clarification, as the third sentence failed to specify that "comment" is what is being allowed by CSEC staff providing the RPCs and ECDs with proposed percentages. Further, subsection (d) is amended to permit- rather than require - the Commission, upon request by an RPC, ECD, or Commission staff, to review and modify the adopted distribution percentages to account for changes in 9-1-1 service boundaries not reflected in the state demographer's population estimates. This change is appropriate because the Commission is the party with ultimate authority to make the decision and would not be required to act on a request that it determines has no merit.

Section 252.7 is amended to update subsection (a) to update the reference to the National Emergency Number Association's current name for its source for definitions. The minimum value for "9-1-1 Equipment" in current subsection (b)(3) is increased from $5,000 to $10,000 for consistency with the Texas Grant Management Standards. The definition of "Applicable Law" in current subsection (b)(6) is removed because it is unnecessary to provide a non-exhaustive list of other laws. The minimum value for "Capital Assets" in current subsection (b)(7) is increased from $5,000 to $10,000 for consistency with the Texas Grant Management Standards. The definition of "Capital Purchase" in current subsection (b)(8) is removed because the term is not used in rules or CSEC policy documents. The definition of "Controlled Assets" in current subsection (b)(11) is updated for consistency with directive from the Texas Comptroller of Public Accounts. The term "Customer Premises Equipment (CPE)" in current subsection (b)(11) is replaced with the term "Call-Handling Equipment (CHE)," and the definition is updated to reflect current parlance. The definition of "Emergency Communication District (District)" is updated to include Texas Health and Safety Code, Chapter 772, Subchapter G, which was added to statute since the rule was previously adopted. The definition of "Equipment Maintenance" in current subsection (b)(16) is amended to correct the word "insure" to "ensure." The definition of "interlocal Agreement" in current subsection (b)(17) is revised to clarify that it refers to contracts executed under Texas Government Code, Chapter 791. The definition of "Local Monitoring Plan" in current subsection (b)(21) is revised to clarify that it applies to "Interlocal Agreements" as that term is defined in these rules. The definition for "Next Generation 9-1-1 Core Services" is added as new subsection (b)(20) to add this term, which refers to certain components of modern 9-1-1 technology. The definition of "Primary PSAP" in current subsection (b)(23) is amended to remove the reference to a "central office," which is not relevant to modern 9-1-1, and to add a reference to calls routed from a NGCS provider. The definition of "TDD" in current subsection (b)(24) is amended to remove superfluous language. The term "Uniform Grant Management Standards" in current section (b)(26) is replaced with "Texas Grant Management Standards," which is the current standard applicable to state agencies, and the authority referenced is updated. The definition of "Wireless 9-1-1 Call" in current subsection (b)(27) is updated to include the words "wireless service provider" as an explanation of the acronym "WSP." The definition for "Wireless E9-1-1 Service Agreement" in current Subsection (b)(31) is removed because this document is no longer relevant. All definitions are renumbered as needed to account for those definitions that are removed and added.

Section 252.8 is amended to revise subsection (a) to clarify that the Emergency Communications Advisory Committee (Committee) is actually established under Health and Safety Code §771.00511 and not established by the rule as it previously stated. Subsection (b) is amended to clarify the parties that make up the term "9-1-1 Entities" as used therein. Subsection (b)(1) is amended to correct the name of CSEC's Agency Strategic Plan. Subsections (c) and (e) are amended to make CSEC's Executive Director a voting member of the Committee instead of an ex-officio non-voting member. Subsection (c) is also amended to clarify that Committee members may not be from the same 9-1-1 Entity without regard to whether it is a state or local entity. Subsection (e) is further amended to clarify that the term of the Executive Director or such individual's designee

does not expire. CSEC believes this will benefit the Committee by allowing the Executive Director to play a more active role as a participant and to have a part in decision-making. Subsection (g) is amended to provide clarity and remove redundancy. Subsection (h) is amended to remove the possibility of a different reporting schedule beyond the standard September 1 deadline and to clarify that there is only one report, which is provided to inform CSEC of the Committee's activities rather than to advise CSEC. Current subsection (k), which relates to reimbursement of expenses, is removed because all meetings are virtual and do not require reimbursement. In the event of in-person meetings requiring reimbursement, CSEC would follow Government Code, Chapter 2110 and does not need to adopt a rule that just restates the same requirements found therein.

Section 252.9 is amended to clarify that "operating" is included in "providing 9-1-1 service" as that term is used in Health and Safety Code §771.053(a)'s grant of liability protection. CSEC believes this addition better describes the different roles that a next generation 9-1-1 service provider plays.

FISCAL NOTE

Andrew Friedrichs, CSEC's executive director, has determined that for each year of the first five fiscal years (FY) that the amended sections are in effect there will be no additional cost, reduction in cost, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the amended sections. The amendments to definitions in section 252.7 include two increases to the minimum monetary value for certain categories of expenses for Regional Planning Commissions, but this is only a change to whether the expenses are considered capitalized, meaning recorded as a long-term asset. There is no change from these amendments to what will be reimbursed to local governments by CSEC.

PUBLIC BENEFITS AND COSTS

Mr. Friedrichs has determined that for each year of the first five years the amended section is in effect, the public benefits anticipated as a result of the proposed amendments will be to reduce inefficiency by removing any portions of the rules that restate state or federal statute, are outdated or redundant, or simply incorporate other standards by reference when adoption by CSEC is not required. The amendments will also benefit the public by updating the rules to be consistent with current terminology from the National Emergency Number Association (NENA), professional organization dedicated to improving and modernizing the 9-1-1 emergency communication system that serves as an industry standard for language. Better clarity is also provided for members of the public and local governments by correcting statutory citations throughout the rules. The public is also benefited by the amendment that makes the Executive Director a voting member of the Emergency Communications Advisory Committee (Committee), because CSEC, as the state's authority on emergency communications, will be able to actively participate in the Committee's decision-making and provide a statewide perspective that is not provided from other members.

RULE INCREASING COSTS TO REGULATED PERSONS

Government Code §2001.0045 precludes a state agency from adopting a proposed rule if the fiscal note imposes a cost on regulated persons, including another state agency, a special district, or a local government, unless on or before the effective date the state agency: (a) repeals a rule that imposes a total cost on regulated persons that is equal to or greater than the total cost imposed on regulated persons by the proposed rule; or (b) amends a rule to decrease the total cost imposed on regulated persons by an amount that is equal to or greater than the cost imposed on the persons by the rule. There are exceptions for certain types of rules under §2001.0045(c).

Section 2001.0045(b) is not applicable to these amendments as no costs are imposed on regulated persons as a result of the amendments. Accordingly, no repeal or amendment of another rule to offset costs is required.

LOCAL EMPLOYMENT IMPACT STATEMENT

CSEC has determined that the proposed amendments do not directly affect a local economy and therefore has not drafted a local employment impact statement as would otherwise be required under Administrative Procedures Act §2001.022.

GOVERNMENT GROWTH IMPACT STATEMENT

In compliance with the requirements of Texas Government Code §2001.0221, CSEC has determined that during the first five years that these amendments will be in effect they would:

(1) not create or eliminate a government program;

(2) not require the creation of new employee positions or the elimination of existing employee positions;

(3) not require an increase or decrease in future legislative appropriations to CSEC;

(4) not require an increase or decrease in fees paid to the agency;

(5) not create a new regulation;

(6) not expand, limit, or repeal an existing regulation;

(7) not increase or decrease the number of individuals subject to the rule's applicability; and

(8) not positively or adversely affects this state's economy

REGULATORY ANALYSIS OF MAJOR ENVIRONMENTAL RULES

CSEC has determined that this proposal is not a "major environmental rule" as defined by Government Code §2001.0225.

SMALL, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT ANALYSIS

In accordance with Government Code §2006.002(c), Mr. Friedrichs has determined that there will be no adverse economic effect on small businesses, micro-businesses, or rural communities, as the proposed amendments only affect 9-1-1 administrative entities and do not cause the loss of any business opportunities or otherwise affect businesses. Accordingly, CSEC has not prepared an economic impact statement or regulatory flexibility analysis, nor has it contacted legislators in any rural communities regarding this proposal.

TAKINGS IMPACT ASSESSMENT

CSEC has determined that the proposed amendments do not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Government Code §2007.043.

PUBLIC COMMENT

Comments on the proposal may be submitted in writing c/o Kenny Moreland, General Counsel, Commission on State Emergency Communications, 1801 Congress Avenue, Suite 11.100, Austin, Texas 78701, or by email to kennym@csec.texas.gov.

CSEC invites specific comments regarding the effects of the proposed rule, including the costs associated with, and benefits that will be gained by the proposed amendment. CSEC also requests any data, research, or analysis from any person required to comply with the proposed rule or any other interested person. CSEC will consider the information submitted by commenters and the costs and benefits of implementation in deciding whether to modify the proposed rules on adoption. Please include "252.2, 252.3, 252.5 - 252.9 Rulemaking Comments" in the subject line of your letter or email.

Comments will be accepted for 30 days following publication of the proposal in the *Texas Register.*

STATEMENT OF AUTHORITY

The amended sections are authorized pursuant to Health and Safety Code §§771.051, 771.0511, 771.053, and 771.0711(c), and Government Code §§ 656.048, 661.002, and 2161.003.

The proposed amendment to section 252.9 affects Health and Safety Code §771.053(a). No other statute, article, or code is affected by the proposal.

§252.2. Purchase of Goods and Services: Historically Underutilized Businesses.

~~[(a) The purpose of this subchapter is to establish the authority and responsibility to promote full and equal business opportunities for all businesses in state contracting in accordance with the goals specified in the State of Texas Disparity Study. It is the policy of the State of Texas and the Commission to encourage the use of historically underutilized businesses and to implement this policy through race, ethnic, and gender-neutral means.]~~

[~~(b)~~] In accordance with Government Code §2161.003, the Commission adopts by reference the Historically Underutilized Business rules of the Comptroller of Public Accounts in 34 Texas Administrative Code Chapter 20 [~~§§20.82(d)(1), 20.82(d)(4), and 20.282 - 20.287~~], relating to the Historically Underutilized Business Program.

§252.3. State Employee Sick and Family Leave Pools.

(a) A sick leave pool program is established to help alleviate the hardship caused to a state employee and the employee's immediate family if a catastrophic illness or injury or a previous donation to the sick leave pool forces the employee to exhaust their sick leave.

(b) A family leave pool program is established to provide a state employee more flexibility in:

(1) bonding with and caring for children during a child's first year following birth, adoption, or foster placement; and

(2) caring for a seriously ill family member or the employee[~~, including pandemic-related illnesses or complications caused by a pandemic~~].

(c) The Commission's Executive Director shall designate a Leave Pools Administrator to administer the sick and family leave pool programs.

(d) The Leave Pools Administrator, with approval by [~~the advice and consent of~~] the Executive Director, shall prescribe procedures for [~~the operation of~~] the sick and family leave pool programs and include such procedures in the Commission's Human Resources [~~Policy and Procedures~~] Manual.

(e) Employee donations of one or more days of accrued sick leave to the sick leave pool or accrued sick or vacation leave to the family leave pool are strictly voluntary and must be made in writing.

(f) Procedures for the operation of the sick and family leave pools will be consistent with Texas Government Code, Chapter 661.

§252.5. Employee Training.

(a) "Training" as used in this rule means instruction, teaching, or other education received by a Commission employee that is not normally received by all Commission employees and that is designed to enhance the ability of the employee to perform the employee's job. The term includes a course of study at an institution of higher education or a private or independent institution of higher education as defined by §61.003, Education Code, if the employing state agency spends money to assist the state employee to meet the expense of the course of study or pays salary to the employee to undertake the course of study as an assigned duty. The term does not include training required either by state or federal law or that is determined necessary by the Commission and offered to all Commission employees performing similar jobs.

(b) The Commission may make public funds available to its employees for training in accordance with the State Employees Training Act (Texas Government Code, §§656.041 - 656.055) and Texas Government Code Chapter 656, Subchapter D (§§656.101 - 656.104). The Commission may spend public funds to pay the salary, tuition and other fees, travel and living expenses, training stipend, expense of training materials, and other necessary expenses of an instructor, student, or other participant in a training program.

(c) The training must be related to the duties or prospective duties of the employee.

(d) Employees may be required to complete a training program related to the employee's duties or prospective duties.

(e) Requirements for eligibility and participation in a training program shall be in accordance with this rule and the Commission's current Human Resources [~~Policy and Procedures~~] Manual.

(f) Approval to participate in a training program, including Commission-sponsored programs, shall not in any way affect an employee's at-will status or constitute a guarantee or indication of continued employment, nor shall it constitute a guarantee or indication of future employment in a current or prospective position.

(g) Permission to participate in any training program may be withdrawn if the Commission's Executive Director determines that participation would negatively impact the employee's job duties or performance.

(h) For an authorized training program offered by an institution of higher education or private or independent institution of higher education:

(1) the Commission may only reimburse the tuition expenses for a program course(s) successfully completed by the employee at an accredited institution of higher education (including online courses or courses not credited towards a degree); and

(2) the Commission's Executive Director must authorize the tuition reimbursement payment.

~~[(i) An employee who requests a training program to obtain a degree or certification for which the Commission agrees to provide or reimburse all or part of the required tuition must agree in writing, as part of the employee's request, to fully repay the Commission any amounts paid if the employee voluntarily terminates employment with the Commission within one year after the training program is completed (prorated to credit any full calendar month of employment following completion of the training program) and any reasonable expenses the Commission incurs in obtaining restitution, including reasonable attorney's fees. An employee who voluntarily terminates employment before the end of one year after completing the training program due to extraor-~~

dinary circumstances may request that the Executive Director waive repayment.]

(i) [(j)] All materials received by an employee through Commission-funded training are the property of the Commission.

§252.6. Wireless Service Fee Proportional Distribution.

(a) The Commission shall use the most recent annual population estimates from the Texas Demographic Center to determine the proportionate amount of wireless and prepaid wireless emergency service fees remitted per Health and Safety Code §771.0711(c) and §771.0712(a) attributable to each regional planning commission (RPC) and emergency communication district (ECD).

(b) Within 90 days of the publication of the state demographer's population estimates, Commission staff shall provide the RPCs and ECDs with the proposed proportionate distribution percentages. RPCs and ECDs may provide comments to the proposed percentages within the timeframe set by Commission staff. Commission staff's proposed percentages are provided to allow comment from RPCs and ECDs whose 9-1-1 service boundaries and therefore population totals are not fully accounted for in the state demographer's population estimates. It is the joint responsibility of affected RPCs and ECDs to provide the Commission with agreed adjustments to the proposed population distributions and proposed percentages to accurately reflect their 9-1-1 service populations.

(c) The Commission shall adopt proportionate distribution percentages in an open meeting. Notice of the adopted percentages shall be provided by Commission staff to the RPCs and ECDs within thirty (30) days of adoption.

(d) Upon request by an RPC, ECD, or Commission staff, the Commission shall review and may modify the adopted distribution percentages to account for changes in 9-1-1 service boundaries not reflected in the state demographer's population estimates.

(e) In accordance with Health and Safety Code §771.0711(c), Commission staff shall use the adopted percentages to distribute to each ECD not participating in the state system its pro-rata share of remitted wireless and prepaid wireless emergency service fees, and notify each ECD when a distribution is made.

(f) Commission staff shall use the adopted percentages to distribute to each ECD not participating in the state system the interest earned on remitted wireless and prepaid wireless emergency service fees and credited by the Comptroller of Public Accounts. Distributions of interest shall be made no less than once each fiscal year.

§252.7. Definitions.

(a) Purpose. This rule defines terms commonly used by the Commission. Terms not defined in this rule or another Commission rule or policy statement shall be defined by Applicable Law. The National Emergency Number Association (NENA) Knowledge Base [Master] Glossary [of 9-1-1 Terminology] is adopted by reference. Commission rules and/or policy statements shall govern in the event of a conflict with the definitions in the NENA Knowledge Base [Master] Glossary.

(b) Definitions. Unless the context clearly indicates otherwise, the following terms mean:

(1) 9-1-1 Call Taking Position--Equipment required to deliver an emergency 9-1-1 call. The position is defined as the equipment necessary to answer the call, not the associated personnel. A position consists of a device for answering the 9-1-1 calls, a device to display 9-1-1 call information, and the related telephone circuitry and computer and/or router equipment necessary to ensure reliable handling of the 9-1-1 call.

(2) 9-1-1 Database--An organized collection of information, which is typically stored in computer systems that are comprised of fields, records (data), and indexes. In 9-1-1, such databases include master street address guides (MSAG), telephone numbers, emergency service numbers (ESNs), and telephone customer records. This information is used for the delivery of location information to a designated public safety answering point (PSAP). Use of the 9-1-1 database must be authorized by the Commission and RPC. The database is developed and maintained by the local government agency and/or the RPC as described within the regional strategic plan in accordance with Commission Rule 251.9, Guidelines for Database Maintenance Funds.

(3) 9-1-1 Equipment--Items and components whose cost is over $10,000 [$5,000] and have a useful life of at least one year.

(4) 9-1-1 Funds--Funds assessed and disbursed in accordance with the Texas Health and Safety Code, Chapter 771.

(5) 9-1-1 Network--The dedicated network of equipment, circuits, and controls assembled to establish communication paths to deliver 9-1-1 emergency communications.

(6) Call-Handling Equipment (CHE)--The terminal equipment at a PSAP or other approved facility connected to a communications network to provide 9-1-1 service.

[(6) Applicable Law--Includes, but is not limited to, federal law and FCC regulations; Texas Health and Safety Code Chapter 771; Commission rules, Texas Administrative Code (TAC), Title 1, Part 12; Public Utility Commission of Texas rules, TAC Title 16, Part 2, Chapters 22 and 26; the Uniform Grant Management Standards, TAC Title 1, Part 1, Chapter 5, Subchapter A, Division 4. Also referred to as "applicable laws and rules."]

(7) Capital Asset--Items and components whose cost is over $10,000 [$5,000] and which have a useful life of at least one year.

[(8) Capital Purchase--A procurement of items, systems, or services that cost is over $5,000 in the aggregate, and that have a useful life of at least one year.]

(8) [(9)] Commission--Commission on State Emergency Communications. Also referred to as CSEC.

(9) [(10)] Contingency Routing Plan--Routing scheme to provide for the provision of uninterrupted 9-1-1 service in the event of an incident that requires the temporary rerouting of 9-1-1 calls due to man-made or natural disasters.

(10) [(11)] Controlled Assets--Controlled assets are property classes that state agencies are required to report to the Comptroller. A listing of items can be found in the CPA FMX Website: https://fmx.cpa.texas.gov/fmx/pubs/spaproc/appendices/appa/appa_6.php, or as amended. [Items and components that have a cost of $5,000 or less and have a useful life of at least one year and have a high risk for loss.]

[(12) Customer Premises Equipment (CPE)--the terminal equipment at a PSAP.]

(11) [(13)] Database Maintenance--A program for the maintenance of the regional MSAG.

(12) [(14)] Digital Map--A computer generated and stored data set based on a coordinate system, which includes geographical and attribute information pertaining to a defined location. A digital map includes street name and location information, data sets related to emergency service provider boundaries, as well as other associated data.

(13) [~~(15)~~] Emergency Communication District (District)--A public agency or group of public agencies acting jointly that provided 9-1-1 service before September 1, 1987, or that had voted or contracted before that date to provide that service; or a District created under Texas Health and Safety Code, Chapter 772, Subchapters B, C, D, or F.

(14) [~~(16)~~] Equipment Maintenance--The preservation and upkeep of 9-1-1 equipment in order to ensure [~~insure~~] that it continues to operate and perform at a level comparable to that exhibited at its initial acquisition.

(15) [~~(17)~~] FCC--The Federal Communications Commission.

(16) [~~(18)~~] Integrated Services--Primary or third party computer software applications that have been installed or implemented on an existing 911 call taking position's workstation that were not designed or intended for the workstation at the time of purchase or not loaded onto the workstation by the equipment vendor when originally installed at the PSAP.

(17) [~~(19)~~] Interlocal Agreement--A contract cooperatively executed under Chapter 791 Government Code between local governments or other political subdivisions of the state to perform administrative functions or provide services, relating to 9-1-1 telecommunications.

(18) [~~(20)~~] Local Government--A county, municipality, public agency, or any other political subdivision that provides, participates in the provision of, or has authority to provide fire-fighting, law enforcement, ambulance, medical, 9-1-1, or other emergency services and/or addressing functions.

(19) [~~(21)~~] Local Monitoring Plan--The RPC schedule for monitoring all Interlocal Agreements [~~interlocal contracts~~], 9-1-1 funded activities, equipment, PSAPs, and subcontractors.

(20) Next Generation 9-1-1 Core Services (NGCS)--The set of services needed to process a 9-1-1 call on an ESInet. The term does not include the network on which the services operate.

(21) [~~(22)~~] Primary PSAP--PSAP to which 9-1-1 calls are routed directly from a [~~central office/~~] selective routing tandem or NGCS provider.

(22) [~~(23)~~] Regional Planning Commission (RPC)--A commission established under Local Government Code, Chapter 391, also referred to as a regional council of governments.

(23) [~~(24)~~] Regional Strategic Plan--A plan developed by each RPC for the establishment and operation of 9-1-1 service throughout the region that the RPC serves. The service and contents must meet the standards established by the Commission. A Regional Strategic Plan may also be referred to as Regional Plan or Strategic Plan.

(24) [~~(25)~~] TDD--[~~the acronym for~~] Telecommunication Device for the Deaf. Other interchangeable acronyms accepted are TTY (Teletypewriter) or TT (Text Telephone).

(25) [~~(26)~~] Texas [~~Uniform~~] Grant Management Standards (TxGMS) [~~(UGMS)~~]--As developed by the Comptroller of Public Accounts [~~Governor's Office of Budget, Planning and Policy~~] under the authority of Texas Government Code, Chapter 783 [~~of the Texas Government Code~~].

(26) [~~(27)~~] Useful Life--The period of time that a piece of capital equipment can consistently and acceptably fulfill its service or functional assignment.

(27) [~~(28)~~] Wireless 9-1-1 Call--A call made by a wireless end user utilizing a WSP wireless network, initiated by dialing "9-1-1" (and, as necessary, pressing the "Send" or analogous transmitting button) on a Wireless Handset.

(28) [~~(29)~~] Wireless E9-1-1 Phase I Service--The service by which the wireless service provider (WSP) delivers to the designated PSAP the wireless end user's call back number and cell site/sector information when a wireless end user has made a 9-1-1 call, as contracted by the RPC.

(29) [~~(30)~~] Wireless E9-1-1 Phase II Service--The service by which the WSP delivers to the designated PSAP the wireless end user's call back number, cell site/sector information, as well as X, Y (longitude, latitude) coordinates to the accuracy standards set forth in the FCC Order.

[~~(31) Wireless E9-1-1 Service Agreement--The standard Phase I and/or Phase II Wireless E9-1-1 Service Agreement, as applicable, provided by the Commission and available on the Commission's web site.~~]

§252.8. Emergency Communications Advisory Committee.

(a) Purpose. The [~~purpose of this rule is to establish an~~] Emergency Communications Advisory Committee (Committee) is established under Health and Safety Code §771.0511 to assist the Commission in coordinating the development, implementation, interoperability, and internetworking of interconnected emergency services Internet Protocol networks (ESInets). Interconnected, interoperable ESInets providing Next Generation Core Services covering all of Texas constitute the State-level ESInet. As defined in Health and Safety Code §771.0511(a)(2), the State-level ESInet is used for communications between and among public safety answering points (PSAPs) and other entities that support or are supported by PSAPs in providing emergency call handling and response, and will be a part of the Texas Next Generation Emergency Communications System.

(b) Policy. It is Commission policy that the development, implementation, interoperability, interconnection, and internetworking of ESInets be done on a cooperative basis between the Commission, Regional Planning Commissions (RPCs), and Emergency Communication Districts (ECDs), as that term is defined in Health and Safety Code §§771.001(3)(A) and 771.001(3)(B) (collectively, [~~with the state's~~] 9-1-1 Entities). It is Commission policy that the Committee:

(1) advise the Commission on matters regarding the interoperability and interconnection of ESInets, specifically including but not limited to Statewide Interoperability & Standards development for planning for interconnectivity, interoperability, and internetworking of ESInets as reflected in the Commission's [~~Next Generation 9-1-1 Master Plan (Appendix 1 to the Commission~~] Agency Strategic Plan [~~for Statewide 9-1-1 Service for Fiscal Years 20xx-20xx)~~]; and

(2) provide for 9-1-1 Entity collaboration on issues regarding ESInets, particularly regarding interoperability and interconnection of ESInets, to ensure that the requirements of the state's 9-1-1 Entities are met.

(c) Composition of Committee. Each Committee member must have appropriate training, experience, and knowledge of Next Generation 9-1-1 technology and services and/or emergency services other than 9-1-1 services to effectively advise the Commission.

(1) the Committee is appointed by the Commission and includes, at a minimum, the following members:

(A) The Executive Director of the Commission or such individual's designee [~~as an ex-officio, non-voting member~~];

(B) two representatives from the [~~Regional Planning Commissions (~~RPCs~~)~~]];

(C) two representatives from the [~~Emergency Communication Districts (~~]ECDs[~~)~~]], as that term is defined in Health and Safety Code §771.001(3)(A); and

(D) two representatives from the ECDs, as that term is defined in Health and Safety Code §771.001(3)(B).

(2) No two Committee members may be from the same [~~state~~] 9-1-1 Entity.

(3) The Commission may add to the composition of the Committee including members representing emergency services other than 9-1-1 service.

(4) In appointing members to the Committee except under paragraph (3) of this subsection, the Commission shall consult with the RPCs and ECDs. RPCs may designate responsibility for consulting with the Commission to the Texas Association of Regional Councils. ECDs defined in Health and Safety Code §771.001(3)(A) and (B) may designate responsibility for consulting with the Commission to the Municipal Emergency Communication Districts Association and the Texas 9-1-1 Alliance, respectively.

(d) Bylaws. Draft bylaws for approval by the Commission. The bylaws shall, at a minimum, provide for the following:

(1) selection from among the members a presiding officer and an assistant presiding officer whose terms may not exceed two years; and

(2) establish standing committees.

(e) Terms of Office [~~for Voting Members~~]. Except for the Executive Director of the Commission or such individual's designee, whose term as a member does not expire, each [~~Each~~] member shall be appointed for a term of 3 years, except for the initial member terms under paragraph (4) of this subsection.

(1) Member terms begin on January 1st.

(2) Members shall continue to serve after the expiration of their term until a replacement member is appointed by the Commission.

(3) If a vacancy occurs, a person shall be appointed by the Commission to serve the unexpired portion of the vacating member's term.

(4) Members serve staggered terms. Initial member terms are as follows:

(A) one member from each 9-1-1 Entity represented on the Committee expires on December 31, 2013; and

(B) one member from each 9-1-1 Entity represented on the Committee expires on December 31, 2014.

(f) Committee Meeting Attendance. Members shall attend scheduled Committee meetings.

(1) A member shall notify the presiding officer or Commission staff if the member is unable to attend a scheduled meeting.

(2) The Commission may remove a member if it determines that a member cannot discharge the member's duties for a substantial part of the member's appointed term because of illness or disability, is absent from more than half of the Committee meetings during a fiscal year, or is absent from at least three consecutive Committee meetings. The validity of an action of the Committee is not affected by the fact that it is taken when a ground for removal of a member exists.

(g) Committee Roles and Responsibilities. The Committee is to assist the Commission in coordinating the development, implementation, and management of interoperable and interconnected ESInets. The Committee shall [~~will~~] seek state 9-1-1 Entity input and collaboration [~~regarding the interoperability and interconnection of ESInets~~], specifically including but not limited to Statewide Interoperability & Standards development for planning for interconnectivity, interoperability, and internetworking of ESInets as reflected in the Commission's Next Generation 9-1-1 Master Plan (Appendix 1 to the Commission Strategic Plan for Statewide 9-1-1 Service for Fiscal Years 20xx-20xx).

(h) Reporting to the Commission. The Committee, through its presiding officer, shall [~~will~~] submit by September 1 of each year an annual report to[~~, or according to the schedule established by the commission, written reports advising~~] the Commission on its activities. The reports shall include the following:

(1) an update on the Committee's work, including:

(A) Committee and sub- or standing-committee meeting dates;

(B) member attendance records;

(C) description of actions taken by the Committee;

(D) description of how the Committee has accomplished or addressed the tasks and objectives of this section and any other issues assigned to the Committee by the Commission; and

(E) anticipated future activities of the Committee;

(2) description of the usefulness of the Committee's work; and

(3) statement of costs related to the Committee, including the cost of Commission staff time spent in support of the Committee.

(i) Statement by a Member.

(1) The Commission and the Committee shall not be bound in any way by any statement or action by a member except when the statement or action is in pursuit of specific instructions from the Commission.

(2) The Committee and its members may not participate in legislative activity in the name of the Commission or the Committee without Commission approval.

(j) Advisory Committee. The Committee is an advisory committee in that it does not supervise or control public business or policy. As an advisory committee, the Committee is not subject to the Open Meetings Act (Government Code, Chapter 551).

[~~(k) Reimbursement for Expenses.~~]

[~~(1) In accordance with the requirements in Government Code, Chapter 2110, a Committee member may receive reimbursement for the member's expenses incurred for each day the member engages in official Committee business if authorized by the General Appropriations Act or budget execution process.~~]

[~~(2) No compensatory per diem shall be paid to Committee members unless required by law.~~]

[~~(3) A Committee member who is an employee of a state agency, other than the Commission, may not receive reimbursement for expenses from the Commission.~~]

[~~(4) A nonmember of the Committee who is appointed to serve on a committee may not receive reimbursement for expenses from the Commission.~~]

[(5) Each Committee member whose expenses are reimbursed under this section shall submit to Commission staff the member's receipts for expenses and any required official forms no later than 14 days after conclusion of the member's engagement in official Committee business.]

[(6) Requests for reimbursement of expenses shall be made on official state travel vouchers.]

(k) [(l)] Commission Staff. Support for the Committee will be provided by Commission staff.

(l) [(m)] Applicable law. The Committee is subject to Government Code, Chapter 2110, concerning state agency advisory committees.

(m) [(n)] Commission Evaluation. The Commission shall annually evaluate the Committee's work, usefulness, and the costs related to the Committee, including the cost of Commission staff time spent supporting the Committee's activities.

(n) [(o)] Report to the Legislative Budget Board. The Commission shall report to the Legislative Budget Board the information developed in subsection (m) [(n)] of this section on a biennial basis as part of the Commission's request for appropriations.

(o) [(p)] Review and Duration. On or before September 1, 2029, the Commission will initiate and complete a review of the Committee to determine whether the Committee should be continued or abolished. If the Committee is not continued, it shall be automatically abolished on September 1, 2029.

§252.9. Liability Protection of NG9-1-1 Service Providers.

(a) Purpose. The purpose of this rule is to make clear that the protection from liability provided by Health and Safety Code §771.053(a) extends to and includes service providers involved in developing, [and] deploying, and operating Next Generation 9-1-1 (NG9-1-1).

(b) NG9-1-1 Service Providers. NG9-1-1 service provider refers to a person or entity involved in providing 9-1-1 service that utilizes in whole or in part Internet Protocol or other NG9-1-1 technologies.

(c) Liability Protection. NG9-1-1 service providers are protected from liability for any claim, damage, or loss arising from the provisioning of 9-1-1 service to the same extent as a service provider of telecommunications service involved in or a manufacturer of equipment used in providing 9-1-1 service under Health and Safety Code §771.053(a).

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 21, 2025.

TRD-202504302
Kenny Moreland
General Counsel
Commission on State Emergency Communications
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 922-9089

♦ ♦ ♦

1 TAC §252.4

The Commission on State Emergency Communications (CSEC) proposes the repeal of rule 252.4.

BACKGROUND AND PURPOSE

CSEC proposes to repeal §252.4 (Title 1, Part 12, Chapter 252 of the Texas Administrative Code) relating to charges for open records requests. This repeal will remove a rule that is unnecessary because the requirements for imposing charges for open records requests are governed by the rules adopted by the Texas Office of the Attorney General in Title 1, Part 3, Chapter 70 of the Texas Administrative Code pursuant to the directive in Texas Government Code §552.262.

The statute directs the attorney general to adopt rules and states such rules shall be used by each governmental body in determining charges for providing copies of public information and in determining the charge, deposit, or bond required for making public information that exists in a paper record available for inspection, except to the extent that other law provides for charges for specific kinds of public information. There is no requirement for a state agency to adopt these rules.

FISCAL NOTE

Andrew Friedrichs, CSEC's executive director, has determined that for each year of the first five fiscal years (FY) that the repeal is in effect there will be no additional cost, reduction in cost, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the repealed section.

PUBLIC BENEFITS AND COSTS

Mr. Friedrichs has determined that for each year of the first five years the repeal is in effect, the public benefits anticipated as a result of the proposed repeal will be to improve efficiency by removing an unnecessary rule, thereby reducing the total number of regulations adopted by CSEC.

RULE INCREASING COSTS TO REGULATED PERSONS

Government Code §2001.0045 precludes a state agency from adopting a proposed rule if the fiscal note imposes a cost on regulated persons, including another state agency, a special district, or a local government, unless on or before the effective date the state agency: (a) repeals a rule that imposes a total cost on regulated persons that is equal to or greater than the total cost imposed on regulated persons by the proposed rule; or (b) amends a rule to decrease the total cost imposed on regulated persons by an amount that is equal to or greater than the cost imposed on the persons by the rule. There are exceptions for certain types of rules under §2001.0045(c).

Section 2001.0045(b) is not applicable to this repeal as no new costs are imposed on regulated persons as a result of the repeal. Accordingly, no repeal or amendment of another rule to offset costs is required.

LOCAL EMPLOYMENT IMPACT STATEMENT

CSEC has determined that the proposed repeal does not directly affect a local economy and therefore has not drafted a local employment impact statement as would otherwise be required under Administrative Procedures Act §2001.022.

GOVERNMENT GROWTH IMPACT STATEMENT

In compliance with the requirements of Texas Government Code §2001.0221, CSEC has determined that during the first five years that this repeal will be in effect it would:

(1) not create or eliminate a government program;

(2) not require the creation of new employee positions or the elimination of existing employee positions;

(3) not require an increase or decrease in future legislative appropriations to CSEC;

(4) not require an increase or decrease in fees paid to the agency;

(5) not create a new regulation;

(6) repeal an existing regulation, although the repealed regulation was duplicative of existing regulations adopted by the Texas Attorney General in Title 1, Part 3, Chapter 70 of the Texas Administrative Code;

(7) decrease the number of individuals subject to the rule's applicability, because the rule is repealed, but such individuals will still be subject to the existing regulations adopted by the Texas Attorney General in Title 1, Part 3, Chapter 70 of the Texas Administrative Code; and

(8) not positively or adversely affects this state's economy

REGULATORY ANALYSIS OF MAJOR ENVIRONMENTAL RULES

CSEC has determined that this repeal is not a "major environmental rule" as defined by Government Code §2001.0225.

SMALL, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT ANALYSIS

In accordance with Government Code §2006.002(c), Mr. Friedrichs has determined that there will be no adverse economic effect on small businesses, micro-businesses, or rural communities, because the proposed repeal does not change the process for charges for open records requests. Accordingly, CSEC has not prepared an economic impact statement or regulatory flexibility analysis, nor has it contacted legislators in any rural communities regarding this proposal.

TAKINGS IMPACT ASSESSMENT

CSEC has determined that the proposed repeal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Government Code §2007.043.

PUBLIC COMMENT

Comments on the proposed repeal may be submitted in writing c/o Kenny Moreland, General Counsel, Commission on State Emergency Communications, 1801 Congress Avenue, Suite 11.100, Austin, Texas 78701, or by email to kennym@csec.texas.gov. CSEC invites specific comments regarding the effects of the proposed repeal, including the costs associated with, and benefits that will be gained by the proposed repeal. CSEC also requests any data, research, or analysis from any person required to comply with the proposed repeal or any other interested person. CSEC will consider the information submitted by commenters and the costs and benefits of implementation in deciding whether to modify the proposed repeal on adoption. Please include "252.4 Rulemaking Comments" in the subject line of your letter or email.

Comments will be accepted for 30 days following publication of the proposal in the *Texas Register.*

STATEMENT OF AUTHORITY

The proposed appeal is authorized pursuant to Health and Safety Code §§771.051; Government Code §552.262; and Texas Administrative Code Title 1, Part 3, Chapter 70.

No other statute, article, or code is affected by the proposal.

§252.4. Charges for Open Records Requests.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 21, 2025.

TRD-202504308
Kenny Moreland
General Counsel
Commission on State Emergency Communications
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 922-9089

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CHAPTER 253. PRACTICE AND PROCEDURE

1 TAC §§253.1, 253.3 - 253.5

The Commission on State Emergency Communications (CSEC) proposes amendments to 1 TAC §§253.1 and, 253.3 - 253.5.

BACKGROUND AND PURPOSE

CSEC proposes amendments to rules §§253.1 and 253.3 - 253.5 (Title 1, Part 12, Chapter 253 of the Texas Administrative Code) relating to the agency's practice and procedure. The primary purposes of the amendments are to update, simplify, and clarify the agency's procedures regarding petitions for rulemaking, protest procedures, negotiated rulemaking, and enhanced contract and performance monitoring.

SECTION-BY-SECTION EXPLANATION

Section 253.1 is amended to delete current subsection (a)(2), which requires publication of a petition for rulemaking received by CSEC and a three-week comment period. This process is not required under the requirements prescribed in Texas Government Code §2001.021. Therefore, CSEC has determined this paragraph may be deleted in order to simplify the process for petitions for rulemaking. Section 253.1 is also amended to delete the second sentence of current subsection (a)(3), which requires CSEC to initiate a rulemaking proceeding if it does not consider and address the petition in an open meeting within 60 days after receiving the petition for rulemaking. CSEC has determined that this requirement also goes beyond the requirements of Texas Government Code §2001.021, and the process for petitions for rulemaking is simplified and improved by tracking the statutory requirements more closely. The subsections are renumbered accordingly.

Section 253.3 is amended to replace the General Counsel with CSEC's Director of Contracting and Purchasing in subsections (c) - (l) regarding which position fills certain roles in the process for reviewing protests related to contract purchases made by CSEC. Upon consideration of the activities to be performed and upon review of practices by other similarly situated agencies, CSEC determined this role is better served by the Director of Contracting and Purchasing. Current subsection (n) is deleted, because it is unnecessary to state that CSEC shall maintain documentation in accordance with its retention schedule. This is

already required under Texas Government Code §§441.183 - 441.189 and does not need to be restated in this rule.

Section 253.4 is amended to delete a sentence in subsection (b)(4) that stated certain required contents for the notice of rulemaking when published in the *Texas Register*. This is unnecessary to address in CSEC's rule, because the notice requirements for negotiated rulemaking are established in Texas Government §2008.053 and do not need to be restated in part in CSEC's rule. Section 253.4 is also amended to clarify that the facilitator discussed in subsection (b)(5) must be appointed in accordance with the requirements in Texas Government Code §2008.055 before being approved by the negotiated rulemaking committee.

Section 253.5 is amended to clarify the requirement in subsection (b) that contracts identified for enhanced contact and/or performance monitoring will be reported to the Commission at the next regular Commission meeting. CSEC determined this change was necessary due to the possibility of being misconstrued to refer to the first Commission meeting of the fiscal year. Such a reading was not the intent of this rule. Section 235.5 is also amended to clarify in subsection (d) that the rule does not apply to a grant agreement, as opposed to a grant award. CSEC determined this change was necessary due to the possibility of being misconstrued to refer to an award notice but not the grant agreement that follows. Section 235.5 is also amended to delete the last sentence in subsection (d), which CSEC determined was redundant and, therefore, unnecessary.

FISCAL NOTE

Andrew Friedrichs, CSEC's executive director, has determined that for each year of the first five fiscal years (FY) that the amended sections are in effect there will be no additional cost, reduction in cost, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the amended sections. These amendments affect administrative processes that do not carry costs or generate revenue.

PUBLIC BENEFITS AND COSTS

Mr. Friedrichs has determined that for each year of the first five years the amended section is in effect, the public benefits anticipated as a result of the proposed amendments will be to reduce inefficiency by removing any portions of the rules that restate statutes or add steps to the processes that are not required by statutes. The public is benefited by placing the Director of Contracting and Purchasing in the role for protests that is currently occupied by the General Counsel, because the Director of Contracting and Purchasing is better suited to fulfill those duties. This change is in line with practices of other state agencies, including the Comptroller for Public Accounts. CSEC believes consistent procedures across state agencies will be easier for the public to navigate. Finally, the clarifications to the rule regarding enhanced contract and/or performance monitoring will ensure that the Commission and the public are always informed at the next regular Commission meeting rather than potentially being misconstrued to allow such notice to wait until the first meeting of the next fiscal year.

RULE INCREASING COSTS TO REGULATED PERSONS

Government Code §2001.0045 precludes a state agency from adopting a proposed rule if the fiscal note imposes a cost on regulated persons, including another state agency, a special district, or a local government, unless on or before the effective date the state agency: (a) repeals a rule that imposes a total cost on regulated persons that is equal to or greater than the total cost imposed on regulated persons by the proposed rule; or (b) amends a rule to decrease the total cost imposed on regulated persons by an amount that is equal to or greater than the cost imposed on the persons by the rule. There are exceptions for certain types of rules under §2001.0045(c).

Section 2001.0045(b) is not applicable as no costs are imposed on regulated persons as a result of the proposed amendments. Accordingly, no repeal or amendment of another rule to offset costs is required.

LOCAL EMPLOYMENT IMPACT STATEMENT

CSEC has determined that this proposal does not directly affect a local economy and therefore has not drafted a local employment impact statement as would otherwise be required under Administrative Procedures Act §2001.022.

GOVERNMENT GROWTH IMPACT STATEMENT

In compliance with the requirements of Texas Government Code §2001.0221, CSEC has determined that during the first five years that the amendment of this rule will be in effect it would:

(1) not create or eliminate a government program;

(2) not require the creation of new employee positions or the elimination of existing employee positions;

(3) not require an increase or decrease in future legislative appropriations to CSEC;

(4) not require an increase or decrease in fees paid to the agency;

(5) not create a new regulation;

(6) not expand, limit, or repeal an existing regulation;

(7) increase or decrease the number of individuals subject to the rule's applicability; and

(8) not positively or adversely affects this state's economy

REGULATORY ANALYSIS OF MAJOR ENVIRONMENTAL RULES

CSEC has determined that none of the proposed amendments are a "major environmental rule" as defined by Government Code §2001.0225.

SMALL, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT ANALYSIS

In accordance with Government Code §2006.002(c), Mr. Friedrichs has determined that there will be no adverse economic effect on small businesses, micro-businesses, or rural communities as the rule affects only CSEC and its interactions with members of the public or vendors. Accordingly, CSEC has not prepared an economic impact statement or regulatory flexibility analysis, nor has it contacted legislators in any rural communities regarding this proposal.

TAKINGS IMPACT ASSESSMENT

CSEC has determined that the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Government Code §2007.043.

PUBLIC COMMENT

Comments on the proposal may be submitted in writing c/o Kenny Moreland, General Counsel, Commission on State Emergency Communications, 1801 Congress Avenue, Suite 11.100,

Austin, Texas 78701, or by email to kennym@csec.texas.gov. CSEC invites specific comments regarding the effects of the proposed amendments, including the costs associated with, and benefits that will be gained by the proposed amendments. CSEC also requests any data, research, or analysis from any person required to comply with the proposed amendments or any other interested person. CSEC will consider the information submitted by commenters and the costs and benefits of implementation in deciding whether to modify the proposed rules on adoption. Please include "253.1, 253.3-253.5 Rulemaking Comments" in the subject line of your letter or email.

Comments will be accepted for 30 days following publication of the proposal in the *Texas Register.*

STATEMENT OF AUTHORITY

The amendments are proposed pursuant to Health and Safety Code §§771.040, 771.051; and Texas Government Code §§2001.021, 2009.051, 2155.076, and 2261.202.

No other statute, article, or code is affected by the proposal.

§253.1. Petitions for Rulemaking before the Commission.

(a) Petition for Rulemaking. Any interested person may petition the commission requesting the adoption of a new rule or the amendment of an existing rule.

(1) The petition shall be in writing and shall include a brief explanation of the rule, the reason(s) the new or amended rule should be adopted, the statutory authority for such a rule or amendment, and complete proposed text for the rule. The proposed text for the rule shall indicate by striking through the words, if any, to be deleted from the current rule and by underlining the words, if any, to be added to the current rule.

~~[(2) Upon receipt of a petition for rulemaking by the agency, the executive director of the commission or his or her designee shall submit a notice for publication in the miscellaneous documents section of the *Texas Register*. The notice shall include a summary of the petition, the name of the individual, organization or entity that submitted the petition, and notification that a copy of the petition will be available for review and copying at the commission's offices. Comments on the petition shall be due three weeks from the date of publication of the notice. Failure to publish a notice of a petition for rulemaking in the *Texas Register* shall not invalidate any commission action on the petition for rulemaking.]~~

(2) ~~[(3)]~~ Within 60 days after submission of a petition, the commission either shall deny the petition in writing, stating its reasons for the denial, or shall initiate rulemaking proceedings. ~~[If the commission does not consider and address the petition in an open meeting during the 60 days, the executive director of the commission shall initiate rulemaking proceedings.]~~

(b) Commission Initiated Rulemaking. The commission may initiate rulemaking proceedings on its own motion or on the motion of the executive director of the commission. Nothing in this section shall preclude the executive director of the commission or his or her designee from consideration or development of new rules or amendments to existing rules without express direction from the commission.

§253.3. Protest Procedures.

(a) The purpose of this rule is to provide for the efficient and effective resolution of protests related to contract purchases made by the Commission.

(b) These procedures are consistent with those of the Texas Comptroller of Public Accounts (Comptroller) (34 Tex. Admin. Code §§20.533 - 20.538). In the event of a direct conflict between the rules, the procedures in §§20.533 - 20.538 shall control.

(c) In the event of a direct conflict with the Comptroller's rules, the following terms used in the Comptroller rules shall be defined as follows:

(1) Comptroller--The Commission.

(2) Chief Clerk--Commission Executive Director.

(3) Director--Commission Director of Contracting and Purchasing. [~~General Counsel~~]

(4) General Counsel--Commission General Counsel.

(5) Using Agency--The Commission.

(d) Any actual or prospective bidder, offeror, or contractor claiming to have been aggrieved in connection with the solicitation, evaluation or method of evaluation, award of a contract, or tentative award by the Commission may submit a protest to the Director of Contracting and Purchasing [~~General Counsel~~]. Protests must be received by the Director of Contracting and Purchasing [~~General Counsel~~] within 10 [~~working~~] days after the protesting party knows, or should have known, of the occurrence of the action that is the subject of the protest. A Protest must conform to subsection (d) and subsection (f) of this section, and shall be resolved through the procedures described in subsections (g) - (n) of this section. The protesting party must mail or deliver copies of the protest to all interested parties.

(e) In the event a protest is timely received, the Commission shall not proceed further with the solicitation, evaluation, or award a contract unless the Director of Contracting and Purchasing [~~General Counsel~~], after consultation with the Commission's Executive Director, makes a written determination that a contract must be awarded without delay to protect the best interests of the state.

(f) A protest must be sworn and meet the requirements of Comptroller §20.535(a)(1) (34 Tex. Admin. Code §20.535).

(g) The Director of Contracting and Purchasing [~~General Counsel~~] may settle and resolve the dispute over the solicitation, evaluation, award of a contract, or tentative award at any time before the matter is submitted on appeal to the Executive Director. The Director of Contracting and Purchasing [~~General Counsel~~] may solicit written responses to the protest from interested parties.

(h) If the protest is not resolved by mutual agreement, the Director of Contracting and Purchasing [~~General Counsel~~] shall send a determination letter resolving the protest to the protesting party and interested parties. The determination letter shall set for the reasons for the determination; and

(1) If the Director of Contracting and Purchasing [~~General Counsel~~] determines that a violation of any statutory or regulatory provisions has occurred in a situation in which a contract has not been awarded, include in the determination letter the appropriate remedy for the violation; or

(2) If the Director of Contracting and Purchasing [~~General Counsel~~] determines that a violation of any statutory or regulatory provisions has occurred in a situation in which a contract has been awarded, may declare the awarded contract to be void.

(i) The protesting party may appeal a determination of a protest by the Director of Contracting and Purchasing [~~General Counsel~~] to the Executive Director. An appeal of the Director of Contracting and Purchasing's [~~General Counsel's~~] determination must be in writing and received in the office of the Executive Director no later than 10 working days from the date notice of the determination was sent. The

protesting party's appeal must contain a certified statement that a copy of the appeal was sent to all interested parties. The scope of the appeal shall be limited to a review of the General Counsel's determination.

(j) The Executive Director may refer the matter to the Commission for consideration or may issue a written decision regarding the appeal.

(k) The following requirements shall apply to a protest that the Executive Director refers to the Commission:

(1) The Executive Director shall deliver copies of the appeal and any responses by interested parties to each Commissioner.

(2) The Commission may consider any documents that Commission staff or interested parties have submitted.

(3) The Commission shall issue a written letter of determination of the appeal to the protesting party and all interested parties which shall be final.

(l) A protest or an appeal of a determination that is not timely received shall not be considered unless good cause for delay is shown or the Director of Contracting and Purchasing [~~General Counsel~~] determines that an appeal raises issues that are significant to Commission procurement practices or procedures in general.

(m) A determination issued by either the Executive Director or the Commission shall be the final administrative action of the Commission.

[~~(n) The Commission shall maintain all documentation on the purchasing process that is the subject of a protest or appeal in accordance with the records retention schedule of the Commission.~~]

§253.4. Negotiated Rulemaking and Alternative Dispute Resolution.

(a) Policy. It is the Commission's policy to encourage the use of negotiated rulemaking and alternative dispute resolution procedures in appropriate situations.

(b) Negotiated Rulemaking. When the Commission finds that a rule to be proposed is likely to be complex, controversial, or affect disparate groups, the Commission may propose to engage in negotiated rulemaking in accordance with the Government Code, Chapter 2008.

(1) The Commission's executive director or his designee shall serve as the Commission's convener.

(2) The convener shall assist in identifying persons who are likely to be affected by a proposed rule, including those who oppose issuance of a rule. The convener shall discuss with those persons or their representatives as provided in Government Code §2008.052(c).

(3) The convener shall then recommend to the Commission whether negotiated rulemaking is a feasible method to develop the proposed rule and shall report to the agency on the relevant considerations, including those listed in Government Code §2008.052(d).

(4) After considering the convener's recommendation and report, if the Commission intends to engage in negotiated rulemaking it shall publish notice of its intent in appropriate media and in the *Texas Register* consistent with the requirements in Government Code §2008.053(a). [~~The notice shall include a request for comments on the proposal to engage in negotiated rulemaking and list the people the Commission proposes to appoint to the negotiated rulemaking committee.~~]

(5) After considering comments, if the Commission intends to proceed with negotiated rulemaking it shall appoint a negotiated rulemaking committee and a facilitator in accordance with Government Code §2008.055 that is approved by the negotiated rulemaking committee.

(6) The facilitator shall preside over meetings of the negotiated rulemaking committee and assist the committee in establishing procedures for conducting negotiations and in attempting to arrive at a consensus on the proposed rule.

(7) At the conclusion of negotiations, the negotiated rulemaking committee shall send a written report to the Commission as provided in Government Code §2008.056(d).

(8) After considering the negotiated rulemaking committee's report, if the Commission intends to proceed with the rulemaking process it shall proceed in accordance with Government Code, Chapter 2001, Subchapter B.

(c) Alternative Dispute Resolution. The Commission encourages the fair and expeditious resolution of disputes through alternative dispute resolution (ADR) procedures.

(1) ADR procedures include any procedure or combination of procedures described by Civil Practice and Remedies Code, Chapter 154. ADR procedures are intended to supplement and not limit other dispute resolution procedures available for use by the Commission.

(2) Any ADR procedure used to resolve disputes before the Commission shall conform with Government Code, Chapter 2009, and, to the extent possible, the model guidelines for the use of ADR issued by the State Office of Administrative Hearings (SOAH).

(3) Upon receipt of notice of a dispute, the Commission's Executive Director, in consultation with the Commission's General Counsel, shall determine whether use of an ADR procedure is an appropriate method for resolving the dispute.

(4) If an ADR procedure is determined to be appropriate, the Commission's Executive Director shall recommend to the claimant the use of ADR to resolve the dispute. The Commission's General Counsel will collaborate with the claimant to select an appropriate procedure for dispute resolution and implement the agreed upon procedure consistent with SOAH's model guidelines.

(5) ADR for Breach of Contract Claims. Resolution of breach of certain contract claims brought by a contractor against the Commission shall conform to the requirements of Government Code, Chapter 2260. The Commission adopts by reference the Office of the Attorney General's rules regarding the negotiation and mediation of certain contract disputes (1 Texas Administrative Code Part 3, Chapter 68).

(6) The requirements of Government Code, Chapter 2260, and the Office of the Attorney General's model rules are required prerequisites to a contractor filing suit in accordance with Civil Practices and Remedies Code, Chapter 107.

(d) The Commission's General Counsel is designated as the coordinator to implement the Commission's policy under this rule, provide necessary training, and collect data concerning the effectiveness of the implemented procedures.

§253.5. Enhanced Contract and Performance Monitoring.

(a) The Commission will conduct enhanced contract and/or performance monitoring for each Commission contract that:

(1) has an expected total value in excess of $5 million; or

(2) the Commission or its Executive Director requests enhanced monitoring based on risk assessment factors, including:

(A) The impact of the contracted goods or services on essential Commission functions or programs;

(B) Vendor experience with delivering the contracted goods or services;

(C) Vendor performance on previous Commission contracts; and

(D) Vendor performance during the contract term.

(b) Contracts identified for enhanced contract and/or performance monitoring will be reported to the Commission at the next [~~first~~] regular Commission meeting [~~after the contract is executed~~]. Thereafter, the Commission will be immediately notified of any unresolved or potential serious issue or risk arising with respect to an identified contract.

(c) Identified contracts will be monitored in accordance with policies and procedures in the Commission's Contract Management Handbook.

(d) This rule does not apply to a memorandum of understanding, interagency contract, interlocal agreement, grant agreement, or a contract that has no cost to the Commission. [~~This rule specifically does not apply to a Commission contract with either a Regional Planning Commission or Regional Poison Control Center.~~]

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Kenny Moreland
General Counsel
Commission on State Emergency Communications
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 922-9089

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TITLE 4. AGRICULTURE

PART 1. TEXAS DEPARTMENT OF AGRICULTURE

CHAPTER 28. TEXAS AGRICULTURAL FINANCE AUTHORITY

The Texas Agricultural Finance Authority (TAFA or the Authority), a public authority within the Texas Department of Agriculture (Department), proposes rule amendments to Texas Administrative Code, Title 4, Chapter 28, Subchapter A, §§28.2, 28.3, 28.5, and 28.7; Subchapter B, §§28.10, 28.12 - 28.19; Subchapter C, §§28.20, 28.23 - 28.30, 28.32, 28.35 - 28.37; Subchapter D, §§28.40 - 28.48; Subchapter E, §§28.50 - 28.55; Subchapter F, §§28.60 - 28.63; and Subchapter G, §§28.70 - 28.72, 28.74 - 28.78, 28.80, 28.83, 28.86 and 28.87. In addition, TAFA proposed new rules within Subchapter E, §§28.56 - 28.58. TAFA also proposes repeal of Subchapter G, §28.73. TAFA further proposes new Subchapter H within Chapter 28, comprised of §§28.90 - 28.96, providing rules for the establishment, implementation, and administration of the Pest and Disease Control and Depredation Program, which is designed to implement agriculture-related pest, disease, or depredating animal control efforts and mitigate agriculture losses.

During its Regular Session, the 89th Texas Legislature enacted House Bill (HB) 43, which amended Chapter 58 of the Texas Agriculture Code relating to the Authority. With the passage of HB 43, several TAFA financial assistance programs were modified and a new pest and disease control and depredation program was established.

In conjunction with this proposed rulemaking, TAFA conducted the statutorily-required review of its rules. Notice of this rule review was published in the October 10, 2025 issue of the *Texas Register* (50 TexReg 6689); no comments were received from the public. TAFA has adopted its rule review with proposed amendments, proposed new rules, and a proposed repeal, primarily to implement HB 43 and improve and update the rules in areas identified during the statutorily-required rule review to clarify and improve readability for the public.

SECTION-BY-SECTION SUMMARY

The proposed amendments to §28.2 remove several redundant definitions for terms already defined in TAFA's enabling statutes in the Texas Agriculture Code ("Agricultural business," "Agricultural product," and "Lender"), add definitions for the terms, "Administrator" and "Department" to account for the use of these terms in the chapter, modify some definitions to improve readability, and make conforming formatting changes.

The proposed amendment to §28.3 makes a change to identify a defined term.

The proposed amendments to §28.5 make changes to identify defined terms. In addition, new language is incorporated into §28.5 to recognize that a resolution of the TAFA board pertaining to administration of the Texas Agricultural Fund shall control over the rules in this chapter if a conflict arises.

The proposed amendments to §28.7 make changes to identify defined terms and improve readability. Similarly, the proposed amendments to §28.10 and §28.12 identify defined terms.

The proposed amendments to §28.13 correct a statutory reference to the Texas Agriculture Code; remove a redundant definition ("Linked deposit"), adds a definition for "Lender"; and modify a definition to clarify and improve readability.

The proposed amendments to §28.14 make changes to identify defined terms and improve readability.

The proposed amendments to §28.15 make changes to identify defined terms, to track statutory language for the maximum loan rate a borrower would pay, to allow for additional methods of communication including email, and to update the threshold amount that requires a lender to notify the Authority.

The proposed amendments to §28.16 make changes to identify defined terms.

The proposed amendments to §28.17 make changes to identify defined terms and correct a reference within the chapter.

The proposed amendments to §§28.18 and 28.19 make changes to identify defined terms.

The proposed amendments to §§28.20, 28.23, 28.24, 28.25, 28.26, 28.27, and 28.28 make changes to identify defined terms and improve readability.

The proposed amendments to §28.29 update the maximum loan guarantee amounts under the Agricultural Loan Guarantee Program and adds language to allow the TAFA board to consider loan guarantees in excess of $1 million and approved by resolution of the TAFA board. Additional changes are also incorporated to improve the rule's readability.

The proposed amendments to §§28.30, 28.32, and 28.35 make changes to identify defined terms and improve readability.

The proposed amendments to §28.36 is modified to align with statutory language in the Texas Agriculture Code and incorporate changes to improve readability.

The proposed amendments to §28.37 make changes to identify defined terms and improve readability.

Proposed amendment to the heading for Subchapter D is updated from "Young Farmer Interest Rate Reduction Program Rules" to read "Farmer Interest Rate Reduction Program Rules" to remove the word, "Young" and reflect changes made by HB 43 to Texas Agriculture Code, Chapter 58.

The proposed amendments to §§28.40 and 28.41 remove the word "young" when necessary to conform with HB 43 and make changes to improve the rules' readability.

The proposed amendments to §28.42 removes an unnecessary definition, modifies the definition of "Lender" and reflects changes made to improve the section's readability.

The proposed amendments to §28.43 make changes to identify defined terms and correct a reference within the chapter.

The proposed amendments to §28.44 update language to reference statute for the maximum loan rate a borrower would pay, to allow for additional methods of communication including email, and update the threshold amount that requires a lender to notify the Authority.

The proposed amendments to §§28.45, 28.46, and 28.47 make changes to identify defined terms and correct a typographical error.

The proposed amendments to §28.48 increase the maximum loan amount to conform with changes made by HB 43 and to identify defined terms and improve readability.

Proposed amendment to the heading for Subchapter E is updated to reflect the change in program name from "Young Farmer Grant Program Rules" to "Agriculture Grant Program Rules" to reflect changes made by HB 43 to Texas Agriculture Code, Chapter 58.

The proposed amendments to §28.50 update the purpose of the program to conform with changes made by HB 43 to Texas Agriculture Code, Chapter 58 and make changes to improve readability.

The proposed amendments to §28.51 identify defined terms and replace the phrase, "young farmer," with "agriculture" when necessary to conform with changes made by HB 43 to Texas Agriculture Code, Chapter 58.

The proposed amendments to §28.52 remove an unnecessary definition, modify another definitions, and improve readability.

The proposed amendments to §28.53 update the program name, remove the age requirements and modify the eligible project types to conform with changes made by HB 43 to Texas Agriculture Code, Chapter 58.

The proposed amendments to §28.54 clarify permissible uses of certain grant funds and improve readability.

The proposed amendments to §28.55 provides the TAFA board with greater flexibility in its administration of the grant program by creating multiple grant opportunities, clarifying application details and allowing the TAFA board to determine grant cycles each year and not limit it to two periods.

Proposed new rule, §28.56 (Use of Grant), describes basic information required to be published for each grant opportunity and states the manner in which grant funds will be disbursed.

Proposed new rule, §28.57 (Filing Requirements; Consideration of Project Requests; Grant Awards), requires an applicant to submit an application in the format prescribed by TAFA, requires TAFA to publish the maximum award amount and allows TAFA to decline all applications in its sole discretion.

Proposed new rule, §28.58 (Reporting Requirements) requires grant recipients to comply with reporting requirements that will be included in the grant agreement.

The proposed amendment to §28.60 identifies a defined term.

The proposed amendments to §28.61 identify defined terms and correct a statutory reference.

The proposed amendments to §28.62 identify defined terms and correct an internal reference within the chapter.

The proposed amendments to §28.63 identify a defined term.

Proposed amendment to the heading for Subchapter G is updated to reflect the change in program name from "Rural Economic Development Finance Program" to "Rural Agriculture Economic Development Finance Program" to reflect changes made by HB 43 to Texas Agriculture Code, Chapter 58.

The proposed amendments to §§28.70 and 28.71 add the term, "Agriculture," to references to the grant program and the phrase, "agriculture-related" to references to the types of grant projects allowed under the program ("rural agriculture-related economic development"), as modified by HB 43, and make non-substantive edits to identify defined terms and improve readability.

The proposed amendments to §28.72 remove definitions no longer necessary based on HB 43 ("Economic Development Corporations" and "Special Purpose District"), add a definition for "Rural agriculture-related economic development" to account for the use of this phrase in the subchapter, and modifies definitions, such as "Applicant" and "Political Subdivision" to provide additional clarification and improve readability.

The proposed amendments to §§28.74, 28.75, 28.76, 28.77, and 28.78 add the phrase, "agriculture-related," to the phrase, "rural economic development," and make changes to provide additional clarification and improve readability.

The proposed amendments to §28.80 remove references to "sales tax" and "tax" from list of options to secure commitments.

The proposed amendments to §28.83 identify defined terms and provide additional clarification and improve readability.

The proposed amendments to §§28.86 and 28.87 add the term, "Agriculture," to references to the grant program reflect changes made by HB 43 to Texas Agriculture Code, Chapter 58.

New Subchapter H is proposed to reflect the establishment of a new pest and disease control and depredation program in Texas Agriculture Code, Chapter 58 by enactment of HB 43.

New proposed rule, §28.90 (Statement of Purpose), identifies the purposes of the new grant program as control efforts and to mitigate agriculture losses.

New proposed rule, §28.91 (Definitions) adds the definition of "Program" for purposes of this subchapter.

New proposed rule, §28.92 (Administration) outlines staffing, ability of the TAFA board to create multiple programs, and requirement for board to adopt selection criteria.

New proposed rule, §28.93 (Eligibility), limits participation in the program to those entities identified in statute including Texas Animal Health Commission, Texas A&M AgriLife Extension Service, and Texas A&M AgriLife Research.

New proposed rule, §28.94 (Use of Grant), describe basic information required to be published for each grant opportunity and states the manner in which funds will be disbursed.

New proposed rule, §28.95 (Filing Requirements; Consideration of Project Requests; Grant Awards), requires an applicant to submit an application in the format prescribed by the Authority, requires the Authority to publish the maximum award amount, and allows the Authority to decline all applications in its sole discretion.

New proposed rule, §28.96 (Reporting Requirements), requires grant recipients to comply with reporting requirements that will be included in the grant agreement.

Proposed repeal of §28.73 relating to the Texas Rural Community Loan is appropriate to reflect changes made by HB 43 to Texas Agriculture Code, Chapter 58.

FISCAL IMPACT ON STATE AND LOCAL GOVERNMENT

Ms. Mindy Fryer, Director of Rural Programs and Financial Assistance, has determined that for each year of the first five years the proposed rulemaking is in effect, enforcing or administering the sections will have no fiscal impact on state or local governments.

PUBLIC BENEFIT AND COSTS

Ms. Fryer determined that, for each of the first five years, the proposed rulemaking is in effect, the public benefit will be increased opportunities for agricultural producers and businesses to apply for grants and other financial assistance programs to maintain, create, or expand their operations. Additional benefits of the proposed rule amendments include enhanced readability, clarity and transparency.

Ms. Fryer has determined that there are no anticipated economic costs. Persons are not required to participate in TAFA's programs and the proposed rulemaking does not impact the cost of participation.

FISCAL IMPACT ON SMALL BUSINESSES, MICRO-BUSINESSES, AND RURAL COMMUNITIES PROPOSED RULES

There will be no adverse economic effect on small businesses, micro-businesses, or rural communities as a result of the proposed rules. Because Mrs. Fryer has determined that the proposed rulemaking will have no adverse economic effect on small businesses, micro-businesses, or rural communities, preparation of an Economic Impact Statement and a Regulatory Flexibility Analysis, as detailed under Texas Government Code, §2006.002, is not required.

COST INCREASE TO REGULATED PERSONS

The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT

The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT STATEMENT

Pursuant to Texas Government Code, §2001.0221, Mrs. Fryer provides the following government growth impact statement for the proposed rulemaking. For each year of the first five years that the proposed rulemaking will be in effect, Mrs. Fryer has determined the following:

(1) the proposed rulemaking is necessary and required to implement programs created through the enactment of HB 43, 89th Texas Legislature, Regular Session;

(2) implementation of the proposed rulemaking may require the creation of new employee positions;

(3) implementation of the proposed rulemaking will not require an increase or decrease in future legislative appropriations to the agency;

(4) the proposed rulemaking will not require an increase or decrease in fees paid to the agency;

(5) the proposed rulemaking contains new rules and therefore create new regulations;

(6) the proposed rulemaking contains rule amendments that will expand, limit, or repeal an existing regulation;

(7) the proposed rulemaking will not increase or decrease the number of individuals subject to the rules' applicability; and

(8) the proposed rulemaking will positively affect the state's agriculture economy by creating additional financial assistance programs available to producers and agribusinesses.

The proposed rulemaking will not affect a local economy within the meaning of Texas Government Code, §2001.022 and will not have an adverse economic effect on small businesses, micro-businesses, or rural communities.

PUBLIC COMMENTS

Public comments on the proposed rule amendments, proposed new rules, and proposed repeal may be submitted in writing to Mindy Fryer, Director for Rural Programs and Financial Assistance, Texas Department of Agriculture, P.O. Box 12847, Austin, Texas 78711; or by email to Grants@TexasAgriculture.gov no later than 30 days from the date of publication in the *Texas Register.*

SUBCHAPTER A. FINANCIAL ASSISTANCE RULES

4 TAC §§28.2, 28.3, 28.5, 28.7

The rule amendments, repeal, and new rules are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.2. Definitions.

In addition to the definitions set forth in Texas Agriculture Code, §58.002, the following words and terms, when used in this chapter,

shall have the following meanings, unless the context clearly indicates otherwise. Definitions applicable to specific programs may be included within the applicable subchapter.

(1) Act--The Texas Agricultural Finance Act, Texas Agriculture Code, Chapter 58[~~, as amended~~].

(2) Administrator--The individual employed by the Commissioner, with approval of the Board, to perform duties related to administration of the Authority, as further described in Texas Agriculture Code, Section 58.015(c). [~~Agricultural business--A business that is or proposes to be engaged in producing, processing, marketing, or exporting of an agricultural product, that is the entity designated to carry out the boll weevil eradication program in accordance with the Texas Agriculture Code, §74.1011, that is or proposes to be engaged in an agricultural-related business in rural areas of Texas, including a business that provides recreational activities associated with the enjoyment of nature or the outdoors on agricultural land, or a state agency or an institution of higher education that is engaged in producing an agricultural product.~~]

[~~(3) Agricultural product--An agricultural, horticultural, viticultural, or vegetable product, bees, honey, fish or other seafood, planting seed, livestock, a livestock product, a forestry product, poultry, or a poultry product, either in its natural or processed state, or any other agricultural product approved by the Authority, that has been produced, processed, or otherwise had value added to it in this state.~~]

(3) [~~(4)~~] Applicant--Any eligible agricultural business [~~person, corporation, partnership, cooperative, joint venture, sole proprietorship, the entity designated to carry out the boll weevil eradication in accordance with Texas Agriculture Code, §74.1011, or a state agency or institution of higher education~~] filing an application with the Authority for financial assistance under any program under this chapter. A lender may submit an application on behalf of any of the above-mentioned parties.

(4) [~~(5)~~] Application--An application promulgated and approved by the [~~Texas Agricultural Finance Authority~~] Board [~~of Directors~~], including supporting documentation and schedules as required by the Authority, for participation in a program [~~the programs~~] under this chapter.

(5) [~~(6)~~] Authority--The Texas Agricultural Finance Authority.

(6) [~~(7)~~] Board--The board of directors of the Authority.

(7) [~~(8)~~] Business day--A day on which the Department [~~department~~] is open for business. The term shall not include Saturday, Sunday, or a traditional holiday officially observed by the State [~~state~~]. The Department's [~~department's~~] normal business hours are 8:00 a.m. to 5:00 p.m. each business day.

(8) [~~(9)~~] Compliance report--A copy of the final loan documents.

(9) [~~(10)~~] Comptroller--The Texas Comptroller of Public Accounts.

(10) [~~(11)~~] Current market rate--The rate of interest on a United States treasury bill or note, the maturity date of which most closely matches the maturity date of the loan, or the end of the current biennium of the State, whichever is sooner, as determined by reference to the United States treasury bill or note section of the Wall Street Journal or equivalent publication including an electronic publication, published on the day the loan is priced.

(11) [~~(12)~~] Default--The failure to perform an obligation established by the loan agreement, these rules or the Act.

(12) Department--The Texas Department of Agriculture.

(13) Deputy Commissioner--The Deputy Commissioner of the Department [~~of Agriculture~~].

(14) (No change.)

(15) Fund--The Texas Agricultural Fund [~~agricultural fund~~].

[~~(16) Lender--A financial institution that makes commercial loans and is either a depository of state funds or an institution of the Farm Credit System headquartered in this state including a bank, banking association, savings bank, trust company, mortgage company, investment banker, credit union, underwriter, life insurance company, or any affiliate of those entities, and also including any other financial institution or governmental agency that customarily provides financing of agricultural loans or mortgages, or any affiliate of such an institution or agency, or any institution that the board determines is an experienced and sophisticated financial institution that agrees to participate in a financial program under this chapter.~~]

(16) [~~(17)~~] Loan guarantee amount--With respect to loans made by a lender and guaranteed by the Authority, a sum measured in terms of United States dollars that the Authority pays to the lender to acquire an undivided interest in any loan or, in the case of default by the borrower, the Authority agrees to pay to the lender, not to exceed the percentage as stated in the guaranty agreement.

(17) [~~(18)~~] Program [~~Programs~~]--Any financial assistance program approved by the Authority board and defined by the rules under this chapter.

(18) [~~(19)~~] Project--An enterprise which would further the expansion or development of production, processing, marketing or exporting of Texas agricultural products or other agricultural-related rural economic development projects.

(19) [~~(20)~~] Qualified application--A completed application, including all documents and information required by the Authority and submitted by the lender or applicant[~~,~~] for participation in a program under this chapter.

(20) Rural area--An area which is predominately rural in character; an unincorporated area or a city with a population under 50,000; or a county with a population under 200,000, or another area defined by resolution of the board with respect to a particular program.

[~~(21) Rural--A municipality with a population of less than 50,000.~~]

(21) [~~(22)~~] Staff--The staff of the Authority or staff of the Department performing work for the Authority.

(22) [~~(23)~~] State--The State of Texas.

§28.3. Examination of Records.

Any party requesting records of the Authority must submit a written request to the Department [~~department~~] pursuant to the Texas Public Information Act, Texas Government Code, Chapter 552.

§28.5. Texas Agricultural Fund.

The Fund [~~fund~~], established in the Office of the Texas Comptroller [~~office of the comptroller~~], may consist of general obligation bond or commercial paper note proceeds, revenues generated from fees on farm vehicle registrations, appropriations or transfers made to the fund, guaranty fees, monies received from the operation of the program, interest paid on money in the fund from the operation of the program, interest paid on money in the Fund and any other monies received from other sources for the fund. The Board [~~board~~] may, by resolution, provide

for the establishment and maintenance of separate accounts within the Fund [~~fund~~], including loan guaranty program accounts as prescribed by the Board [~~board~~]. In the event of any conflict between these rules and the provisions of a resolution of the Board pertaining to the administration of the Fund, the provisions of the Board's resolution shall control.

§28.7. Servicing and Collateral Administration.

(a) Except as otherwise provided by state law, these rules, or a resolution of the Board [~~board~~], the staff, with the approval of the Commissioner [~~commissioner~~] or Deputy Commissioner [~~deputy commissioner~~], or an [~~the department~~] official of the Department designated by Commissioner [~~commissioner as being responsible for the Authority's programs~~], shall have the power to act on behalf of the Authority, without specific board approval, in regard to the administration, collection, enforcement, settlement and servicing of each and every commitment previously approved by the Board [~~board~~] under the Authority's programs, including, without limitation, those commitments and programs in effect prior to September 1, 2009. Such authority shall include, without limitation, any action required to be taken under any commitment, financial instrument, grant agreement, interest rebate or reduction agreement, loan guarantee, obligation, participation agreement, and any other agreement approved by the Board [~~board~~] and entered into by the Authority with respect to financial assistance or commitment made by the Authority.

(b) Nothing in this section shall prevent the Commissioner [~~commissioner~~], the Deputy Commissioner [~~deputy commissioner~~], the [~~department~~] official of the Department designated by Commissioner [~~commissioner as being responsible for the Authority programs~~], or the staff from submitting any matter to the Board [~~board~~] for its consideration and approval.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Susan Maldonado
General Counsel
Texas Department of Agriculture
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 463-6591

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SUBCHAPTER B. INTEREST RATE REDUCTION PROGRAM

4 TAC §§28.10, 28.12 - 28.19

The rule amendments, repeal, and new rules are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.10. Authority.

The [~~Texas Agricultural Finance~~] Authority is authorized by Chapter 44 of the Code, §44.007 to establish the Interest Rate Reduction Program.

§28.12. Scope.

These sections will govern all applications filed under the Interest Rate Reduction Program. The Authority and the Comptroller [~~comptroller~~] may waive the applicability of any section to an application when such waiver would be in the public interest and would further the purposes of the Act.

§28.13. Definitions.

In addition to the definitions set forth [~~out~~] in Texas Agriculture Code, §44.001 [~~Chapter 58, as amended~~] and §28.2 [~~in subchapter A~~] of this chapter (relating to Definitions [~~Financial Assistance Rules~~]), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) (No change.)

(2) Borrower--An eligible borrower that receives a linked deposit loan under the Program.

[~~(2) Eligible borrower--A person who proposes to use the proceeds of a loan under the interest rate reduction program in a manner that will help accomplish the state's goal of fostering the:~~]

[~~(A) creation and expansion of enterprises based on agriculture in this state; or~~]

[~~(B) development or expansion of businesses in rural areas of the state.~~]

(3) Lender--An eligible lending institution as defined in Texas Agriculture Code, §44.001(1).

[~~(3) Linked deposit--A time deposit governed by a written deposit agreement between the state and the lender that provides that:~~]

[~~(A) the lender pay interest on the deposit at a rate that is not less than the greater of:~~]

~~*(i)* the current market rate minus 2%; or~~]

~~*(ii)* 1.5%;~~]

[~~(B) the state not withdraw any part of the deposit before the expiration of a period set by a written advance notice of the intention to withdraw; and~~]

[~~(C) the eligible lending institution agree to lend the value of the deposit to an eligible borrower at a maximum rate that is the linked deposit rate plus a maximum of 4.0%.~~]

(4) (No change.)

§28.14. Application Procedure for Applicant.

(a) An applicant must comply with the following procedures to obtain approval of the application for participation in the Program [~~program~~]. An applicant shall submit a complete and accurate [~~loan~~] application and any required credit documentation to the lender and an applicant shall supply all required documentation that the Authority requires to determine whether the applicant is qualified under the Act and the rules in this subchapter [~~these sections~~].

(b) The Borrower [~~eligible borrower~~] shall notify the Authority upon receipt of the loan proceeds indicating the amount received, date received, and the total amount of loan drawn to date in a manner provided by §28.4 of this chapter (relating to Communication with the Authority).

§28.15. Application Procedure for Lender.

A Lender [~~lender~~] must comply with the following procedures to obtain approval of an application for participation in the Program [~~program~~].

(1) A Lender [~~lender~~] must be an eligible lending institution, as defined by the Act, to participate in the Program [~~program~~].

(2) A Lender [~~lender~~] that is not an approved depository may obtain the appropriate designation by filing a state depository application with the Comptroller [~~comptroller~~].

(3) A Lender [~~lender~~] may obtain the application and information about the Program [~~program~~] from the Authority.

(4) A Lender [~~lender~~] shall determine the applicant's creditworthiness according to the Lender's [~~lender's~~] underwriting criteria.

(5) A loan, while under the Program [~~program~~], shall be set at a rate of interest established according to the prescribed linked deposit formula under the Act. The linked deposit rate will be recalculated at the end of the fiscal biennium. The Borrower's [~~eligible borrower's~~] loan rate shall not exceed the maximum rate permitted under the Act [~~linked deposit rate plus 4.0%~~].

(6) A Lender [~~lender~~] shall forward the original completed and approved application to the Authority pursuant to instructions in the solicitation document.

(7) A Lender [~~lender~~] shall estimate the proposed rate of interest to be charged the Borrower [~~eligible borrower~~]. The Lender [~~lender~~] must certify via telephone, email, or other approved communication with the Comptroller [~~comptroller~~] at the time the loan is priced the actual rate of interest before issuance of the linked deposit. A copy of the certification of the Borrower's [~~eligible borrower's~~] loan rate shall be sent to the Authority or the Administrator [~~administrator~~], as part of the compliance report. In no event shall the actual rate of interest exceed the maximum rate of interest allowable under the Act.

(8) In no instance will the linked deposit be wired to the Lender [~~lender~~] until the loan proceeds have been paid to the Borrower [~~eligible borrower~~]. In most cases, the entire approved linked deposit amount will be placed as a linked deposit with the applicable Lender [~~lender~~], except for linked deposits greater than $100,000 which are subject to incremental funding commensurate with principal drawdown.

(9) A Lender [~~lender~~] shall submit the compliance report to the Authority within seven days after the loan is funded.

(10) A Lender [~~lender~~] shall notify the Authority in writing immediately upon a default and/or in the case of a prepayment or a principal reduction greater than $10,000 [~~$5,000~~] in any one calendar quarter of a loan under the Program [~~program~~].

(11) A Lender [~~lender~~] shall comply with all terms and agreements set forth in the state depository handbook, state depository application, the linked deposit application, and any other agreements and representations made to the Authority and the Comptroller [~~comptroller~~], and all other terms and conditions of the loan, these rules and the Act.

§28.16. Procedure for Review.

(a) Upon receipt of the application, staff shall review the application and determine:

(1) the current availability of funds under the Program [~~program~~];

(2) (No change.)

(3) the eligibility of the applicant and the Lender [~~lender~~];

(4) - (5) (No change.)

(b) The staff shall notify the Lender [~~lender~~] of any deficiencies in the application within ten business days after receipt of the application. The applicant and the Lender [~~lender~~] may amend the application to comply with the Authority's comments or withdraw the application.

(c) The Board [~~board~~] will approve or deny any and all applications under this subchapter [~~chapter~~], provided that the Board [~~board~~] may delegate such authority to the Commissioner [~~commissioner~~] and/or the Deputy Commissioner [~~deputy commissioner~~].

(d) The staff shall retain a copy of the application and forward a duplicate copy of the application with the Authority's recommendation to the Comptroller [~~comptroller~~].

§28.17. Acceptance and Rejection Procedures.

(a) The Comptroller [~~comptroller~~] shall review completed applications from the Authority and notify the Authority of their decision to accept or deny the application.

(b) The Authority will notify the Lender [~~lender~~] if the application has been accepted or denied.

(c) The Comptroller [~~comptroller~~] will inform the Lender [~~lender~~] of the amount of the required collateralization of the linked deposit. The Authority will forward written notice that the Lender [~~lender~~] has requested funding to the Comptroller [~~comptroller~~]. The Comptroller [~~comptroller~~] will wire the linked deposit to the Lender [~~lender~~] in immediately available funds the same day, provided written notice of funding of the loan is received by 9:00 a.m. The Comptroller [~~comptroller~~] will then provide the Authority confirmation of the linked deposit.

(d) The Comptroller [~~comptroller~~] shall determine the terms and conditions of the linked deposit once the maturity date is established (it cannot be set beyond the end of the biennium in which the linked deposit is placed), the applicable interest rate for the linked deposit can be determined by referring to the United States Treasury bill or note section of the current issue of the Wall Street Journal corresponding with the day the loan is priced. The maturity date is matched to the closest treasury bill maturity. If longer than a year, it is matched to the treasury note with the maturity closest to the linked deposit maturity. In the case of a multiple maturity listing, the maturity with the lowest yield to arrive at the linked deposit rate should be used.

(e) An applicant may reapply for participation in the Program [~~program~~] after rejection of an application if the application complies with the standards set forth in this subchapter [~~chapter~~] and under the Act.

(f) A Lender [~~lender~~] shall terminate the linked deposit if the loan is prepaid. Quarterly principal reductions of $1,000 or more will result in a corresponding reduction of the linked deposit in a like amount (rounded to the nearest thousand dollars) at the end of each quarter ending in November, February, May, and August. Upon completion of the quarterly review by the Comptroller [~~comptroller~~] and the Authority, the linked deposit will be adjusted to the outstanding principal balance rounded to the nearest thousand dollars.

(g) If a Lender [~~lender~~] ceases to be a state depository, the Comptroller [~~comptroller~~] shall withdraw the linked deposits. If the Lender [~~lender~~], which has a linked deposit, is purchased by another lending institution, the linked deposit will be reissued to the purchasing institution. Should the linked deposit loan not be obtained by the purchasing institution, then the linked deposit will be returned to the Comptroller [~~comptroller~~]. The Authority and the Comptroller

[~~comptroller~~] will allow the Borrower [~~eligible borrower~~] 90 days to place the loan with another Lender [~~lender~~].

(h) A late payment on a loan by a Borrower [~~an eligible borrower~~] does not affect the validity of the linked deposit through the period of the fiscal biennium. Should a Borrower [~~an eligible borrower~~] default on a loan and the Lender [~~lender~~] proceed with collection by foreclosure, the linked deposit must be returned to the Comptroller [~~comptroller~~].

§28.18. Use of Loan Proceeds.

(a) Loan proceeds under the Program [~~program~~] may be used for any agriculture-related operating expense, including the purchase or lease of land or fixed asset acquisition or improvement, or for any enterprise based on agriculture as identified in the application, but a loan under this Program [~~program~~] may be applied to existing debt only when required by the Lender [~~lender~~] to finance the expansion of an eligible project.

(b) An applicant or Lender [~~lender~~] may request the Authority to provide a preliminary determination if the anticipated use of the proceeds is a qualified use of proceeds.

(c) Any use of loan proceeds that do not comply with these rules or any misrepresentations made to the Authority shall be a basis for default. The Lender [~~lender~~] shall include a provision in the loan that declares a default and requires acceleration of the loan where the applicant uses the proceeds in any manner that would violate the provisions of the Act, these rules or the loan.

§28.19. Program Limitations.

In addition to the limitations already set forth in these rules, the following limitations apply:[~~.~~]

(1) (No change.)

(2) The maximum amount of a loan under this Program [~~program~~] is $500,000.

(3) All linked deposits placed under this Program [~~program~~] shall expire upon expiration of the biennium; however, subject to legislative authorization and approval by the Authority and the Comptroller [~~comptroller~~], linked deposits that expired as a result of the expiration of the biennium may be renewed.

(4) The State [~~state~~] shall not be liable for any failure to comply with the terms and conditions of the loan, or any failure to make any payments or any other losses or expenses that occur directly or indirectly from the Program [~~program~~].

(5) An applicant may have more than one application and linked deposit loan with the Program [~~program~~] provided that the total applications and total linked deposits approved do not exceed $500,000.

(6) A person shall not receive approval of an application if a previous loan under the Program [~~program~~] is in default.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Susan Maldonado
General Counsel
Texas Department of Agriculture
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For further information, please call: (512) 463-6591

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SUBCHAPTER C. AGRICULTURAL LOAN GUARANTEE PROGRAM

4 TAC §§28.20, 28.23 - 28.30, 28.32, 28.35 - 28.37

The rule amendments are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.20. Authority.

The [~~Texas Agricultural Finance~~] Authority is authorized by Chapter 58 of the Code, Subchapter E, §§58.051 - 58.056 to establish the Agricultural Loan Guarantee Program.

§28.23. Definitions.

In addition to the definitions set forth [~~out~~] in [~~the~~] Texas Agriculture Code, §58.002 [~~Chapter 58~~], as amended, and §28.2 [~~in subchapter A~~] of this chapter (relating to Definitions [~~Financial Assistance Rules~~]), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) - (5) (No change.)

§28.24. Applicant Requirements.

A lender may submit an application on behalf of an applicant if the applicant meets the following requirements:

(1) if an individual, the applicant is a United States citizen and a resident of the State [~~of Texas~~], or an entity in good standing and legally authorized to conduct business in the State [~~of Texas~~];

(2) provides evidence that the applicant's farm, ranch, or agriculture-related business is or will be located within the State [~~state~~]; and

(3) (No change.)

§28.25. Project Costs.

(a) Eligible costs. Financing received under this Program [~~program~~] may be used to provide working capital for operating a farm, ranch, or agriculture-related business, including: the lease of facilities, the purchase of machinery and equipment, or for any other agriculture-related business purpose, including the purchase of real estate, as defined in the plan.

(b) Ineligible costs. Use of financing received under this Program for any costs other than those identified in the plan shall be considered ineligible costs. A loan guarantee is voidable by the Board [~~board~~] or the Commissioner [~~commissioner~~] if the borrower uses loan proceeds for any costs not identified in the plan.

§28.26. Consideration of Applications.

(a) - (c) (No change.)

(d) Board or Commissioner [~~commissioner~~] review. The staff shall submit a credit memorandum to the Board [~~board~~] which shall include a recommendation for approval or denial for each qualified application received by the Program [~~program~~]. The Board [~~board~~] shall approve or deny each qualified application. The Board [~~board~~] may impose additional terms and conditions as part of its approval. The Board [~~board~~] may delegate to the Commissioner [~~commissioner~~] or Deputy Commissioner [~~deputy commissioner~~] the authority to take any and all action described in this subsection.

(e) (No change.)

(f) Denial of application. If the application is denied, staff will notify the lender in writing, identifying the reasons for denial. Applicants who have been denied may re-apply to the Program [~~program~~].

(g) Providing false information. An applicant who knowingly provides false information in an application shall be disqualified from obtaining a loan guarantee under the Program [~~program~~] and shall be liable to the Authority and the department for any expense incurred by the Authority or the department as a result of the falsity. If the falsity is discovered after approval of a loan guarantee, the falsity may constitute grounds for revocation of the guarantee, and the Authority shall be entitled to exercise all its rights under the loan documents.

(h) Reporting to the Board [~~board~~]. Staff shall report to the Board [~~board~~] at each Board [~~board~~] meeting the status of loans of the Authority and any applications approved by the Commissioner [~~commissioner~~] under the Program [~~program~~] since the last meeting of the Board [~~board~~].

§28.27. Contents of the Application.

The applicant must present to the lender the information necessary to determine if the applicant is eligible and qualified to receive a loan guarantee under the Program [~~program~~]. Such information will include the following:

(1) the application checklist form for the Program [~~program~~] provided by the Authority;

(2) - (4) (No change.)

§28.28. Application Process.

(a) A qualified application will be considered by the board at the first available meeting of the Authority or by the Commissioner [~~commissioner~~] when the staff has had sufficient time to complete its review of the qualified application.

(b) - (d) (No change.)

§28.29. General Terms and Conditions of the Authority's Financial Commitment.

(a) Maximum amount of loan guarantee. A guarantee shall not exceed:

(1) $1,000,000 [~~$750,000~~] or 70% of the loan amount, whichever is less;

(2) $750,000 [~~$500,000~~] or 80% of the loan amount, whichever is less;

(3) $500,000 [~~$250,000~~] or 90% of the loan amount, whichever is less.

(b) Notwithstanding Subsection (a), guarantees in excess of $1,000,000 may be approved subject to a resolution of the Board.

(c) [~~(b)~~] Program limit. The amount that may be used to guarantee loans under this subchapter may not exceed three times the amount contained in the Fund [~~Texas agricultural fund~~], calculated on an annual basis as of September 30 each year.

(d) [~~(c)~~] Security. Financial commitments approved under this Program [~~program~~] must be secured by a first lien on collateral of a type and value which, when considered with other criteria, in the judgment of the Board [~~board~~] or the Commissioner [~~commissioner~~] affords reasonable assurance of repayment of the loan.

(e) [~~(d)~~] Closing of the loan. The Commissioner [~~commissioner~~] or a designee may attend the verification and signing of closing documents at the time, date, and location determined by the commercial lender.

(f) [~~(e)~~] Closing costs. All closing costs associated with the closing of an approved loan, including the Authority's review of the closing documents by independent legal counsel, may be charged to the borrower.

(g) [~~(f)~~] Co-participation. An applicant or eligible borrower may seek co-participation in financial assistance from other private and governmental sources. In any event, the Authority's maximum guarantee for any loan may not exceed the loan guarantee limits, with the lender(s) remaining at risk for at least 10% of the loan.

(h) [~~(g)~~] Duration of Guarantee. The duration of the loan guarantee approved by the Authority must not exceed the lesser of the useful life of the assets being financed or 10 years.

(i) [~~(h)~~] Interest rate. The interest rate on the guaranteed loan (not including guarantee fees) shall be the rate charged by the lender and approved by the Authority. To be eligible for a guarantee under the Program [~~program~~], a loan with a term of more than one year must have a fixed interest rate.

§28.30. Reporting Requirements.

(a) - (b) (No change.)

(c) If necessary, the Authority may request other reports or documentation reasonably necessary for an assessment of the borrower's compliance with the Program [~~program~~].

§28.32. Criteria for Approval of Loan Guarantee.

(a) The Board [~~board~~] or the Commissioner [~~commissioner~~] shall consider the following factors in deciding whether to approve an application for a loan guarantee:

(1) - (5) (No change.)

(b) Eligibility of the lender. The lender originating a loan must have a continuing ability to evaluate, perform, and service the loan; to make the necessary reports as identified in the rules of the Program [~~program~~]; and to collect the loan, if requested by the Authority, upon default. The commercial lender must agree to exercise due diligence in the servicing, maintenance, review, and evaluation of performance without regard to the existence of the Authority's guarantee or any other limitation of risk. The Board [~~board~~] or the Commissioner [~~commissioner~~] reserves the right to decline a loan guarantee, or revoke a loan guarantee to a lender which does not present sufficient evidence that they have the capacity or interest to appropriately make and service the loan. The Board [~~board~~] may revoke or limit a loan guarantee if the lender fails to substantially comply with financial industry standards pertaining to reasonably prudent administration, origination, servicing, or underwriting of loans, or if the lender fails to comply with all obligations required under agreements with the Authority.

(c) The Authority has adopted a Credit Policy and Procedures document, which contains additional guidelines used by the Authority in the loan guarantee review and approval process. The Credit Policy

and Procedure document may be obtained from the Texas Agricultural Finance Authority, Texas Department of Agriculture, P.O. Box 12847, Austin, Texas 78711.

§28.35. Loan Guarantee Administration.

(a) Except as otherwise provided by state law, by these rules, or by resolution of the Board [~~board~~], the staff, with the approval of the Commissioner [~~commissioner~~], the Deputy Commissioner [~~deputy commissioner of agriculture~~], or an [~~the~~] official of the Department designated by the Commissioner [~~commissioner of agriculture as being responsible for the department's agricultural finance programs,~~] shall have the authority to act on behalf of the Authority, without specific Board [~~board~~] approval, in regard to the ongoing servicing, collection, settlement, and enforcement of each and every loan guaranteed by the Authority under the Program [~~program~~]. Such authority shall include, without limitation, the actions required to be taken by the Authority under any loan agreement, and any other agreement entered into by the Authority concerning a loan guaranteed by the Authority under the Program [~~program~~].

(b) Nothing in this section shall prevent the staff or the Commissioner [~~commissioner~~], the Deputy Commissioner [~~deputy commissioner~~], or the official of the Department designated by the Commissioner [~~commissioner of agriculture~~] from submitting any matter to the Board [~~board~~] for its consideration and approval.

§28.36. Interest Rebate Requirements and Procedures.

(a) The Board [~~board~~] may independently establish a rate reduction (percent and amount) from time to time in its sole discretion to be eligible in the form of a rebate to qualifying eligible borrowers; however, in any one calendar year, the rate reduction per eligible borrower shall not exceed the amount described in Section 58.052(e) [~~three percentage points or a maximum amount of $10,000~~].

(b) (No change.)

(c) The eligible borrower and lender must agree to all the criteria for the Program [~~program~~] found in this subchapter.

(d) - (h) (No change.)

§28.37. Certified Lender Program.

(a) (No change.)

(b) A lender is eligible to participate as a certified lender under the Authority's Agricultural Loan Guarantee program if it has maintained a Master Lender Agreement in place with Authority and has had no defaults under any loans guaranteed by the Authority under the Program [~~its Agricultural Loan Guarantee program~~].

(c) - (d) (No change.)

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SUBCHAPTER D. YOUNG FARMER INTEREST RATE REDUCTION PROGRAM RULES

4 TAC §§28.40 - 28.48

The rule amendments are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.40. Authority.

The Authority is authorized by Chapter 58 of the Code, Subchapter F, §§58.071 - 58.075 to promulgate rules and procedures to establish the [~~Young~~] Farmer Interest Rate Reduction Program.

§28.41. Purpose.

The purpose of the [~~Young~~] Farmer Interest Rate Reduction Program is to encourage private commercial loans and provide an economic benefit to [~~young~~] farmers for the purpose of creating or expanding an agricultural business in this state. These sections are adopted to provide standards of eligibility and procedures for participating in the interest rate reduction provided under the Act.

§28.42. Definitions.

In addition to the definitions set forth [~~out~~] in Texas Agriculture Code, §58.002 [~~Chapter 58~~], as amended, and §28.2 [~~in subchapter A~~] of this chapter (relating to Definitions [~~Financial Assistance Rules~~]), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) (No change.)

(2) [~~Eligible borrower--A person that is 18 years of age or older but younger than 46 years of age at the time of submitting a loan application and who is approved for participation in the program.~~]

[~~(3)~~] Lender--A lending institution, as defined in Texas Agriculture Code, §58.002(8), which also includes institution of the Farm Credit System.

(3) Linked deposit--A time deposit governed by a written deposit agreement between the State [~~state~~] and the lender that provides that:

(A) (No change.)

(B) the State [~~state~~] does not withdraw any part of the deposit before the expiration of a period set by a written advance notice of the intention to withdraw; and

(C) the lender agrees to lend the value of the deposit to an eligible borrower at a rate not to exceed the linked deposit rate plus 1% [~~4%~~].

(4) Program--The [~~Young~~] Farmer Interest Rate Reduction Program.

§28.43. Application Procedure for Applicant.

(a) An applicant must comply with the following procedures to obtain approval of the application for participation in the Program [~~program~~]. An applicant shall submit a complete and accurate loan

application and any required credit documentation to the lender and an applicant shall supply all required documentation that the Authority requires to determine whether the applicant is qualified under the Act and this subchapter [these sections].

(b) (No change.)

§28.44. Application Procedure for Lender,

A lender must comply with the following procedures to obtain approval of an application for participation in the Program [program].

(1) A lender must be an eligible lending institution, as defined by the Act, to participate in the Program [program].

(2) A lender that is not an approved depository may obtain the appropriate designation by filing a state depository application with the Comptroller [comptroller].

(3) - (4) (No change.)

(5) A loan, while under the Program [program], shall be set at a rate of interest established according to the prescribed linked deposit formula under the Act. The linked deposit rate will be recalculated at the end of the fiscal biennium. The eligible borrower's loan rate shall not exceed the maximum rate permitted under the Act [the linked deposit rate plus 4.0%].

(6) (No change.)

(7) A lender shall estimate the proposed rate of interest to be charged the eligible borrower. The lender must certify via telephone, email, or other approvedcommunication with the Comptroller [comptroller] at the time the loan is priced the actual rate of interest before issuance of the linked deposit. A copy of the certification of the eligible borrower's loan rate shall be sent to the Authority or the Administrator, as part of the compliance report. In no event shall the actual rate of interest exceed the maximum rate of interest allowable under the Act.

(8) - (9) (No change.)

(10) A lender shall notify the Authority in writing immediately upon a default and/or in the case of a prepayment or a principal reduction greater than $10,000 [$5,000] in any one calendar quarter of a loan under the Program [program].

(11) A lender shall comply with all terms and agreements set forth in the state depository handbook, state depository application, the linked deposit application, and any other agreements and representations made to the Authority and the Comptroller [comptroller], and all other terms and conditions of the loan, these rules, and the Act.

§28.45. Procedure for Review.

(a) Upon receipt of the application, staff shall review the application and determine:

(1) the current availability of funds under the Program [program];

(2) - (5) (No change.)

(b) (No change.)

(c) The Board [board] will approve or deny any and all applications under this chapter, provided that the Board [board] may delegate such authority to the Commissioner [commissioner] and/or the Deputy Commissioner [deputy commissioner].

(d) The staff shall retain a copy of the application and forward a duplicate copy of the application with the Authority's recommendation to the Comptroller [comptroller].

§28.46. Acceptance and Rejection Procedures.

(a) The Comptroller [comptroller] shall review completed applications from the Authority and notify the Authority of their decision to accept or deny the application.

(b) (No change.)

(c) The Comptroller [comptroller] will inform the lender of the amount of the required collateralization of the linked deposit. The Authority will forward written notice that the lender has requested funding to the Comptroller [comptroller]. The Comptroller [comptroller] will wire the linked deposit to the lender in immediately available funds the same day, provided written notice of funding of the loan is received by 9:00 a.m. The Comptroller [comptroller] will then provide the Authority confirmation of the linked deposit.

(d) The Comptroller [comptroller] shall determine the terms and conditions of the linked deposit once the maturity date is established (it cannot be set beyond the end of the biennium in which the linked deposit is placed), the applicable interest rate for the linked deposit can be determined by referring to the United States Treasury [treasury] bill or note section of the current issue of the Wall Street Journal corresponding with the day the loan is priced. The maturity date is matched to the closest treasury bill maturity. If longer than a year, it is matched to the treasury note with the maturity closest to the linked deposit maturity. In the case of a multiple maturity listing, the maturity with the lowest yield to arrive at the linked deposit rate should be used.

(e) An applicant may reapply for participation in the program after rejection of an application if the application complies with the standards set forth in this subchapter [these sections] and under the Act.

(f) (No change.)

(g) If a lender ceases to be a state depository, the Comptroller [comptroller] shall withdraw the linked deposits. If the lender, which has a linked deposit, is purchased by another lending institution, the linked deposit will be reissued to the purchasing institution. Should the linked deposit loan not be obtained by the purchasing institution, then the linked deposit will be returned to the Comptroller [comptroller]. The Authority and the Comptroller [comptroller] will allow the borrower 90 days to place the loan with another lender.

(h) A late payment on a loan by an eligible borrower does not affect the validity of the linked deposit through the period of the fiscal biennium. Should an eligible borrower default on a loan and the lender proceed with collection by foreclosure, the linked deposit must be returned to the Comptroller [comptroller].

§28.47. Use of Loan Proceeds.

(a) Loan proceeds under the Program [program] may be used for any agriculture-related operating expense, including the purchase or lease of land or fixed asset acquisition or improvement, or for any enterprise based on agriculture as identified in the application, but a loan under this program may be applied to existing debt only when required by the lender to finance the expansion of an eligible project.

(b) - (c) (No change.)

§28.48. Program Limitations.

In addition to the limitations already set forth in these rules, the following limitations apply.

(1) Not more than that amount from the fund as determined by the Board [board] may be placed concurrently in linked deposits under the Act.

(2) The maximum amount of a loan under this Program [program] is $1 million [$500,000].

(3) All linked deposits placed under this Program shall expire upon expiration of the biennium; however, subject to legislative authorization and approval by the Authority and the Comptroller [~~comptroller~~], linked deposits that expired as a result of the expiration of the biennium may be renewed.

(4) The State [~~state~~] shall not be liable for any failure to comply with the terms and conditions of the loan, or any failure to make any payments or any other losses or expenses that occur directly or indirectly from the program.

(5) An applicant may have more than one application and linked deposit loan with the Program [~~program~~] provided that the total applications and total linked deposits approved do not exceed $1 million [~~$500,000~~].

(6) A person shall not receive approval of an application if a previous loan under the Program [~~program~~] is in default.

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SUBCHAPTER E. YOUNG FARMER GRANT PROGRAM RULES

4 TAC §§28.50 - 28.58

The rule amendments and new rules are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.50. Purpose.

The purpose of the program is to provide financial assistance in the form of [~~matching~~] grant funds to maintain agricultural businesses, maintain agricultural uses of land, or foster supply chain resiliency or create [~~young farmers for the purpose of creating~~] or expand [~~expanding~~] an agricultural business in this state. These sections are adopted to provide standards of eligibility and procedures for the grant program.

§28.51. Authority.

The [~~Texas Agricultural Finance~~] Authority is authorized by Chapter 58 of the Code, Subchapter G, §§58.091- 58.095 to promulgate rules and procedures to establish the Agriculture [~~Young Farmer~~] Grant Program.

§28.52. Definitions.

In addition to the definitions set forth in Texas Agriculture Code, §58.002, as amended, and §28.2 of this chapter (relating to Definitions), the [~~The~~] following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) (No change.)

(2) Grantee--A person or business awarded funds under this subchapter.

[~~(3) Matching Funds--Expenditures by the Grantee or made to sustain, create or expand the Grantee's agricultural business.~~]

(3) [~~(4)~~] Program--The Agriculture [~~Young Farmer~~] Grant Program as authorized by Subchapter G of the Texas Agriculture Code.

§28.53. Eligibility.

A person is eligible to receive an Agriculture [~~a Young Farmer~~] Grant if:

[~~(1) on the date the grant application is due the applicant is 18 years of age or older but younger than 46 years of age;~~]

(1) [~~(2)~~] the applicant is or will be involved in maintaining, creating or expanding an agricultural business, maintaining agriculture uses of land, or fostering supply chain resiliency in this state;

(2) [~~(3)~~] the applicant agrees to provide matching fund documentation; and

(3) [~~(4)~~] the applicant agrees to use funds for the purpose of maintaining, [~~either~~] creating or expanding an agricultural business, maintaining agriculture uses of land, or fostering supply chain resiliency in this state.

§28.54. Use of Grant Award.

Funds received under this subchapter may only be used for approved activities related to [~~creating or expanding~~] an agricultural business in Texas.

§28.55. Administration of Program.

(a) (No change.)

(b) The Board may create multiple grant opportunities under the Program to benefit subsectors of the agriculture industry.

(c) [~~(b)~~] The Board shall adopt selection criteria for the Program. The Board shall approve a form for use as the Program's grant application which shall indicate required information. The request for grant applications shall also state the selection criteria, due date, and estimated award date.

(d) [~~(c)~~] The Board shall determine grant cycles [~~set two periods~~] during each fiscal year in which the Authority will receive and approve grant applications. Notice of these grant periods will be posted on the Department's [~~department's~~] website.

§28.56. Use of Grant.

(a) Funds received under this subchapter may only be used for activities related to the specified purpose of the grant opportunity offered as part of the Agriculture Grant Program. The published request for grant applications will clearly identify the purpose of the grant and include information related to eligible and ineligible expenditures.

(b) Funds shall be distributed to selected applicants on a cost reimbursement basis in accordance with the grant agreement, unless the Board authorizes an advance payment.

§28.57. Filing Requirements; Consideration of Project Requests; Grant Awards Use of Grant.

(a) An applicant must submit an application in accordance with published Agriculture Grant Program guidelines outlined in the official request for grant applications.

(b) Eligible applicants shall submit a project request in the format prescribed by the Authority as part of the Agriculture Grant Program grant application and must describe the project activities to be carried out, propose budget expenditures, reflect an estimated timeline for completion of activities, and include any other information required by the Authority.

(c) Maximum award amounts for any grant opportunities shall be published in the request for grant applications for each Agriculture Grant Program grant cycle.

(d) The Authority may, in its sole discretion, decline to award any grants during an Agriculture Grant Program grant cycle.

§28.58. Reporting Requirements.

Grant recipients shall submit required reports in accordance with the Authority's procedures, and as specified in the grant agreement entered into by the Department and the grant recipient.

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SUBCHAPTER F. RULES FOR DEPOSITION AND REFUND OF ASSESSMENT FEES

4 TAC §§28.60 - 28.63

The rule amendments are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.60. Purpose and Application of Rules.

The purpose of this subchapter is to provide for the administration of the collection of assessments by county tax assessor-collectors as provided for in §502.404 of the Texas Transportation Code; and to provide for the remittance of such assessments to the comptroller for deposit in the Fund [~~Texas agricultural fund~~].

§28.61. Definitions.

In addition to the definitions set forth in Texas Agriculture Code, §58.002, as amended, and §28.2 of this chapter (relating to Definitions), the [~~The~~] following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Assessment--A voluntary fee paid on each commercial motor vehicle registered under the Texas Transportation Code, §502.404.

(2) (No change.)

§28.62. Collection of Funds by County Tax Assessor-Collector and Remittance to Comptroller.

(a) Each county tax assessor-collector shall collect the voluntary assessment required by the Texas Transportation Code, §502.404.

(b) Each county tax assessor-collector shall provide notice of the refund procedures defined in §28.63 of this subchapter [~~chapter~~] (relating to Refunding of Assessment) to persons paying an assessment at the time of payment.

(c) The assessments collected shall be remitted by each county tax assessor-collector to the Comptroller [~~comptroller~~], by way of the Authority, on a monthly basis due on or before the 15th of the following month.

(d) The assessments collected shall be remitted by check made payable to the "Texas Agricultural Finance Authority." [~~.~~] The remittance shall be mailed to the Authority at the post office box designated on the Remittance Advice form, and shall be deemed paid when deposited by the Comptroller [~~comptroller~~] in the Fund [~~Texas agricultural fund~~].

(e) The assessments shall be sent with two completed forms provided by the Authority: the Remittance Advice form [~~;~~] and the Detailed Report of Collections form.

§28.63. Refunding of Assessment.

(a) (No change.)

(b) The staff shall process the refund request. If all prerequisites have been met for payment of the refund, staff shall then forward to the Comptroller [~~comptroller~~] a voucher requesting payment of the refund. Upon receipt of the voucher, the Comptroller [~~comptroller~~] shall refund the assessment for which a request for refund is made.

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SUBCHAPTER G. RURAL ECONOMIC DEVELOPMENT FINANCE PROGRAM

4 TAC §§28.70 - 28.72, 28.74 - 28.78, 28.80, 28.83, 28.86, 28.87

The rule amendments are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority

to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.70. Authority.

The [~~Texas Agricultural Finance~~] Authority [~~(the Authority)~~] is authorized by §58.021 of the Texas Agriculture Code and by Article III, §49-f(g) of the Texas Constitution to design and implement programs to provide financial assistance to eligible agricultural businesses and other rural agriculture-related economic development projects and to issue general obligation bonds in the maximum principal amount of $200 million outstanding at any one time for such programs. The proceeds of such bonds are required to be deposited in the [~~Texas Agricultural~~] Fund and may be used for the purposes provided by Article III, §49-i of the Texas Constitution and for other rural agriculture-related economic development programs. Proceeds of the bonds are to be administered in the same manner that proceeds of bonds issued under Article III, §49-i of the Texas Constitution are administered. Section 58.041 of the Texas Agriculture Code grants Texas Public Finance Authority the exclusive authority to act on behalf of the Authority in issuing debt instruments authorized to be issued by the Authority.

§28.71. Purpose.

The purpose of the Rural Agriculture Economic Development Finance Program (Program) is to provide financial assistance to eligible entities including agricultural businesses and other rural agriculture-related economic development projects. It is the policy of the board [~~Board of Directors of the Authority~~] to provide programs for providing financial assistance to eligible entities that the board considers to present a reasonable risk and have a sufficient likelihood of repayment. This subchapter establishes standards of eligibility and the application procedures for the Program.

§28.72. Definitions.

In addition to the definitions set forth in Texas Agriculture Code, §58.002, as amended, and §28.2 of this chapter (relating to Definitions), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Applicant--Any entity meeting the eligibility requirements in §28.75(a) of this subchapter (relating to Applicant and Minimum Project Eligibility Requirements), [~~recognized by state law to conduct business in the state of Texas including for-profit and non-profit entities, political subdivision, or economic development corporation~~] submitting an application with the Authority for [a] financial assistance under this subchapter.

(2) Commitment--Any form of financial assistance provided to an applicant as approved by the Board [~~board~~], including, but not limited to, a guaranty, a direct loan, a participation commitment, an anticipation note, or a conduit issuance for an [a ~~political subdivision or any other~~] eligible entity as defined by this subchapter.

[~~(3) Economic Development Corporation (EDC)--An entity created pursuant to the Development Corporation Act of 1979, which gives cities the ability to raise funds and finance economic and community development efforts through the creation of economic development corporations (EDCs). Chapters 501, 504 and 505 of the Local Government Code define the scope of EDCs. A Type A EDC is governed by Chapter 504; and a Type B EDC is governed by Chapter 505.~~]

(3) [~~(4)~~] Eligible application--A completed application, including all application fees, documents, and information required by the Authority and submitted by the lender or applicant for a project, that is consistent with the purpose of agricultural and rural agriculture-related economic development and meets the terms and benchmarks defined by the Authority's Credit Policy and Procedures. The Department, the Authority, or the Administrator [~~Authority's representative~~] will review the application and issue an approval or denial.

(4) [~~(5)~~] For-profit entity--An organization that is registered in the State [~~state of Texas~~] and has a principal place of business in the State [~~Texas~~], which operates with the intention of making a profit or whose efforts are made to obtain a profit.

(5) [~~(6)~~] Interest rate--The interest rate approved by the Authority for an approved commitment.

(6) [~~(7)~~] Lender--A lending institution, including a bank, trust company, banking association, savings bank, mortgage company, investment banker, credit union, Community Development Financial Institution, or any affiliate of those entities, and any other financial institution that customarily provides financing for agricultural businesses or rural economic development loans, or any affiliate of such institution that has sought and received approval to participate in the Program.

(7) [~~(8)~~] Non-profit entity--A local, community or regional organization that was formed and conducts its affairs to benefit the public or to assist other individuals, groups or causes, and can demonstrate its non-profit status by providing one of the following:

(A) - (B) (No change.)

(C) Documentation of its status as an educational institution recognized by the State [~~of Texas~~].

(8) [~~(9)~~] Political subdivision--A county, municipality, special district, school district, junior college district, housing authority, or other political subdivision of this state as defined by Chapter 172 of the Local Government Code, or a nonprofit corporation acting for or on behalf of any such entity.

(9) [~~(10)~~] Program--Rural Agriculture Economic Development Finance Program.

(10) [~~(11)~~] Project--An enterprise or project, which would further agricultural business or [~~the~~] rural agriculture-related economic development [~~of a rural area~~].

(11) [~~(12)~~] Recipient--an entity approved by the Authority or its designee to receive a commitment outlined in this subchapter.

(12) Rural agriculture-related economic development -- The development and diversification of the economy of a rural area of the state, the elimination of unemployment or underemployment of a rural area in the state, the stimulation of agricultural innovation, the fostering of the growth of enterprises based on agriculture, or the development or expansion of transportation or commerce of a rural area in the state.

[~~(13) Rural area--A rural area means an area which is predominately rural in character; an unincorporated area or a city with a population under 50,000; or a county with a population under 200,000.~~]

[~~(14) Special purpose district--A political subdivision of Texas with geographic boundaries that define the subdivision's territorial jurisdiction, as described in Chapter 403, Texas Government Code.~~]

§28.74. Agriculture-Related [~~Agriculture and Community~~] Economic Development Loan.

(a) Purpose. The purpose of the Agriculture-Related [~~Agriculture and Community~~] Economic Development Loan is to provide financial assistance to Texas-based, agricultural-related

[~~private entities~~] with projects located in rural areas via an approved participating lender.

(b) Eligible Entities. An eligible agricultural business, a political subdivision or other [~~A private~~] for-profit or non-profit entity authorized to do business in the State [~~state of Texas~~], significantly impacting the agricultural industry and/or furthering rural agriculture-related economic development in Texas may apply for loan funds under this section.

(c) Use of Funds. Loans may be used for real estate purchases, building construction, site improvements, equipment, and any other uses that can be identified to positively impact the agricultural industry and/or improve or assist in the agriculture-related economic development of the rural area.

(d) - (e) (No change.)

§28.75. Applicant and Minimum Project Eligibility Requirements.

(a) (No change.)

(1) The applicant is an eligible agricultural business, a political subdivision or a legal for-profit or non-profit entity under the laws of the United States of America and the State [~~of Texas~~];

(2) The applicant has a principal place of business in the State [~~state~~];

(3) The applicant is an eligible entity pursuant to §28.74 [~~§§28.73 or 28.74~~] of this subchapter (relating to the Agriculture-Related [~~Texas Rural Community Loan and Agriculture and Community~~] Economic Development Loan);

(4) - (6) (No change.)

(7) The applicant has complied with State [~~state~~] law and Authority rules; and

(8) The applicant meets the criteria and guidelines in the Authority's Credit Policy [~~credit policy~~].

(b) Project. The project is an eligible project if it provides significant benefits to agricultural business [~~development~~] and/or rural agriculture-related economic development and is not considered an ineligible commitment as defined by §28.86 of this subchapter (relating to Prohibited Commitments).

(c) - (d) (No change.)

§28.76. Application Filing Requirements and Application Review Processes.

(a) (No change.)

(b) Submission of a qualified application. Applicants are required to submit the application material to [~~Department~~] staff for presentation to the board.

(c) - (f) (No change.)

(g) Reporting to the Board [~~board~~]. Staff shall report to the board at each board meeting the status of all outstanding loans.

§28.77. Evaluation Criteria.

In evaluating applications for financial assistance under this subchapter, the Board [~~board~~] and staff shall consider at minimum:

(1) The anticipated benefits arising from the financial assistance to the applicant, including both the potential impact on agricultural development and rural agriculture-related economic development;

(2)- (7) (No change.)

§28.78. Contents of Eligible Application.

Required information. The eligible application must set forth the information necessary for the determination to provide a commitment by the Authority or the Authority's designee and will include all that is outlined and required in the application and at minimum:

(1) - (4) (No change.)

(5) Detailed statement of project benefit and/or agriculture-related economic impact;

(6) Articles of incorporation and bylaws, or other founding documents, certificate of good standing with the secretary of state of the State, or other instruments that establish or describe the legal operation or structure of the applicant and/or the benefitting business, if applicable; and

(7) (No change.)

§28.80. General Terms and Conditions of the Authority's Commitment.

(a) - (d) (No change.)

(e) Maturity. The maturity of the commitment may not exceed thirty years, or the useful life of the collateral, whichever is less. The maturity shall be negotiated between the Authority, applicant, and participating lender, if applicable. For commitments secured by revenues, [~~including sales tax,~~] the amortization period is determined by the Debt Service Coverage Ratio and with consideration given to prior volatility in revenue [~~tax/revenue~~] collections. Financing terms are set forth in the Credit Policy and Procedures.

(f) - (h) (No change.)

§28.83. Collateral Administration.

(a) Except as otherwise provided by state law, by these rules or by resolution of the board, the staff, with approval of the commissioner, the deputy commissioner, or an official of the Department designated by the commissioner, shall have the authority to act on behalf of the Authority, without specific board approval, in regard to the collection, settlement and enforcement of each and every commitment under the program. Such authority shall include, without limitation, the actions required to be taken by the Authority under any loan agreement, any participation agreement and any other agreement entered into by the Authority concerning commitments provided by the Authority.

(b) (No change.)

(c) Nothing in this section shall prevent the staff or the commissioner [~~of agriculture~~], the deputy commissioner [~~of agriculture~~], or an [~~the~~] official of the Department [~~department~~] designated by the commissioner [~~of agriculture~~] from submitting any matter to the board for its consideration and approval.

§28.86. Prohibited Commitments.

Prohibited commitments under the Rural Agriculture Economic Development Finance Program include the following:

(1) - (6) (No change.)

§28.87. Ineligible Persons.

The following persons or entities are ineligible to receive financial assistance under the Rural Agriculture Economic Development Finance Program:

(1) - (17) (No change.)

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For further information, please call: (512) 463-6591

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4 TAC §28.73

The repeal is proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.73. Texas Rural Community Loan.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Susan Maldonado
General Counsel
Texas Department of Agriculture
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SUBCHAPTER H. PEST AND DISEASE CONTROL AND DEPREDATION PROGRAM

4 TAC §§28.90 - 28.96

The new rules are proposed pursuant to Section 12.016 of the Texas Agriculture Code (Code), which authorizes the Department to adopt rules as necessary for the administration of its powers and duties under the Code, and Sections 58.022(1) and 58.023 of the Code, which further authorizes the Authority to adopt and enforce bylaws, rules, and procedures in order to carry out its functions under Chapter 58.

The statutory provisions affected by this proposal are those within Texas Agriculture Code, Chapter 58.

§28.90. Statement of Purpose.

The pest and disease control and depredation program is designed to implement agriculture-related pest, disease, or depredating animal control efforts and mitigate agriculture losses.

§28.91. Definitions.

In addition to the definitions set forth in Texas Agriculture Code, §58.002, as amended, and §28.2 of this chapter (relating to Definitions), the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise: Program--Pest and Disease Control and Depredation Program.

§28.92. Administration.

(a) The Staff, under direction of the Authority, shall administer the Program, subject to the availability of funds.

(b) The Board may create multiple grant opportunities under the Program to benefit subsectors of the agriculture industry.

(c) The Board shall adopt selection criteria for the Program. The Board shall approve a form for use as the Program's grant application which shall indicate required information. The request for grant applications shall also state the selection criteria, due date, and estimated award date.

§28.93. Eligibility.

Eligibility is limited to the following entities per §58.101 of the Texas Agriculture Code:

(1) Texas Animal Health Commission;

(2) Texas A&M AgriLife Extension Service; and

(3) Texas A&M AgriLife Research.

§28.94. Use of Grant.

(a) Funds received under this subchapter may only be used for activities related to the specified purpose of the Program. The published request for grant applications will clearly identify the purpose of the grant and include information related to eligible and ineligible expenditures.

(b) Funds shall be distributed to selected applicants on a cost reimbursement basis in accordance with the grant agreement.

§28.95. Filing Requirements; Consideration of Project Requests; Grant Awards Use of Grant.

(a) An applicant must submit an application in accordance with published Program guidelines outlined in the official request for grant applications.

(b) Eligible applicants shall submit a project request in the prescribed format as part of the Program grant application and must describe the project activities to be carried out, propose budget expenditures, reflect an estimated timeline for completion of activities, and include any other information required by the Authority.

(c) Maximum grant amounts for individual awards shall be published in the request for grant applications for each Program grant cycle.

(d) The Authority may, in its sole discretion, decline to award any grants during a Program grant cycle.

§28.96. Reporting Requirements.

Grant recipients shall submit required reports in accordance with procedures, and as specified in the grant agreement entered into by the Department and the grant recipient.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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PART 2. TEXAS ANIMAL HEALTH COMMISSION

CHAPTER 51. ENTRY REQUIREMENTS

4 TAC §51.1

The Texas Animal Health Commission (Commission) proposes amendments to Title 4, Texas Administrative Code, Chapter 51 titled "Entry Requirements." Specifically, the Commission proposes amendments to §51.1 regarding Definitions.

BACKGROUND AND PURPOSE

The Texas Animal Health Commission proposes amendments to §51.1, concerning Definitions. The purpose of the amendments is to clarify requirements for dairy cattle and dairy crosses entering the state.

Commission rules set forth testing requirements for cattle entering the state. Specific tuberculosis testing requirements apply for dairy cattle. Commission staff responsible for permitting movement has noticed confusion surrounding the definition of dairy cattle and whether certain dairy crosses must be tested prior to entry.

Currently, Commission rules do not define dairy cattle. Staff relies on the USDA's definition when applying and explaining Commission rules. The USDA's definition states that all cattle, regardless of age or sex or current use, that are of a breed(s) or offspring of a breed used to produce milk or other dairy products for human consumption, including, but not limited to, Ayrshire, Brown Swiss, Holstein, Jersey, Guernsey, Milking Shorthorn, and Red and Whites.

The proposed amendments would incorporate the USDA's definition into Commission rules to clarify the meaning of dairy cattle and ease confusion as to what testing requirements must be met prior to entry.

SECTION-BY-SECTION DISCUSSION

Section 51.1 includes definitions. The proposed amendments add a definition for "dairy cattle," adjust numbering, and make minor formatting changes.

FISCAL NOTE

Ms. Jeanine Coggeshall, General Counsel for the Texas Animal Health Commission, determined that for each year of the first five years that the rule is in effect, enforcing or administering the proposed rules does not have foreseeable implications relating to costs or revenues of state or local governments. Commission employees will administer and enforce these rules as part of their current job duties and resources. Ms. Coggeshall also determined for the same period that there is no estimated increase or loss in revenue to the state or local government as a result of enforcing or administering the proposed amendments.

PUBLIC BENEFIT NOTE

Ms. Coggeshall determined that for each year of the first five years the rule is in effect, the anticipated public benefits are more accurate rule language and reduced confusion regarding entry requirements.

TAKINGS IMPACT ASSESSMENT

The Commission determined that the proposal does not restrict, limit, or impose a burden on an owner's rights to his or her private real property that would otherwise exist in the absence of government action. Therefore, the proposed rules are compliant with the Private Real Property Preservation Act in Texas Government Code §2007.043 and do not constitute a taking.

LOCAL EMPLOYMENT IMPACT STATEMENT

The Commission determined that the proposed rules would not impact local economies and, therefore, did not file a request for a local employment impact statement with the Texas Workforce Commission pursuant to Texas Government Code §2001.022.

REGULATORY ANALYSIS OF MAJOR ENVIRONMENTAL RULES

The Commission determined that this proposal is not a "major environmental rule" as defined by Government Code §2001.0225. "Major environmental rule" is defined to mean a rule the specific intent of which is to protect the environment or reduce risk to human health from environmental exposure and that may adversely affect, in a material way, the economy, a sector of the economy, productivity, competition, jobs, the environment or the public health and safety of a state or a sector of the state. This proposal is not specifically intended to protect the environment or reduce risks to human health from environmental exposure.

GOVERNMENT GROWTH IMPACT STATEMENT

In compliance with the requirements of Texas Government Code §2001.0221, the Commission prepared the following Government Growth Impact Statement. The Commission determined for each year of the first five years the proposed rules would be in effect, the proposed rules:

Will not create or eliminate a government program;

Will not require the creation or elimination of employee positions;

Will result in no assumed change in future legislative appropriations;

Will not affect fees paid to the Commission;

Will not create new regulation;

Will not change existing regulations;

Will change the number of individuals subject to the rule; and

Will not affect the state's economy.

SMALL BUSINESS, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT ANALYSIS

Ms. Coggeshall also determined that there will be no adverse economic effect on small businesses, micro-businesses, or rural communities pursuant to Texas Government Code, Chapter 2006. The rules do not impose any additional costs on small businesses, micro-businesses, or rural communities that are required to comply with the rules.

COSTS TO REGULATED PERSONS

The proposed amendments to Chapter 51 do not impose additional costs on regulated persons and are designed to clarify entry requirements for dairy cattle. The proposed rules do not otherwise impose a direct cost on a regulated person, state agency, a special district, or a local government within the state.

PUBLIC COMMENT

Written comments regarding the proposed amendments may be submitted to Amanda Bernhard, Texas Animal Health Commission, 2105 Kramer Lane, Austin, Texas 78758, by fax at (512) 719-0719 or by e-mail to comments@tahc.texas.gov. To be considered, comments must be received no later than thirty (30) days from the date of publication of this proposal in the *Texas Register*. When faxing or emailing comments, please indicate "Comments on Proposed Rule-Chapter 51, Entry Requirements" in the subject line.

STATUTORY AUTHORITY

The amendments are proposed under the following statutory authority as found in Chapter 161 of the Texas Agriculture Code. The Commission is vested by statute, §161.041(a), with the requirement to protect all livestock, domestic animals, and domestic fowl from disease. The Commission is authorized, through §161.041(b), to act to eradicate or control any disease or agent of transmission for any disease that affects livestock.

Pursuant to §161.006, entitled "Documents to Accompany Shipment", if required that a certificate or permit accompany animals or commodities moved in this state, the document must be in the possession of the person in charge of the animals or commodities, if the movement is made by any other means.

Pursuant to §161.046, entitled "Rules", the Commission may adopt rules as necessary for the administration and enforcement of this chapter.

Pursuant to §161.048, entitled "Inspection of Shipment of Animals or Animal Products", the Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. An agent of the Commission is entitled to stop and inspect a shipment of animals or animal products being transported in this state in order to determine if the shipment originated from a quarantined area or herd; or determine if the shipment presents a danger to the public health or livestock industry through insect infestation or through a communicable or noncommunicable disease.

Pursuant to §161.054, titled "Regulation of Movement of Animals; Exception", the Commission, by rule, may regulate the movement of animals. The Commission may restrict the intrastate movement of animals even though the movement of the animals is unrestricted in interstate or international commerce. The Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. The Commission is authorized, through §161.054(b), to prohibit or regulate the movement of animals into a quarantined herd, premises, or area. The executive director of the Commission is authorized, through §161.054(d), to modify a restriction on animal movement, and may consider economic hardship.

Pursuant to §161.113, entitled "Testing or Treatment of Livestock", if the Commission requires testing or vaccination under this subchapter, the testing or vaccination must be performed by an accredited veterinarian or qualified person authorized by the commission. The state may not be required to pay the cost of fees charged for the testing or vaccination. The Commission may require the owner or operator of a livestock market to furnish adequate equipment or facilities or have access to essential equipment or facilities within the immediate vicinity of the livestock market.

Pursuant to §161.114, entitled "Inspection of Livestock", an authorized inspector may examine livestock consigned to and delivered on the premises of a livestock market before the livestock are offered for sale. If the inspector considers it necessary, the inspector may have an animal tested or vaccinated. Any testing or vaccination must occur before the animal is removed from the livestock market.

No other statutes, articles, or codes are affected by this proposal.

§51.1. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Accredited veterinarian--A licensed veterinarian who is approved to perform specified functions required by cooperative state-federal disease control and eradication programs pursuant to Title 9 of the Code of Federal Regulations, Parts 160 and 161.

(2) Animal--Includes livestock, exotic livestock, domestic fowl, and exotic fowl.

(3) Assembly--Boarding stables, boarding pastures, breeding farms, parades, rodeos, roping events, trail rides, and training stables.

(4) Certificate of veterinary inspection--A document signed by an accredited veterinarian that shows the livestock, poultry, exotic livestock, or exotic fowl listed were inspected and subjected to tests, immunizations, and treatment as required by the commission. Certificates are valid for 30 days for all species.

(5) Cervidae--Deer, elk, moose, caribou and related species in the cervidae family, raised under confinement or agricultural conditions for the production of meat or other agricultural products or for sport or exhibition, and free-ranging cervidae when they are captured for any purpose.

(6) Commission--The Texas Animal Health Commission.

(7) Commuter Flock--A National Poultry Improvement Plan (pullorum-typhoid clean or equivalent) flock in good standing with operations in participating states that are under single ownership or management control whose normal operations require interstate movement of hatching eggs and/or baby poultry without change of ownership for purposes of hatching, feeding, rearing or breeding. The owner or representative of the company owning the flock and chief animal health officials of participating states of origin and destination must have entered into a signed "Commuter Poultry Flock Agreement."

(8) Commuter Cattle Herd--A herd of cattle located in two or more states that is documented as a valid ranching operation by those states in which the herd is located and which requires movement of cattle interstate from a farm of origin or returned interstate to a farm of origin in the course of normal ranching operations, without change of ownership, directly to or from another premise owned, leased, or rented by the same individual. An application for "commuter herd" status must be signed by the owner and approved by the states in which the herd is located. This status will continue until canceled by the owner or one of the signatory states.

(9) Commuter Swine Herd--A swine herd located in two or more states that is documented as a valid ranching operation by those states in which the herd is located and which requires movement of

swine interstate from a farm of origin or returned interstate to a farm of origin in the course of normal ranching operations, without change of ownership, directly to or from another premise owned, leased, or rented by the same individual. An application for "commuter herd" status must be signed by the owner and approved by the states in which the herd is located. This status will continue until canceled by the owner or one of the signatory states.

(10) Dairy cattle--All cattle, regardless of age or sex or current use, that are of a breed(s) or offspring of a breed used to produce milk or other dairy products for human consumption, including, but not limited to, Ayrshire, Brown Swiss, Holstein, Jersey, Guernsey, Milking Shorthorn, and Red and Whites.

(11) [~~(10)~~] Directly--Moved in a means of conveyance, without stopping to unload while en route, except for stops of less than 24 hours to feed, water or rest the animals being moved, and with no commingling of animals at such stops.

(12) [~~(11)~~] Equine interstate passport--A document signed by an accredited veterinarian that shows the equine listed were inspected, subjected to tests, immunizations and treatment as required by the issuing state animal health agency, and contains a description of the equine listed. The passport is valid for six months when accompanied by proof of an official negative EIA test within the previous six months. Permanent individual animal identification in the form of a lip tattoo, brand or electronic implant is required for all equine approved for the equine interstate passport. This document is valid for equine entering from any state that has entered into a written agreement to reciprocate with Texas.

(13) [~~(12)~~] Equine identification card--A document signed by the owner and a brand inspector or authorized state animal regulatory agency representative that lists the animal's name and description and indicates the location of all identifying marks or brands. This document is valid for equine entering from any state which has entered into a written agreement to reciprocate with Texas.

(14) [~~(13)~~] Exotic livestock--Grass-eating or plant-eating, single-hooved or cloven-hooved mammals that are not indigenous to this state and are known as ungulates, including animals from the swine, horse, tapir, rhinoceros, elephant, deer, and antelope families.

(15) [~~(14)~~] Exotic fowl--Any avian species that is not indigenous to this state. The term includes ratites.

(16) [~~(15)~~] Federally Approved Livestock Market--A livestock market under State or Federal veterinary supervision where livestock are assembled and has been approved under Title 9 of the Code of Federal Regulation, Part 71, Section 71.20.

(17) [~~(16)~~] Livestock--Cattle, horses, mules, asses, sheep, goats, and hogs.

(18) [~~(17)~~] Official Identification--The identification of livestock and fowl by means of an official identification device, official eartag, registration tattoo, or registration brand, or any other method approved by the Commission and/or Administrator of the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) that provides unique identification for each animal.

(19) [~~(18)~~] Owner-shipper statement--A statement signed by the owner or shipper of the livestock being moved stating the location from which the animals are moved interstate; the destination of the animals; the number of the animals covered by the statement; the species of the animal covered; the name and address of the shipper; and the identification of each animal as required by the commission or the United States Department of Agriculture (USDA).

(20) [~~(19)~~] Permit--A document recognized by the commission with specified conditions relative to movement, testing and vaccinating of animals which is required to accompany the animals entering, leaving or moving within the State of Texas.

(A) "E" permit--Premovement authorization for entry of animals into the state by the commission. The "E" permit states the conditions under which movement may be made, and will provide any appropriate restrictions and test requirements after arrival. The permit is valid for 15 days.

(B) VS 1-27 (VS Form 1-27)--A premovement authorization for movement of animals to restricted designations.

(21) [~~(20)~~] Purebred registry association--A swine breed association formed and perpetuated for the maintenance of records of purebreeding of swine species for a specific breed whose characteristics are set forth in constitutions, by-laws, and other rules of the association.

(22) [~~(21)~~] Radio Frequency Identification Device (RFID)--Official individual animal identification with an identification device that utilizes radio frequency technology. The RFID devices include ear tags, boluses, implants (injected), and tag attachments (transponders that work in concert with ear tags).

(23) [~~(22)~~] Sponsor--An owner or person in charge of an exhibition, show or fair.

(24) [~~(23)~~] Trichomoniasis--A venereal disease of cattle caused by the organism *Tritrichomonas foetus* [~~Tritrichomonas foetus~~].

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Jeanine Coggeshall
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Texas Animal Health Commission
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TITLE 13. CULTURAL RESOURCES

PART 1. TEXAS STATE LIBRARY AND ARCHIVES COMMISSION

CHAPTER 2. GENERAL POLICIES AND PROCEDURES

SUBCHAPTER A. PRINCIPLES AND PROCEDURES OF THE COMMISSION

13 TAC §2.2, §2.3

The Texas State Library and Archives Commission (commission) proposes amendments to 13 Texas Administrative Code, §2.2, Responsibilities of the Commission and the Director and Librarian, and §2.3, Procedures of Commission.

BACKGROUND. The commission proposes to amend §2.2 and §2.3 to increase the dollar threshold at which non-competitive

grants require formal commission approval from $100,000 to $250,000. This change reflects the evolving financial landscape in which the agency operates and promotes agency efficiency. This amendment would not change the commission's requirement to approve all competitive grants, regardless of dollar amount. Additionally, the commission proposes to amend a typo in §2.3 to ensure clarity and improve readability of the section.

The $100,000 threshold was established in 1997 and has not been revisited in nearly three decades. During that time, both the cost of goods and services and the scope of agency non-competitive grant programs have expanded. Non-competitive grants do not involve the same level of evaluation and selection processes as competitive grants. Instead, these types of grants are generally available to any eligible applicant who submits a complete application. The commission adopted similar amendments to its rules related to contract approvals in June 2023, increasing the threshold from $100,000 to a total contract value of $1 million.

Increasing the approval threshold to $250,000 will allow the commission to concentrate its time and oversight on higher-value non-competitive grants with greater fiscal impact, while enabling staff to process smaller, recurring awards more efficiently without the requirement of aligning the process with the commission's meeting schedule. In addition, non-competitive grants are often a means to allow for timely distribution of assistance in cases such as emergency support. Updating the threshold amount will allow for distribution of non-competitive grants in a timeline that can be responsive to local needs. The proposed amendments are intended to improve overall agency efficiency by streamlining approval procedures and ensuring the commission's review remains focused on matters of broader fiscal significance.

EXPLANATION OF PROPOSED AMENDMENTS.

The proposed amendment to §2.2(b)(4) increases the non-competitive grant threshold requiring commission approval from $100,000 to $250,000.

The proposed amendment to §2.3(c) corrects a typo by inserting a space between two words.

The proposed amendment to §2.3(k) makes a corresponding revision by replacing the reference to non-competitive grants of $100,000 or more with $250,000 or more.

FISCAL IMPACT. Donna Osborne, Chief Fiscal and Operations Officer, has determined that for each of the first five years the proposed amendments are in effect, there are no foreseeable fiscal implications for state or local governments as a result of enforcing or administering the rule as proposed.

PUBLIC BENEFIT AND COSTS. Ms. Osborne has determined that for each of the first five years the proposed amendments are in effect, the anticipated public benefit will be greater agency efficiency and clarity in the commission's internal processes, allowing staff to manage a larger number of routine non-competitive grant approvals promptly. There are no anticipated economic costs to persons required to comply with the proposed amendments.

LOCAL EMPLOYMENT IMPACT STATEMENT. The proposal has no impact on local economies; therefore, no local employment impact statement under Government Code §2001.022 is required.

SMALL BUSINESS, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT STATEMENT. The proposed amendments will have no adverse economic effect on small businesses, micro-businesses, or rural communities; therefore, a regulatory flexibility analysis under Government Code §2006.002 is not required.

COST INCREASE TO REGULATED PERSONS. The proposed amendments do not impose or increase a cost on regulated persons, including another state agency, a special district, or a local government. Therefore, the commission is not required to take any further action under Government Code §2001.0045.

GOVERNMENT GROWTH IMPACT STATEMENT. In compliance with Government Code §2001.0221, the commission provides the following government growth impact statement. For each year of the first five years the proposed amendments will be in effect, the commission has determined that:

1. The amendments will not create or eliminate a government program.

2. Implementation will not require the creation or elimination of any employee positions.

3. Implementation will not require an increase or decrease in future legislative appropriations.

4. The amendments will not require an increase or decrease in fees paid to the commission.

5. The amendments will not create new regulations.

6. The amendments will modify an existing regulation.

7. The amendments will not increase the number of individuals subject to the rule's applicability.

8. The amendments will not positively or adversely affect this state's economy.

TAKINGS IMPACT ASSESSMENT. No private real property interests are affected by this proposal. Therefore, the proposed amendments do not constitute a taking under Government Code §2007.043.

REQUEST FOR IMPACT INFORMATION. The commission requests, from any person required to comply with the proposed rules or any other interested person, information related to the cost, benefit, or effect of the proposed amendments, including any applicable data, research, or analysis. Requested information may be submitted to Sarah Swanson, General Counsel, Texas State Library and Archives Commission, P.O. Box 12927, Austin, Texas, 78711, or via email at rules@tsl.texas.gov. Requested information must be received no later than 30 days from the date of publication in the *Texas Register*.

REQUEST FOR PUBLIC COMMENT. Written comments on the proposed amendments may be submitted to Sarah Swanson, General Counsel, Texas State Library and Archives Commission, P.O. Box 12927, Austin, Texas, 78711, or via email at rules@tsl.texas.gov. To be considered, a written comment must be received no later than 30 days from the date of publication in the *Texas Register*.

STATUTORY AUTHORITY. The amendments are proposed under Texas Government Code §441.002, which authorizes the commission to assign duties to the director and librarian and requires the commission to develop and implement policies that separate policy-making and management responsibilities, and under §441.006, which authorizes the commission to administer and approve state library grants.

§2.2. Responsibilities of Commission and the Director and Librarian.

(a) General Powers and Responsibilities. The commission is a seven-member citizen board appointed by the governor with the advice and consent of the senate. The agency is within the executive branch, but functions independently within its statutory authority to serve the long-term public interest.

(b) Powers and Responsibilities of the Commission. The commission is responsible for establishing the policy framework through which the Texas State Library carries out its statutory responsibilities. The commission governs the library through the director and librarian. The staff of the library receive direction from the commission through the director and librarian. Specifically, the commission:

(1) adopts administrative rules that guide the staff in administering library programs;

(2) approves strategic and operating plans and requests for appropriations;

(3) approves all contracts as specified in §2.77 of this subchapter (relating to Contract Approval Authority and Responsibilities);

(4) approves all competitive grants, and all other grants of $250,000 [~~$100,000~~] or more, made by the library;

(5) acknowledges acceptance of gifts, grants, or donations of $500 or more that are in accord with the mission and purposes of the library;

(6) oversees operations of the library for integrity, effectiveness, and efficiency;

(7) acts as a final board of appeals for staff decisions or advisory board recommendations on grants, accreditation of libraries, certification of librarians, or other issues of concern to the public;

(8) selects the director and librarian and approves the selection of the assistant state librarian; and

(9) conducts a periodic performance review of the director and librarian.

(c) Powers and Responsibilities of the Director and Librarian. The director and librarian is responsible for the effective and efficient administration of the policies established by the commission. Specifically, the director and librarian:

(1) selects, organizes, and directs the staff of the library;

(2) establishes the operating budget for the library and allocates funds among strategies, programs, and projects within the limits of statutory authority and as set forth in the General Appropriations Acts of the legislature;

(3) approves expenditures of funds in accordance with law;

(4) represents the commission and reports on behalf of the commission to the governor, the legislature, the public, or other organized groups as required;

(5) reports in a timely manner all relevant information first to the chair and subsequently to all members of the commission, endeavoring to report to members of the commission in such a manner that the members are equally well informed on matters that concern the commission; and

(6) delegates his/her responsibilities to the assistant state librarian or other agency staff as appropriate.

§2.3. Procedures of Commission.

(a) Election of Officers. In accordance with statute, the chair of the commission is designated by the governor. The vice-chair is elected by the members of the commission at the first meeting in even numbered years.

(b) Powers of the Chair. The chair shall call meetings of the commission, set the agenda for meetings of the commission, preside at meetings of the commission, and authenticate actions of the commission as necessary.

(c) Vice-Chair. The vice chair of [~~chairof~~] the commission exercises the powers and authority of the chair in the event of a vacancy, absence, or incapacity of the chair, including the authority to call a meeting, set the agenda, and act on behalf of the chair.

(d) Committees. The chair shall appoint an audit committee, consisting of three members of the commission, one to serve as chair. The audit committee will receive plans and reports from internal and external auditors, review and revise such plans and reports as needed, and recommend them to the commission for adoption and approval. The chair shall appoint such other committees of the commission as may be deemed necessary.

(e) Meetings. The commission shall have regularly scheduled meetings five times per year. The chair may call additional meetings of the commission as may be necessary, provided that adequate notice of such meetings shall be given in accordance with the Open Meetings Act (Government Code, Chapter 551). The chair shall call a special meeting of the commission upon written request by a majority of the members of the commission. Any regularly scheduled meeting of the commission may be canceled by the chair, provided that ten days notification is given to the members of the commission.

(f) Agenda. The chair shall establish the agenda for meetings of the commission with advice from other members and the director and librarian. Any person may request that an item be placed on the agenda of the next meeting of the commission by writing to the chair, with a copy to the director and librarian. Such item will be added to the agenda at the discretion of the chair, except that the chair will place on the agenda any item requested by a majority of the members of the commission. Notice and agenda of commission meetings shall be posted by the director and librarian in accordance with the Open Meetings Act.

(g) Transaction of Business. As defined in the Open Meetings Act, a majority of the members of the commission, or four members, shall constitute a quorum. Meetings of the commission are conducted in a manner that welcomes public participation and complies with the spirit of the Open Meetings Act. At each meeting of the commission the agenda shall include a period for public comment of up to five minutes per individual. Actions of the commission are approved by a majority of the members present and voting. Proxies are not allowed.

(h) Minutes of Meetings. The director and librarian shall prepare minutes of commission meetings and file copies with members of the commission, the Legislative Reference Library, and the state publications program of the Texas State Library. Any changes or subsequent corrections of minutes at a commission meeting shall be filed in the same manner.

(i) Establishing, Amending, or Rescinding Existing Policy. The commission fosters an open administrative process with full public participation in rule making through advance publication of all proposed rules in the *Texas Register*.

(j) Travel of Commission Members. Members of the commission are entitled to reimbursement for actual expenses incurred to attend meetings of the commission subject to any applicable limitation on reimbursement provided by the General Appropriations Act or other act of the legislature. The chair shall review and approve any claim for reimbursement of actual expenses reasonably incurred in connection with the performance of other services as a commission member,

subject to any applicable limitation on reimbursement provided by the General Appropriations Act or other act of the legislature.

(k) Grants. The commission delegates to the director and librarian its authority to approve all grants that are less than $250,000 [~~$100,000~~], except competitive grants.

(l) Gifts and Donations. The commission delegates to the director and librarian its authority to accept gifts, grants and donations of less than $500 that are in accord with the mission and purposes of the commission. Any such gifts, grants or donations will be managed in accordance with principles of sound financial management and will be used for the purposes for which they are given.

(m) Advisory Committees. The chair may establish and appoint committees to assist the commission in their deliberations as needed and for the period required.

(n) Code of Conduct. Members of the commission and officers and employees of the agency will not solicit or accept any gift, favor, service, or thing of value that might reasonably tend to influence the member, officer, or employee in the discharge of official duties, or that the member, officer, or employee knows or should know is being offered with the intent of influencing the member's, officer's, or employee's official conduct. Members, officers, and employees of the commission will not accept employment, engage in a business or professional activity, or accept compensation that would:

(1) require or induce them to disclose confidential information acquired by virtue of official position;

(2) impair their independence of judgment in the performance of official duties; or

(3) create a conflict between their private interest and the public interest.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Sarah Swanson
General Counsel
Texas State Library and Archives Commission
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 463-5460

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13 TAC §2.56

The Texas State Library and Archives Commission (commission) proposes amendments to Texas Administrative Code, Title 13, Chapter 2, Subchapter A, §2.56, Training and Education of Staff.

BACKGROUND. Section 656.048 of the Government Code directs state agencies to adopt rules relating to the eligibility of the agency's administrators and employees for agency-supported training and education, as well as the obligations administrators and employees assume when receiving such training and education. Section 656.048 also directs state agencies to adopt rules requiring that before an administrator or employee of the agency may be reimbursed for a training or education program offered by an institution of higher education or private or independent institution of higher education, the executive head of the agency must authorize the tuition reimbursement payment.

The commission recently updated its tuition assistance program. As a result of these updates, the commission finds it necessary to update its rule regarding training and education of staff to ensure its policy and rule align. In addition, the current rule was adopted in 2001 with only minor non-substantive amendments since that time. Section 656.048 of the Government Code has been amended since 2001. Therefore, the commission also finds it necessary to update the rule in compliance with §656.048. Finally, the commission finds it necessary to update the rule language for readability and clarity.

EXPLANATION OF PROPOSED AMENDMENTS.

The proposed amendment to subsection (a) replaces existing language regarding the purpose of the agency's training and education program with broader language regarding the statutory authority for the program. The new subsection also adds language noting that the agency will develop policies for employee training and education. Greater details regarding the program will be available in the agency's policies.

Proposed new subsection (b) describes what the agency's training and education program may include: agency sponsored training, seminars and conferences, internet training, and tuition reimbursement. This list is not exhaustive of all possible training and education the agency may provide its employees but notes the most common.

A proposed amendment to subsection (e) adds that approval for participation in a training program is not automatic and may be subject to the availability of funds.

Proposed amendments to subsection (g) add an introductory clause to the existing obligations for employees on completion of training. Other proposed amendments to this subsection clarify existing language.

Proposed amendments to subsection (h) clarify the existing language regarding when an employee may be required to reimburse the agency for training the employee fails to attend.

Proposed amendments to subsection (i) delete references to "special training," and add a reference to the agency's Tuition Assistance Program. The proposed amendments also add the purpose of the agency's Tuition Assistance Program.

A proposed amendment deletes current subsection (i), as the content of this subsection is included within current subsection (b), which is proposed to be renumbered as subsection (c).

Proposed amendments to subsection (j) add specific references to the Tuition Assistance Program and add employee eligibility information.

Proposed amendments add subsection (k), which provides that an employee who wishes to participate in the Tuition Assistance Program must agree in writing to a one-year service commitment to the agency. Employees who do not complete their service commitment would be required to reimburse the agency for the amount of tuition reimbursements made to the employee.

Proposed new subsection (l) states the requirement that before a tuition reimbursement is made to an employee or administrator, the director and librarian must approve the payment.

Finally, amendments throughout update the numbering of the subsections due to the addition and deletion of subsections throughout the section.

FISCAL IMPACT. Gloria Meraz, Director and Librarian, has determined that for each of the first five years the proposed amend-

ments are in effect, there are no reasonably foreseeable fiscal implications for the state or local governments as a result of enforcing or administering these rules, as proposed. The rule impacts only commission employees.

PUBLIC BENEFIT AND COSTS. Ms. Meraz has determined that for each of the first five years the proposed amendments are in effect, the anticipated public benefit will be increased clarity in the commission's rule regarding education and training of commission staff.

There are no anticipated economic costs to persons required to comply with the rule as proposed for amendment. Employee training and education is a benefit for commission staff.

LOCAL EMPLOYMENT IMPACT STATEMENT. The proposal has no measurable impact on local economy; therefore, no local employment impact statement under Government Code, §2001.022 is required.

SMALL BUSINESS, MICRO-BUSINESS, AND RURAL COMMUNITY IMPACT STATEMENT. There will be no adverse economic effect on small businesses, micro-businesses, or rural communities; therefore, a regulatory flexibility analysis under Government Code, §2006.002 is not required.

COST INCREASE TO REGULATED PERSONS. The rule as proposed for amendment does not impose or increase a cost on regulated persons, including another state agency, a special district, or a local government. Therefore, the commission is not required to take any further action under Government Code, §2001.0045.

GOVERNMENT GROWTH IMPACT STATEMENT. In compliance with Government Code, §2001.0221, the commission provides the following government growth impact statement. For each year of the first five years the rule as proposed for amendment will be in effect, the commission has determined the following:

1. The rule as proposed for amendment will not create or eliminate a government program;

2. Implementation of the rule as proposed for amendment will not require the creation of new employee positions or the elimination of existing employee positions;

3. Implementation of the rule as proposed for amendment will not require an increase or decrease in future legislative appropriations to the commission;

4. The proposal will not require an increase or decrease in fees paid to the commission;

5. The proposal will not create a new rule;

6. The proposal will not expand, limit, or repeal an existing rule;

7. The proposal will not increase the number of individuals subject to the rule; and

8. The proposal will not affect the state's economy.

TAKINGS IMPACT ASSESSMENT. No private real property interests are affected by this proposal, and the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action. Therefore, the rule as proposed for amendment does not constitute a taking under Government Code, §2007.043.

REQUEST FOR IMPACT INFORMATION. The commission requests, from any person required to comply with the rule as proposed for amendment or any other interested person, information related to the cost, benefit, or effect of the rule as proposed for amendment, including any applicable data, research, or analysis. Please submit the requested information to rules@tsl.texas.gov no later than 30 days from the date of publication in the *Texas Register*.

REQUEST FOR PUBLIC COMMENT. Written comments on the proposed amendments may be submitted to Sarah Swanson, General Counsel, Texas State Library and Archives Commission, P.O. Box 12927, Austin, Texas 78711, or via email at rules@tsl.texas.gov. To be considered, a written comment must be received no later than 30 days from the date of publication in the *Texas Register*.

STATUTORY AUTHORITY. The amendments are proposed under Government Code, §656.048, which directs state agencies to adopt rules relating to the eligibility of the agency's administrators and employees for training and education supported by the agency and the obligations assumed by the administrators and employees on receiving the training and education, and to adopt rules requiring that before an administrator or employee of the agency may be reimbursed for a training or education program offered by an institution of higher education or private or independent institution of higher education, the executive head of the agency must authorize the tuition reimbursement payment.

CROSS REFERENCE TO STATUTE. Government Code, Chapter 441.

§2.56. Training and Education of Staff.

(a) The agency may provide training and education for its employees in accordance with Government Code, Chapter 656, Subchapters C and D. The agency will develop policies for training and education provided or funded by the agency under the training and education program.

[~~(a) The purposes of the agency's training program are all work-related, and include meeting technological or legal requirements, developing additional work skill capabilities, or increasing competence or performance. The agency's training program includes all education, workshops, seminars, and similar instruction.~~]

(b) The agency's employee training and education program may include, but is not limited to, the following:

(1) agency sponsored training;

(2) seminars and conferences;

(3) internet training; and

(4) tuition reimbursement.

(c) [~~(b)~~] The agency may provide training to any of its employees to enable them to perform their current duties more effectively. The agency may also provide training to selected employees to enable them to perform prospective duties needed by the agency.

(d) [~~(c)~~] The agency may require an employee to attend any necessary training program.

(e) [~~(d)~~] Employee training must be recommended by the division director and approved by the director and librarian or designee. Approval to participate in a training program is not automatic and may be subject to the availability of funds within a division's budget.

(f) [~~(e)~~] When training is approved, the agency will either pay the training costs or allow the employee's schedule to accommodate the training (by rearranging work hours or allowing the training to be taken as work time), or both.

(g) [(f)] Certain obligations may be required of employees on completion of training, including, but not limited to, the following:

(1) After attending training, an employee must submit a report of the training to the Human Resources Office of the agency within three working days; and [.]

(2) An [The] employee may be required to [must] make an oral or written presentation regarding information obtained from the training to other employees[, if requested].

(h) [(g)] An employee who fails to complete [the] training the agency has paid for must reimburse the agency for the cost of the training, unless the employee failed to complete the training [except] for reasons beyond the employee's control.

(i) [(h)] The agency offers a Tuition Assistance Program to provide additional opportunities to enhance employee job skills and to retain a well-qualified, trained, professional workforce dedicated to the agency's mission. The Tuition Assistance Program includes [In this section, "special training" means] instruction, teaching, or other education received by a state employee that is not normally received by other state employees and that is designed to enhance the ability of the employee to perform the employee's job. [Special training does not include training required by either state or federal law or that is determined necessary by the agency and offered to all employees performing similar jobs. Special training does include a course of study at an institution of higher education.]

[(i) The agency may provide special training to selected employees to enhance their ability to perform their current or prospective duties.]

(j) Employees who wish to apply for the Tuition Assistance Program must receive approval for participation from their supervisor and human resources and complete the Tuition Assistance Application and Reimbursement form [must be recommended by their division director and approved by the assistant state librarian for special training]. To be eligible for participation in the Tuition Assistance Program, employees must:

(1) Be continuously employed by the agency for at least one year at the time of application;

(2) Maintain satisfactory job performance (or better) as documented in their current performance evaluation; and

(3) Have no disciplinary action during the six months prior to application.

(k) An employee participating in the Tuition Assistance Program must agree in writing, prior to beginning the coursework or examination, to a one-year service commitment to the agency. Employees who do not comply with the length of the service requirement must reimburse the agency for the amount of reimbursements received.

(l) A reimbursement to an employee or administrator for tuition under the provisions of Government Code, §656.047 must be approved by the director and librarian before the reimbursement is paid.

(m) [(k)] If an employee is to receive special training that will be paid by the agency, and during the training period the employee will not perform regular duties for three or more months as a result of the training, the employee must agree in writing to the requirements of Government Code §656.103 and §656.104.

[(l) An employee may be released from these requirements if the commission in open meeting finds that such action is in the best interest of the agency, or because an extreme personal hardship would be suffered by the employee.]

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 19, 2025.

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Sarah Swanson
General Counsel
Texas State Library and Archives Commission
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 463-5460

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TITLE 16. ECONOMIC REGULATION

PART 3. TEXAS ALCOHOLIC BEVERAGE COMMISSION

CHAPTER 35. ENFORCEMENT

16 TAC §35.5, §35.6

The Texas Alcoholic Beverage Commission (TABC) proposes new 16 TAC §35.5, relating to Prohibited Sales of Consumable Hemp Products to Minors, and §35.6, relating to Mandatory Age Verification for Consumable Hemp Product Sales. The proposed rules implement Executive Order GA-56 (Sept. 10, 2025), which directs TABC to "immediately begin the rulemaking process to protect the public health, safety, and welfare by prohibiting the sale of hemp-derived products to a minor and requiring verification of the purchaser's age with government issued identification prior to completing the sale of any such product, on pain of cancellation of a permit, license, or registration issued by" TABC.

TABC previously adopted emergency rules to quickly implement the governor's executive order. *See* 50 TexReg 6577 (2025) (emerg. rules 16 Texas Administrative Code §§51.1, 51.2) (adopted Sep. 23, 2025) (Tex. Alco. Bev. Comm'n, Prohibited Sales of Consumable Hemp Products to Minors and Mandatory Age Verification for Consumable Hemp Product Sales). If ultimately adopted, the rules proposed now will replace the emergency rules. The proposed rules are similar to the emergency rules, but with some key changes: (1) internal citations within the proposed rules have been updated to account for the rules' placement within Chapter 35; (2) the proposed rules will allow TABC to suspend a license or permit as a sanction in certain instances, where the emergency rules only allowed TABC to cancel a license or permit for violations of the rules; (3) the proposed rules provide a licensee or permittee a defense to an enforcement action for failure to inspect proof of identification under §35.6 if the ultimate consumer or recipient of the CHP is 40 years of age or older; and (4) the proposed rules restrict when a license or permit holder may apply for any new TABC-issued license or permit if the holder's previous license or permit was cancelled under these rules.

The proposed rules are intended to prevent minors from accessing and using consumable hemp products (CHPs) that will negatively impact the health, general welfare, and public safety of minors in Texas. As noted in the emergency rule adoption order, TABC is directed to "supervise and regulate [its] licensees and permittees and their places of business in matters affecting the public." Tex. Alco. Bev. Code §5.33. And that "authority is not

limited to matters specifically mentioned in" the Alcoholic Beverage Code. *Id*. TABC must also ensure that the place and manner in which a permittee or licensee conducts its business is consistent with the general welfare, health, peace, morals, and safety of the people and the public sense of decency. *Id*. §§11.61(b)(7), 61.71(a)(16).

CHP is defined by the Department of State Health Services (DSHS) as "[a]ny product processed or manufactured for consumption that contains hemp, including food, a drug, a device, and a cosmetic, as those terms are defined by Texas Health and Safety Code §431.002, but does not include any consumable hemp product containing a hemp seed, or hemp seed-derived ingredient being used in a manner that has been generally recognized as safe (GRAS) by the FDA." 25 TAC §300.101(8). CHP retailers must generally be registered with DSHS. Tex. Health & Safety Code §443.2025. TABC has learned that many of its licensed alcoholic beverage businesses engage in the retail sale of CHPs of varying types and potency, and many of those businesses allow minors to purchase those products. Additionally, consumer delivery and carrier permit holders also deliver CHPs to ultimate consumers who are minors. TABC believes that businesses providing CHPs to minors are operating in a manner that is detrimental to the general welfare, health, peace, morals, and safety of the people and the public sense of decency. To combat this conduct, TABC proposes these rules to: (1) prohibit a TABC licensee or permittee from selling, offering for sale, serving, or delivering CHPs to a person younger than 21 years of age; and (2) require a TABC licensee or permittee to inspect the identification of certain persons wanting to purchase or obtain CHPs to confirm their age.

Under the proposed rules, a license or permit holder will generally be held accountable if an employee or agent sells, offers to sell, serves, or delivers CHPs to a minor or fails to inspect the identification of certain persons purchasing or obtaining CHPs. These are strict liability rules, meaning a licensee or permittee may be held liable for a violation even though they lack a culpable mental state (*i.e.,* they may be held liable even though they did not act intentionally, knowingly, recklessly or negligently). However, under proposed rule §35.5(f), TABC will not hold a license or permit holder accountable for selling, offering to sell, serving, or delivering CHPs to a minor if the minor presents an apparently valid identification that complies with §35.6(a), the permittee or licensee inspects the identification as provided by §35.6(b), and the permittee or licensee reasonably concludes that the purchaser or recipient is at least 21 years of age. Additionally, it is a defense to any enforcement action under §35.6 if the ultimate consumer or recipient of the CHP is 40 years of age or older. This will allow licensees and permittees to forgo ID checks when the consumer or recipient is undoubtedly of age to purchase or receive CHPs.

These rules apply to retail CHP sales and deliveries, and when CHPs are otherwise provided to ultimate consumers (*e.g.*, providing samples). The rules do not apply to the sale and delivery of CHP between manufacturers, wholesalers, and retailers of CHPs.

A violation of §35.5 or §35.6 will result in the suspension or cancellation of the holder's TABC license or permit, depending on the number of previous violations of the respective rule. However, a first or second violation of §35.5 may still result in the cancellation of the license or permit if TABC believes cancellation is warranted based on the nature and seriousness of the violation. The license or permit holder will not be allowed to pay a civil penalty in lieu of the license or permit suspension or cancellation. A violation of either rule relates to drugs, as contemplated by Alcoholic Beverage Code §11.64(a), thus TABC need not give the licensee or permittee the opportunity to pay a civil penalty in lieu of suspension or cancellation.

Additionally, if a license or permit is cancelled under §35.5, the license or permit holder, and certain other associated persons, will not be eligible for any new license or permit for five years from the date of cancellation. If a license or permit is cancelled under §35.6, the license or permit holder, and certain other associated persons, will not be eligible for any new license or permit for one year from the date of cancellation. TABC recognizes the severity of the sanctions imposed by these rules, but the agency believes a significant sanction is warranted in order to effectively prevent CHP sales to minors.

TABC presented the rules at a stakeholder meeting on October 9, 2025, and considered comments received from stakeholders in drafting the proposed rules.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Andrea Maceyra, Chief of Regulatory Affairs, has determined that during each year of the first five years the proposed rules are in effect, there will not be a significant fiscal impact on state or local governments because of enforcing or administering the proposed rules. Mrs. Maceyra made this determination because the proposed rules do not add to or decrease state revenues or expenditures, and because local governments are not involved in enforcing or complying with the proposed rules. Mrs. Maceyra also does not anticipate any measurable effect on local employment or the local economy because of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed rules are in effect, Mrs. Maceyra expects that enforcing or administering the proposed rules will have the public benefit of reducing minors' access to, and use of, CHPs and a corresponding reduction in the public harms associated with such use. *See* 50 TexReg 6578 (citing harms associated with CHP use by minors). Mrs. Maceyra believes the proposed rules may impose economic costs on those licensees and permittees that currently sell or deliver CHPs to minors. TABC is unable to calculate or estimate that cost because it does not know how many businesses sell or deliver CHPs to minors or the percentage of CHP sales that are currently attributable to minors.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. TABC does not believe the proposed rules will have an adverse economic effect on rural communities, or on most small or micro businesses that sell CHPs. Some businesses voluntarily choose not to sell CHPs to minors. However, the proposed rules' prohibition on selling, serving, and delivering CHPs to minors may have an adverse economic effect on those small or micro businesses that would otherwise continue to sell, serve, or deliver CHPs to minors. TABC does not know how many small or micro businesses (that hold a TABC license or permit) sell, serve, or deliver CHPs to minors nor the percentage of the businesses' CHP sales that are attributable to minors, so it cannot determine or reasonably estimate the economic impact of the rules on such businesses. But even assuming there is an adverse impact, the agency is still not required to prepare a regulatory flexibility analysis under Government Code §2006.002(c) because any viable alternative regulatory method that would minimize the proposed rules' adverse impact on small or micro businesses would necessarily have to eliminate the prohibition on selling, serving, or delivering CHPs to minors for such businesses. An agency is not required to consider alternatives

that would not be protective of the health and safety of the state, §2006.002(c-1), and any alternative which restores CHP sales to minors is clearly not protective of the state's health and safety. *See, e.g.,* The Governor of the State of Tex., Executive Order GA-56, (50 TexReg 6267) (2025).

GOVERNMENT GROWTH IMPACT STATEMENT. TABC has determined that for each year of the first five years that the proposed rules are in effect, they:

- will not create or eliminate a government program;

- will not require the creation of new employee positions or the elimination of existing employee positions;

- will not require an increase or decrease in future legislative appropriations to the agency;

- will not require an increase or decrease in fees paid to the agency;

- will create new regulations;

- will not expand, limit, or repeal an existing regulation;

- will not increase or decrease the number of individuals subject to the rule's applicability; and

- will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. TABC has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR PUBLIC COMMENT. TABC requests comments on the proposed rules from any person interested in the rules. Additionally, TABC requests information related to the cost, benefit, or effect of the proposed rules, including any applicable data, research, or analysis, from any person required to comply with the proposed rules or any other interested person. TABC will consider any written comments on the proposal that are received by TABC no later than 5:00 p.m., central time, January 4, 2026. Send your comments to rules@tabc.texas.gov or to the Office of the General Counsel, Texas Alcoholic Beverage Commission, P.O. Box 13127, Austin, Texas 78711-3127. TABC staff will hold a public hearing to receive oral comments on the proposed rules at 10:00 a.m. on December 11, 2025. Interested persons should visit TABC's public website at www.tabc.texas.gov or contact TABC Legal Assistant Amada Clopton at (512) 206-3367, prior to the meeting date to receive further instructions.

STATUTORY AUTHORITY. TABC proposes the new rules under Alcoholic Beverage Code §§5.31 and 5.33. Alcoholic Beverage Code §5.31 provides that "the commission may exercise all powers, duties, and functions conferred by this code, and all powers incidental, necessary, or convenient to the administration of this code," and further states that "it may prescribe and publish rules necessary to carry out the provisions of this code." Alcoholic Beverage Code §5.33 provides that "the commission shall supervise and regulate licensees and permittees and their places of business in matters affecting the public." And that "this authority is not limited to matters specifically mentioned in [the] code."

CROSS-REFERENCE TO STATUTE. The proposed rules implement Alcoholic Beverage Code §11.61(b)(7) and §61.71(a)(16).

§35.5. Prohibited Sales of Consumable Hemp Products to Minors.

(a) Definitions. In this section and §35.6 of this chapter:

(1) "Consumable hemp product" has the meaning assigned by 25 TAC §300.101 or a successor rule adopted by the Department of State Health Services;

(2) "Licensee" and "permittee" have the meaning assigned by Alcoholic Beverage Code §1.04; and

(3) "Minor" means a person under 21 years of age.

(b) A licensee or permittee violates Alcoholic Beverage Code §§11.61(b)(7) or 61.71(a)(16), as applicable, if the licensee or permittee sells, offers to sell, serves, or delivers a consumable hemp product to a minor.

(c) Notwithstanding Chapter 34 of this title, the commission shall impose the following sanctions for a violation of subsection (b) of this section:

(1) suspend for no less than 30 days or cancel the license or permit for a first violation;

(2) suspend for no less than 60 days or cancel the license or permit for a second violation; and

(3) cancel the license or permit for any subsequent violation.

(d) The licensee or permittee does not have the option to pay a civil penalty in lieu of suspension or cancellation under subsection (c) of this section.

(e) If a license or permit was cancelled under subsection (c) of this section, the following persons are not eligible to apply for, and may not be issued, any TABC-issued license or permit for a period of five years after cancellation:

(1) the license or permit holder;

(2) a person who held an interest in the license or permit;

(3) if the cancelled license or permit holder is a corporation, a person who held 50 percent or more of the stock, directly or indirectly, in the corporation;

(4) a corporation, if a person holding 50 percent or more of the corporation's stock, directly or indirectly, is disqualified from obtaining a license or permit under this subsection; and

(5) a person who resides with a person who is disqualified from obtaining a license or permit under this subsection.

(f) A licensee or permittee that sells, offers to sell, serves, or delivers a consumable hemp product to a minor does not violate subsection (b) of this section if the minor falsely claims to be 21 years of age or older, the permittee or licensee otherwise complies with §35.6 of this chapter, and the permittee or licensee reasonably believes the minor is actually 21 years of age or older.

§35.6. Mandatory Age Verification for Consumable Hemp Product Sales.

(a) Except as provided in subsection (c) of this section, a licensee or permittee may not sell, serve, or deliver a consumable hemp product to a person unless the person presents an apparently valid, unexpired proof of identification issued by a governmental agency that contains a physical description and photograph consistent with the person's appearance and that purports to establish that the person is 21 years of age or older.

(b) Except as provided by subsection (c) of this section, before completing the sale, service, or delivery of a consumable hemp product

to an ultimate consumer, a licensee or permittee shall verify that the purchaser or recipient is 21 years of age or older by carefully inspecting the provided proof of identification.

(c) It is a defense to an enforcement action under subsection (d) of this section that the ultimate consumer is 40 years of age or older.

(d) Notwithstanding Chapter 34 of this title, if a licensee or permittee fails to abide by the requirements of this section, the licensee or permittee violates Alcoholic Beverage Code §§11.61(b)(7) or 61.71(a)(16), as applicable, and the commission shall:

(1) suspend the license or permit for no less than seven days for a first violation;

(2) suspend the license or permit for no less than 14 days for a second violation;

(3) suspend the license or permit for no less than 30 days for a third violation; and

(4) cancel the license or permit for any subsequent violation.

(e) The licensee or permittee does not have the option to pay a civil penalty in lieu of suspension or cancellation under subsection (d) of this section.

(f) If a license or permit was cancelled under subsection (d) of this section, the following persons are not eligible to apply for, and may not be issued, any TABC-issued license or permit for a period of one year after cancellation:

(1) the license or permit holder;

(2) a person who held an interest in the license or permit;

(3) if the cancelled license or permit holder is a corporation, a person who held 50 percent or more of the stock, directly or indirectly, in the corporation;

(4) a corporation, if a person holding 50 percent or more of the corporation's stock, directly or indirectly, is disqualified from obtaining a license or permit under this subsection; and

(5) a person who resides with a person who is disqualified from obtaining a license or permit under this subsection.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 18, 2025.

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Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 206-3491

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CHAPTER 41. AUDITING

The Texas Alcoholic Beverage Commission (TABC) proposes amendments to 16 TAC §41.37, relating to Destructions; §41.43, relating to Sale after Cancellation, Expiration, or Voluntary Suspense of License or Permit; §41.50, relating to General Provisions; §41.52, relating to Temporary Memberships; §41.53, relating to Pool Systems; and §41.65, relating to Contract Distilling Arrangements and Distillery Alternating Proprietorships. TABC also proposes new 16 TAC §41.57, relating to Purchase of Certain Alcoholic Beverages, to be codified in Chapter 41, Subchapter E.

The proposed amendments and new rule fix clerical errors and provide non-substantive changes clarifying current agency practices. The proposed amendment to §41.37(a) removes a reference to a repealed statute. The proposed amendment to §41.43(a) removes the "in bulk" requirement for inventory sales when a license or permit is cancelled, expires, or is voluntarily suspended. Removal of this requirement aligns with current agency practices and is intended to provide flexibility to businesses disposing of their alcoholic beverage inventory when ceasing operations.

The proposed amendment to §41.50(b) corrects a previous clerical error. The proposed amendment to §41.52(b)(1) more accurately states the temporary membership card requirements for private club registration permit holders in Alcoholic Beverage Code §32.09. The proposed amendment to §41.53 repeals subsection (e), which will be moved to proposed new §41.57. New §41.57 reflects the current requirement in §41.53(e), but the text has been revised for clarity. Lastly, the proposed amendment to §41.65(e) clarifies that authorized wholesalers and carriers may pick up product directly from a contract distiller's facility.

TABC presented the proposed amendments at a stakeholder meeting on October 9, 2025, and considered comments received from stakeholders in drafting the proposed amendments.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Andrea Maceyra, Chief of Regulatory Affairs, has determined that during each year of the first five years the proposed amendments and new rule are in effect, there will be no fiscal impact on state or local governments because of enforcing or administering the amended and new rules. Mrs. Maceyra made this determination because the proposed amendments and new rule do not add to or decrease state revenues or expenditures, and because local governments are not involved in enforcing or complying with the amended and new rules. Mrs. Maceyra also does not anticipate any measurable effect on local employment or the local economy because of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed amendments and new rule are in effect, Mrs. Maceyra expects that enforcing or administering the amended and new rules will have the public benefit of ensuring that the rules accurately reflect current agency practices, are worded in a clear manner, and provide clarity and efficiency for the regulated industry. Mrs. Maceyra does not expect the proposed amendments and new rule will impose economic costs on persons required to comply with them.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. TABC has determined that the proposed amendments and new rule will not have an adverse economic effect on small or micro businesses, or on rural communities. As a result, and in accordance with Government Code §2006.002(c), TABC is not required to prepare a regulatory flexibility analysis.

GOVERNMENT GROWTH IMPACT STATEMENT. TABC has determined that for each year of the first five years that the proposed amendments and new rule are in effect, they:

- will not create or eliminate a government program;

- will not require the creation of new employee positions or the elimination of existing employee positions;

- will not require an increase or decrease in future legislative appropriations to the agency;

- will not require an increase or decrease in fees paid to the agency;

- will create a new regulation;

- will expand, limit, or repeal an existing regulation;

- will not increase or decrease the number of individuals subject to the rule's applicability; and

- will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. TABC has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR PUBLIC COMMENT. TABC requests comments on the proposed amendments and new rule from any person interested in the amendments and new rule. Additionally, TABC requests information related to the cost, benefit, or effect of the proposed amendments and new rule, including any applicable data, research, or analysis, from any person required to comply with the proposed amendments and new rule or any other interested person. TABC will consider any written comments on the proposal that are received by TABC no later than 5:00 p.m., central time, January 4, 2026. Send your comments to rules@tabc.texas.gov or to the Office of the General Counsel, Texas Alcoholic Beverage Commission, P.O. Box 13127, Austin, Texas 78711-3127. TABC staff will hold a public hearing to receive oral comments on the proposed rule at 10:00 a.m. on December 11, 2025. Interested persons should visit TABC's public website at www.tabc.texas.gov or contact TABC Legal Assistant Amada Clopton at (512) 206-3367, prior to the meeting date to receive further instructions.

SUBCHAPTER C. EXCISE TAXES

16 TAC §41.37

STATUTORY AUTHORITY. TABC proposes the amendments and new rule pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §§5.31, 14.10(e), 32.09, and 37.011(d). Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Sections 14.10(e) and 37.011(d) direct the agency to "adopt rules regulating the shared use of [distillery] premises." Section 32.09 provides that "temporary memberships shall be governed by rules promulgated by the commission."

CROSS-REFERENCE TO STATUTE. The proposed amendment to §41.37 implements Alcoholic Beverage Code §§201.03, 201.04, and 203.01. The proposed amendment to §41.43 implements Alcoholic Beverage Code §5.31. The proposed amendment to §41.50 implements Alcoholic Beverage Code §32.13. The proposed amendment to §41.52 implements Alcoholic Beverage Code §32.09. The proposed amendment to §41.53 and new §41.57 implement Alcoholic Beverage Code §32.06. The proposed amendment to §41.65 implements Alcoholic Beverage Code §§14.10 and 37.011.

§41.37. Destructions.

(a) Each permittee subject to the provisions of Alcoholic Beverage Code §§201.03[,] or 201.04[, ~~or 201.42~~], and each licensee subject to the provisions of Alcoholic Beverage Code §203.01, is entitled to receive a tax exemption or a tax credit for alcoholic beverages destroyed in accordance with subsections (c) - (g) of this section.

(b) - (i) (No change.)

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
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For further information, please call: (512) 206-3491

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SUBCHAPTER D. SALES OF ALCOHOLIC BEVERAGES NOT IN REGULAR COURSE OF BUSINESS

16 TAC §41.43

The amendment is proposed pursuant to TABC's rulemaking authority under Alcoholic Beverage Code §5.31, which authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code.

CROSS-REFERENCE TO STATUTE. The proposed amendment to §41.37 implements Alcoholic Beverage Code §§201.03, 201.04, and 203.01. The proposed amendment to §41.43 implements Alcoholic Beverage Code §5.31. The proposed amendment to §41.50 implements Alcoholic Beverage Code §32.13. The proposed amendment to §41.52 implements Alcoholic Beverage Code §32.09. The proposed amendment to §41.53 and new §41.57 implement Alcoholic Beverage Code §32.06. The proposed amendment to §41.65 implements Alcoholic Beverage Code §§14.10 and 37.011.

§41.43. Sale after Cancellation, Expiration, or Voluntary Suspension of License or Permit.

(a) In the event any license or permit granted under the code is cancelled, expires, or is voluntarily suspended by the license or permit holder, the license or permit holder is authorized for 30 days thereafter to sell or dispose of its remaining inventory of alcoholic beverages on hand at the time of the license or permit cancellation, expiration, or voluntary suspension[, ~~in bulk,~~] to a licensee or permittee authorized to purchase and sell same.

(b) - (h) (No change.)

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
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SUBCHAPTER E. PRIVATE CLUBS

16 TAC §§41.50, 41.52, 41.53, 41.57

The amendments and new rule are proposed pursuant to TABC's rulemaking authority under Alcoholic Beverage Code §§5.31 and 32.09. Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Section 32.09(d) provides that "temporary memberships shall be governed by rules promulgated by the commission."

CROSS-REFERENCE TO STATUTE. The proposed amendment to §41.37 implements Alcoholic Beverage Code §§201.03, 201.04, and 203.01. The proposed amendment to §41.43 implements Alcoholic Beverage Code §5.31. The proposed amendment to §41.50 implements Alcoholic Beverage Code §32.13. The proposed amendment to §41.52 implements Alcoholic Beverage Code §32.09. The proposed amendment to §41.53 and new §41.57 implement Alcoholic Beverage Code §32.06. The proposed amendment to §41.65 implements Alcoholic Beverage Code §§14.10 and 37.011.

§41.50. General Provisions.

(a) (No change.)

(b) Digital Recordkeeping. A club using a computer system to maintain its membership records is not [~~be~~] required to keep a well-bound book if such computer system provides the information as required by these rules.

§41.52. Temporary Memberships.

(a) (No change.)

(b) A holder of a private club registration permit shall:

(1) purchase, issue, and maintain a temporary membership card to any person who intends to be served alcoholic beverages on its licensed premises, except a person who is a member of the club or a guest of a member of the club, or, if the club is located in a hotel, a patron of the hotel who is at the hotel for overnight lodging and is a guest of the hotel manager who is a member of the club; and

(2) keep a record with entries made in chronological order showing the following about temporary membership cards issued: the date issued, the name of the person to whom the card was issued, and the serial number of the temporary membership card.

(c) - (d) (No change.)

§41.53. Pool Systems.

(a) - (d) (No change.)

[~~(e) The holder of a private club registration permit or a private club exemption certificate permit may purchase wine only from the holder of a local distributor's permit.~~]

§41.57. Purchase of Certain Alcoholic Beverages.

The holder of a private club registration permit or private club exemption certificate operating under the pool system may only purchase distilled spirits and wine from the holder of a local distributor's permit.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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SUBCHAPTER G. OPERATING AGREEMENTS BETWEEN PERMIT AND LICENSE HOLDERS

16 TAC §41.65

The amendments are proposed pursuant to TABC's rulemaking authority under Alcoholic Beverage Code §§14.10(e) and 37.011(d), which direct the agency to "adopt rules regulating the shared use of [distillery] premises."

CROSS-REFERENCE TO STATUTE. The proposed amendment to §41.37 implements Alcoholic Beverage Code §§201.03, 201.04, and 203.01. The proposed amendment to §41.43 implements Alcoholic Beverage Code §5.31. The proposed amendment to §41.50 implements Alcoholic Beverage Code §32.13. The proposed amendment to §41.52 implements Alcoholic Beverage Code §32.09. The proposed amendment to §41.53 and new §41.57 implement Alcoholic Beverage Code §32.06. The proposed amendment to §41.65 implements Alcoholic Beverage Code §§14.10 and 37.011.

§41.65. Contract Distilling Arrangements and Distillery Alternating Proprietorships.

(a) - (d) (No change.)

(e) Pursuant to Alcoholic Beverage Code §§14.10(d) and 37.011(c), a distiller ("Distiller A") who manufactures, bottles, packages, or labels distilled spirits on behalf of another distiller ("Distiller B") or nonresident seller under a contract distilling arrangement may not consider the distilled spirits as being owned by Distiller A or sell those products on Distiller A's premises. A wholesaler or authorized carrier may, at the request of Distiller B or the nonresident seller, transport distilled spirits directly from Distiller A's premises for the purpose of resale to an authorized permittee or a qualified person outside this state.

(f) - (k) (No change.)

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Senior Counsel
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CHAPTER 45. MARKETING PRACTICES
SUBCHAPTER G. REGULATION OF CASH AND CREDIT TRANSACTIONS

16 TAC §45.130, §45.131

The Texas Alcoholic Beverage Commission (TABC) proposes amendments to 16 TAC §45.130, relating to Credit Law and Delinquent List; and §45.131, relating to Cash Law. The proposed amendments make non-substantive and clarifying revisions reflecting current agency practices that were identified as part of the agency's quadrennial rule review. The proposed amendments also make fixes to previous clerical errors.

The proposed amendment to §45.130(b) more accurately lists the applicable permit types subject to Alcoholic Beverage Code §102.32, which governs liquor sales and credit restrictions between wholesalers and retailers. The proposed amendment to §45.130(c) adds identification stamps to the invoice requirement to better align with the recordkeeping requirements in Alcoholic Beverage Code §206.01. The proposed amendments to §45.130(d) clarify that the payment dates are calculated using business days to more accurately track the statutory text in Alcoholic Beverage Code §102.32. The proposed amendment to §45.130(h) codifies the long-standing practice that disputed delinquencies must be approved by the agency before a business is removed from the delinquent list.

The proposed amendment to §45.131(b) more accurately lists the applicable permit types subject to the requirements of Alcoholic Beverage Code §102.32. The proposed amendment to §45.131(c) fixes clerical errors in the current rule text.

TABC presented the proposed amendments at a stakeholder meeting on October 9, 2025, and considered comments received from stakeholders in drafting the proposed amendments.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Andrea Maceyra, Chief of Regulatory Affairs, has determined that during each year of the first five years the proposed amendments are in effect, there will be no fiscal impact on state or local governments because of enforcing or administering the amended rules. Mrs. Maceyra made this determination because the proposed amendments do not add to or decrease state revenues or expenditures, and because local governments are not involved in enforcing or complying with the amended rules. Mrs. Maceyra also does not anticipate any measurable effect on local employment or the local economy because of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed amendments are in effect, Mrs. Maceyra expects that enforcing or administering the amended rules will have the public benefit of clarifying existing regulations and aligning the rules' requirements with current agency practices. Mrs. Maceyra does not expect the proposed amendments will impose economic costs on persons required to comply with the amended rules.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. TABC has determined that the proposed amendments will not have an adverse economic effect on small or micro businesses, or on rural communities. As a result, and in accordance with Government Code §2006.002(c), TABC is not required to prepare a regulatory flexibility analysis.

GOVERNMENT GROWTH IMPACT STATEMENT. TABC has determined that for each year of the first five years that the proposed amendments are in effect, they:

- will not create or eliminate a government program;

- will not require the creation of new employee positions or the elimination of existing employee positions;

- will not require an increase or decrease in future legislative appropriations to the agency;

- will not require an increase or decrease in fees paid to the agency;

- will not create a new regulation;

- will expand, limit, or repeal an existing regulation;

- will not increase or decrease the number of individuals subject to the rule's applicability; and

- will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. TABC has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR PUBLIC COMMENT. TABC requests comments on the proposed amendments from any person interested in the amendments. Additionally, TABC requests information related to the cost, benefit, or effect of the proposed amendments, including any applicable data, research, or analysis, from any person required to comply with the proposed amendments or any other interested person. TABC will consider any written comments on the proposal that are received by TABC no later than 5:00 p.m., central time, January 4, 2026. Send your comments to rules@tabc.texas.gov or to the Office of the General Counsel, Texas Alcoholic Beverage Commission, P.O. Box 13127, Austin, Texas 78711-3127. TABC staff will hold a public hearing to receive oral comments on the proposed rule at 10:00 a.m. on December 11, 2025. Interested persons should visit TABC's public website at www.tabc.texas.gov or contact TABC Legal Assistant Amada Clopton at (512) 206-3367, prior to the meeting date to receive further instructions.

STATUTORY AUTHORITY. TABC proposes the amendments pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §§5.31, 102.31(e), and 102.32(f). Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Sections 102.31(e) and 102.32(f) direct the agency to adopt rules to effectuate the code's cash and credit law requirements.

CROSS-REFERENCE TO STATUTE. The proposed amendments to §45.130 implement Alcoholic Beverage Code §102.32. The proposed amendments to §45.131 implement Alcoholic Beverage Code §102.31.

§45.130. Credit Law and Delinquent List.

(a) (No change.)

(b) Definitions. For purposes of this section, the following terms have the definitions given in this subsection.

(1) - (6) (No change.)

(7) Seller--As used in this section includes:

(A) the holder of a wholesaler's permit or a general class B wholesaler's permit

(B) the holder of a winery permit;

(C) the holder of a local distributor's permit when making a sale of an alcoholic beverage that is not the sale of a malt beverage to a mixed beverage permittee, private club registration permittee, private club exemption certificate permittee, or a nonprofit entity temporary event permittee; and

(D) the agents, servants and employees of a permit or license holder identified in subparagraphs (A) - (C) of this paragraph.

(c) Invoices.

(1) A delivery of alcoholic beverages by a Seller to a Retailer must be accompanied by an invoice of sale showing the name and permit number of the Seller and the Retailer, a full description of the alcoholic beverages, the TABC identification stamps issued, the price and terms of sale, and the place and date of delivery.

(2) - (4) (No change.)

(d) Late Payment Violation.

(1) A payment is late if it is not received by the Seller on or before the date that payment is due under §102.32(c) of the Code. If the Seller receives payment by mail within four business days from [~~of~~] the date [~~that~~] payment is due under §102.32(c) of the Code, the payment is not late.

(2) - (3) (No change.)

(4) A Retailer who violates this section shall be placed on the Delinquent List unless the delinquent account is paid within four business days from [~~of~~] the date [~~that~~] payment is due under §102.32(c) of the Code.

(5) (No change.)

(e) - (g) (No change.)

(h) Exception.

(1) A Retailer who wishes to dispute a violation of this section or inclusion on the commission's Delinquent List based on a good faith dispute between the Retailer and the Seller may submit a detailed electronic or paper written statement with the commission with an electronic or paper copy to the Seller explaining the basis of the dispute.

(2) The written statement must be submitted with documents and/or other records tending to support the Retailer's dispute, which may include:

(A) a copy of the front and back of the cancelled check of Retailer showing endorsement and deposit by Seller;

(B) bank statements [~~statement~~] or records [~~of bank~~] showing funds were available in the account of Retailer on the date the check was delivered to Seller; and

(C) bank statements [~~statement~~] or records showing:

(i) bank error or circumstances beyond the control of Retailer caused the check to be returned to Seller unpaid; or

(ii) the check cleared Retailer's account and funds were withdrawn from Retailer's account in the amount of the check.

(3) A disputed delinquent account will not be removed from the Delinquent List until documents and/or other records tending to support the Retailer's dispute are submitted to the commission and approved by the executive director or their designee.

(4) The Retailer must immediately submit an electronic notice of resolution of a dispute to the commission under this subsection.

(i) - (k) (No change.)

§45.131. Cash Law.

(a) (No change.)

(b) Definitions. For purposes of this section, the following terms have the meaning given in this subsection.

(1) - (6) (No change.)

(7) Seller--As used in this section means:

(A) the holder of a local distributor's permit when selling malt beverages to a mixed beverage permittee, private club registration permittee, private club exemption certificate permittee, or nonprofit entity temporary event permittee, or an agent, servant, or employee of a local distributor's permit holder when selling malt beverages to such permittees;

(B) the holder of a brewpub license when selling malt beverages to Retailers;

(C) the holder of a general or branch distributor's license;

(D) the holder of a brewer's self- distribution license under Chapter 62A of the Code; and

(E) the agents, servants, and employees of a license or permit holder identified in subparagraphs (A)-(D) of this paragraph when selling malt beverages to a Retailer.

(c) Invoices. A delivery of malt beverages by a Seller, to a Retailer, must be accompanied by an invoice of sale showing the name and permit number of the Seller and the Retailer, a full description of the malt beverages, the price, and the place and date of delivery.

(1) The Seller's copy of the invoice must be signed by the Retailer to verify receipt of the malt beverages and accuracy of the invoice, and by the Seller to acknowledge that payment was received on or before the delivery.

(2) - (3) (No change.)

(d) - (h) (No change.)

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
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TITLE 19. EDUCATION

PART 2. TEXAS EDUCATION AGENCY

CHAPTER 102. EDUCATIONAL PROGRAMS
SUBCHAPTER AA. COMMISSIONER'S RULES CONCERNING EARLY CHILDHOOD EDUCATION PROGRAMS

19 TAC §102.1003

The Texas Education Agency (TEA) proposes an amendment to §102.1003, concerning high-quality prekindergarten programs. The proposed amendment would add to the eligibility criteria for public prekindergarten and update requirements for teachers of prekindergarten classes provided by an entity with which a school district contracts to provide prekindergarten as required by House Bill (HB) 2, 89th Texas Legislature, Regular Session, 2025. The proposal would also make technical edits for clarification and to update the rule to align with updated prekindergarten guidelines and current best practices.

BACKGROUND INFORMATION AND JUSTIFICATION: Texas Education Code (TEC), §29.153(b), as amended by HB 2, 89th Texas Legislature, Regular Session, 2025, adds to the list of students who are eligible for free public prekindergarten the child of a person employed as a classroom teacher at a public primary or secondary school in the school district that offers a prekindergarten class under TEC, §29.153. HB 2 amended TEC, §29.167(b-1), to clarify that a teacher of a prekindergarten class provided by an entity with which a school district contracts to provide a prekindergarten program must either be certified or be supervised by a person who meets certification requirements and to clarify requirements for classrooms that serve emergent bilingual students. New TEC, §29.167(b-4), establishes that prekindergarten teacher and supervisor requirements outlined in TEC, §29.167(b-1) and (b-2), apply to any prekindergarten class provided by an entity with which a school district contracts to provide a prekindergarten program.

To implement HB 2, the following changes would be made.

The proposed amendment to §102.1003 would add an eighth eligibility criterion to the existing criteria for prekindergarten eligibility; clarify that the teacher requirements for classes provided by an entity with which a school district contracts to provide a prekindergarten program apply to programs serving eligible three and/or four year old students; and establish that a teacher of a bilingual or English as a second language program class provided by an entity with which a school district contracts to provide a prekindergarten program may be supervised by a person who is appropriately certified to provide effective instruction to emergent bilingual students if the person is not appropriately certified.

Additional technical edits would be made for clarification and to update the rule to align with updated prekindergarten guidelines and current best practices.

FISCAL IMPACT: Monica Martinez, associate commissioner of standards and programs, has determined that for the first five-year period the proposal is in effect, there are no additional costs to state or local government, including school districts and open-enrollment charter schools, required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis, specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would expand an existing regulation by adding options to the list of additional qualifications for prekindergarten program teachers; identifying specific requirements for teachers of prekindergarten classes provided by an entity with which a school district contracts to provide prekindergarten; expanding eligibility for public prekindergarten; and adding to requirements for family engagement.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not limit or repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: Ms. Martinez has determined that for each year of the first five years the proposal is in effect, the public benefit anticipated as a result of enforcing the proposal would be to implement the statutory requirements for teachers of prekindergarten classes provided by an entity with which a school district contracts to provide prekindergarten, clarify various components of the rule, and align with current best practice. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: The proposal would have no data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: TEA requests public comments on the proposal, including, per Texas Government Code, §2001.024(a)(8), information related to the cost, benefit, or effect of the proposed rule and any applicable data, research, or analysis, from any person required to comply with the proposed rule or any other interested person. The public comment period on the proposal begins December 5, 2025, and ends January 5, 2025. A request for a public hearing on the proposal submitted under the Administrative Procedure Act must be received by the commissioner of education not more

than 14 calendar days after notice of the proposal has been published in the *Texas Register* on December 5, 2025. A form for submitting public comments is available on the TEA website at https://tea.texas.gov/About_TEA/Laws_and_Rules/Commissioner_Rules_(TAC)/Proposed_Commissioner_of_Education_Rules/.

STATUTORY AUTHORITY. The amendment is proposed under Texas Education Code (TEC), §29.153(b), as amended by House Bill (HB) 2, 89th Texas Legislature, Regular Session, 2025, which outlines the eligibility criteria for a child to be enrolled in a public prekindergarten class; TEC, §29.167(b-1), as amended by HB 2, 89th Texas Legislature, Regular Session, 2025, which outlines requirements for teachers of prekindergarten classes provided by entities with which a school district contracts to provide a prekindergarten program; and TEC, §29.167(b-4), as added by HB 2, 89th Texas Legislature, Regular Session, 2025, which establishes that prekindergarten teacher and supervisor requirements outlined in TEC, §29.167(b-1) and (b-2), apply to any prekindergarten class provided by an entity with which a school district contracts to provide a prekindergarten program under TEC, §29.153.

CROSS REFERENCE TO STATUTE. The amendment implements Texas Education Code (TEC), §29.153(b) and §29.167(b-1), as amended by House Bill (HB) 2, 89th Texas Legislature, Regular Session, 2025; and TEC, §29.167(b-4), as added by HB 2, 89th Texas Legislature, Regular Session, 2025.

§102.1003. High-Quality Prekindergarten Program.

(a) School districts and open-enrollment charter schools providing a prekindergarten program must provide high-quality educational services established under Texas Education Code (TEC), Chapter 29, Subchapter E-1, to qualifying students. A student is qualified to participate in a high-quality prekindergarten program if the student is four years of age on September 1 of the year the student begins the program and:

(1) is unable to speak and comprehend the English language;

(2) is educationally disadvantaged;

(3) is a homeless child, as defined by 42 United States Code §11434a, regardless of the residence of the child, of either parent of the child, or of the child's guardian or other person having lawful control of the child;

(4) is the child of an active duty member of the armed forces of the United States, including the state military forces or a reserve component of the armed forces, who is ordered to active duty by proper authority;

(5) is the child of a member of the armed forces of the United States, including the state military forces or a reserve component of the armed forces, who was injured or killed while serving on active duty;

(6) is or ever has been in the conservatorship of the Department of Family and Protective Services following an adversary hearing held as provided by Texas Family Code, §262.201, or foster care in another state or territory, if the child resides in Texas; [~~or~~]

(7) is the child of a person eligible for the Star of Texas Award as:

(A) a peace officer under Texas Government Code, §3106.002;

(B) a firefighter under Texas Government Code, §3106.003; or

(C) an emergency medical first responder under Texas Government Code, §3106.004; or [.]

(8) is the child of a person employed as a classroom teacher at a public primary or secondary school in a school district that offers a prekindergarten class under TEC, §29.153.

(b) A school district or an open-enrollment charter school shall implement a curriculum for a high-quality prekindergarten program that addresses the Texas Prekindergarten Guidelines in the following domains:

(1) social and emotional development;

(2) emergent literacy language and communication;

(3) emergent literacy reading;

(4) emergent literacy writing;

(5) mathematics;

(6) science;

(7) social studies;

(8) fine arts;

(9) physical development and health; and

(10) technology.

(c) A school district or an open-enrollment charter school shall measure:

(1) at the beginning, middle, and end of the school year, the progress of each student in meeting the recommended end of prekindergarten year outcomes identified in the Texas Prekindergarten Guidelines using a progress monitoring tool included on the commissioner's list of approved prekindergarten instruments that measures:

(A) social and emotional development, which may be referred to as "health and wellness" in a progress monitoring tool;

(B) emergent literacy language and communication;

(C) emergent literacy reading;

(D) emergent literacy writing; and

(E) mathematics; and

(2) the preparation of each student for kindergarten using a commissioner-approved multidimensional kindergarten instrument during the first 60 days of school for reading and at least three developmental skills, including literacy, as described in TEC, §28.006.

(d) Each teacher of record in a high-quality prekindergarten program class must be certified under TEC, Chapter 21, Subchapter B, and have one of the following additional qualifications:

(1) a Child Development Associate (CDA) credential;

(2) a certification offered through a training center accredited by Association Montessori Internationale or through the Montessori Accreditation Council for Teacher Education;

(3) at least eight years' experience teaching in a nationally accredited child care program or a Texas Rising Star Program;

(4) at minimum, an associate or baccalaureate degree in early childhood education or early childhood special education or a non-early childhood education degree with a documented minimum of 15 units of coursework in early childhood education;

(5) documented completion of the Texas School Ready Training Program (TSR Comprehensive); or

(6) be employed as a prekindergarten teacher in a school district that has ensured that:

(A) prior to assignment in a prekindergarten class, the teacher who provides prekindergarten instruction has completed at least 150 cumulative hours of documented professional development addressing the Texas Prekindergarten Guidelines in addition to other relevant topics related to high-quality prekindergarten over a consecutive five-year period;

(B) a teacher who has not completed training required in subparagraph (A) of this paragraph prior to assignment in a prekindergarten class completes:

(i) the first 30 hours of 150 cumulative hours of documented professional development before the beginning of the next school year. The professional development shall address topics relevant to high-quality prekindergarten and may include:

(I) the Texas Prekindergarten Guidelines;

(II) the use of student progress monitoring results to inform classroom instruction;

(III) improving the prekindergarten classroom environment to enhance student outcomes; and

(IV) improving the effectiveness of teacher interaction with students as determined by an evaluation tool; and

(ii) the additional hours in the subsequent four years in order to continue providing instruction in a high-quality prekindergarten classroom; and

(C) at least half of the hours required by subparagraph (A) or (B) of this paragraph include experiential learning, practical application, and direct interaction with specialists in early childhood education, mentors, or instructional coaches.

(e) Each teacher in a high-quality prekindergarten program class provided by an entity with which a school district contracts to provide a prekindergarten program serving eligible three and/or four-year-old students must be certified under TEC, Chapter 21, Subchapter B, to teach or supervised by a person who meets the requirements under subsection (d) of this section and must have one of the following additional qualifications:

(1) at least two years' experience teaching in a nationally accredited child care program or a Texas Rising Star Program and:

(A) a CDA credential or another early childhood education credential approved by the Texas Education Agency (TEA); or

(B) a certification offered through a training center accredited by Association Montessori Internationale or through the Montessori Accreditation Council for Teacher Education;

(2) at minimum, an associate or baccalaureate degree in early childhood education or early childhood special education or a non-early childhood education degree with a documented minimum of 15 units of coursework in early childhood education;

(3) at least eight years' experience teaching in a nationally accredited child care program or a Texas Rising Star Program; or

(4) be employed as a prekindergarten teacher in a partnership program that has ensured that:

(A) prior to assignment in a prekindergarten class, the teacher has completed at least 150 cumulative hours of documented professional development addressing the Texas Prekindergarten Guidelines in addition to other relevant topics related to high-quality prekindergarten over a consecutive five-year period;

(B) a teacher who has not completed the training required in subparagraph (A) of this paragraph prior to assignment in a prekindergarten class completes:

(i) the first 30 hours of 150 cumulative hours of documented professional development before the beginning of the next school year. The professional development shall address topics relevant to high-quality prekindergarten and may include:

(I) the Texas Prekindergarten Guidelines;

(II) the use of student progress monitoring results to inform classroom instruction;

(III) improving the prekindergarten classroom environment to enhance student outcomes; and

(IV) improving the effectiveness of teacher interaction with students as determined by an evaluation tool; and

(ii) the additional hours in the subsequent four years in order to continue providing instruction in a high-quality prekindergarten classroom; and

(C) at least half of the hours required by subparagraph (A) or (B) of this paragraph include experiential learning, practical application, and direct interaction with specialists in early childhood education, mentors, or instructional coaches.

(f) A teacher of a bilingual or English as a second language (ESL) program class provided by an entity with which a school district contracts to provide a prekindergarten program must be appropriately certified for the grade and content and with the appropriate supplemental certification (either bilingual or ESL) or be supervised by a person who is appropriately certified to provide effective instruction to emergent bilingual students, as defined by TEC, §29.052, enrolled in the prekindergarten program.

(g) A prekindergarten partnership supervisor:

(1) shall meet the requirements under subsection (d) of this section;

(2) may supervise multiple prekindergarten classrooms; and

(3) shall ensure programmatic compliance and support classroom instruction, the developmental needs of students, and continuous quality improvement, including professional development

(h) A school district or an open-enrollment charter school shall develop, implement, and make available on the district, charter, or campus website by November 1 of each school year a family engagement plan to assist the district in achieving and maintaining high levels of family involvement and positive family attitudes toward education. The family engagement plan shall include a primary point of contact and contact information. An effective family engagement plan creates a foundation for the collaboration of mutual partners, embraces the individuality and uniqueness of families, and promotes a culture of learning that is child centered, age appropriate, and family driven.

(1) The following terms, when used in this section, shall have the following meanings.

(A) Family--Adults responsible for the child's care and children in the child's life who support the early learning and development of the child.

(B) Family engagement--The mutual responsibility of families, schools, and communities to build relationships to support student learning and achievement and to support family well-being and the continuous learning and development of children, families, and educators. Family engagement is fully integrated in the child's educational experience and supports the whole child and is both [~~culturally~~] responsive to a variety of backgrounds and linguistically appropriate.

(2) The family engagement plan shall:

(A) facilitate family-to-family support using strategies such as:

(i) creating a safe and respectful environment where families can learn from each other as individuals and in groups;

(ii) inviting former program participants, including families and community volunteers, to share their education and career experiences with current families; and

(iii) ensuring opportunities for continuous participation in events designed for families by families such as training on family leadership;

(B) establish a network of community resources using strategies such as:

(i) building strategic partnerships;

(ii) leveraging community resources;

(iii) monitoring and evaluating policies and practices to stimulate innovation and create learning pathways;

(iv) establishing and maintaining partnerships with businesses, faith-based organizations, and community agencies;

(v) identifying support from various agencies, including mental and physical health providers;

(vi) partnering with local community-based organizations and early learning programs to create a family-friendly transition plan for students arriving from early childhood settings;

(vii) providing and facilitating referrals to family support or educational groups based on family interests and needs;

(viii) communicating short- and long-term program goals to all stakeholders; and

(ix) identifying partners to provide translators and [~~culturally~~] relevant resources reflective of the home language;

(C) increase family participation in decision making using strategies such as:

(i) developing and supporting a family advisory council;

(ii) developing, adopting, and implementing identified goals within the annual campus/school improvement plan targeting family engagement;

(iii) developing and supporting leadership skills for family members and providing opportunities for families to advocate for their children/families;

(iv) collaborating with families to develop strategies to solve problems and serve as problem solvers;

(v) engaging families in shaping program activities and cultivating the expectation that information must flow in both directions to reflect two-way communication;

(vi) developing, in collaboration with families, clearly defined goals, outcomes, timelines, and strategies for assessing progress;

(vii) providing each family with an opportunity to review and provide input on program practices, policies, communications, and events in order to ensure the program is responsive to the needs of families; and

(viii) using appropriate tools such as surveys or focus groups to gather family feedback on the family engagement plan;

(D) equip families with tools to enhance and extend learning using strategies such as:

(i) providing families with updates at least three times a year that specify student progress in health and wellness, language and communication, emergent literacy reading, emergent literacy writing, and mathematics;

(ii) designing or implementing existing home educational resources to support learning at home while strengthening the family/school partnership;

(iii) providing families with information and/or training on creating a home learning environment connected to formal learning opportunities;

(iv) equipping families with resources and skills to support their children through the transition to school and offering opportunities for families and children to participate in parent/child learning sessions and visit the school in advance of the prekindergarten school year;

(v) providing complementary home learning activities for families to engage in at home with children through information presented in newsletters, online technology, social media, parent/family-teacher conferences, or other school- or center-related events;

(vi) providing families with information, best practices, and training related to age-appropriate developmental expectations;

(vii) emphasizing benefits of positive family practices such as attachment and nurturing that complement the stages of children's development;

(viii) collaborating with families to appropriately respond to children's behavior in a non-punitive, positive, and supportive way;

(ix) encouraging families to reflect on family experiences and practices in helping children; and

(x) assisting families to implement best practices that will help achieve the goals and objectives identified to meet the needs of the child and family;

(E) develop staff skills in evidence-based practices that support families in meeting their children's learning benchmarks using strategies such as:

(i) providing essential professional development for educators in understanding communication and engagement with families, including training on communicating with families in crisis;

(ii) promoting and developing family engagement as a core strategy to improve teaching and learning among all educators and staff; and

(iii) developing staff skills to support and use a variety of [~~culturally diverse, culturally~~] relevant [,] and [~~culturally~~] responsive family engagement strategies; and

(F) evaluate family engagement efforts and use evaluations for continuous improvement using strategies such as:

(i) conducting goal-oriented home visits to identify strengths, interests, and needs;

(ii) developing data collection systems to monitor family engagement and focusing on engagement of families from specific populations to narrow the achievement gap;

(iii) using data to ensure alignment between family engagement activities and district/school teaching and learning goals and to promote continuous family engagement;

(iv) ensuring an evaluation plan is an initial component that guides action;

(v) using a cyclical process to ensure evaluation results are used for continuous improvement and adjustment; and

(vi) ensuring teachers play a role in the family engagement evaluation process.

(i) In a format prescribed by TEA, a school district or an open-enrollment charter school shall:

(1) report the curriculum used in the high-quality prekindergarten program classes as required by subsection (b) of this section;

(2) report a description and the beginning- and end-of-year results of each commissioner-approved prekindergarten instrument used in the high-quality prekindergarten program classes as required by subsection (c) of this section;

(3) report:

(A) a description of each commissioner-approved multidimensional kindergarten readiness instrument used in the district or charter school to measure the effectiveness of the district's or charter school's high-quality prekindergarten program classes as required by subsection (c) of this section; and

(B) the results for at least 95% of the district's or charter school's kindergarten students on the commissioner-approved multidimensional kindergarten readiness instrument by the end of the TEA-determined assessment collection window;

(4) report additional teacher qualifications described in subsection (d) of this section;

(5) report the family engagement plan URL/website link described in subsection (h) of this section; and

(6) report the prekindergarten program evaluation type.

(j) A school district or an open-enrollment charter school shall:

(1) select and implement appropriate methods for evaluating the district's or charter school's high-quality prekindergarten program by using data from a student progress monitoring instrument from the commissioner's list of approved prekindergarten instruments;

(2) make data from the results of program evaluations available to parents; and

(3) plan for data-driven program improvements annually by using information from the district's or charter school's program evaluation to ensure the district's or charter school's prekindergarten program is meeting all high-quality prekindergarten indicators.

(k) A school district or an open-enrollment charter school must attempt to maintain an average ratio in any prekindergarten program class of not less than one qualified teacher or teacher's aide for every 11 students.

(l) A school district or an open-enrollment charter school shall maintain locally and provide at TEA's request the necessary documentation to ensure fidelity of high-quality prekindergarten program implementation.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 21, 2025.

TRD-202504294
Cristina De La Fuente Valadez
Director, Rulemaking
Texas Education Agency
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 475-1497

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TITLE 22. EXAMINING BOARDS

PART 8. TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

CHAPTER 153. RULES RELATING TO PROVISIONS OF THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT

22 TAC §§153.13, 153.21, 153.40

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §153.13, Education Required for Licensing, §153.21, Appraiser Trainees and Supervisory Appraisers, and §153.40, Approval of Continuing Education Providers and Courses.

The proposed amendments to §153.13 clarify courses that are acceptable by the Board to satisfy the education requirements for licensure. The proposed amendments to §153.21 clarify requirements related to supervisory appraisers and appraiser trainees, specifically, the amendments eliminate the requirement that the Appraiser Trainee/Supervisory Appraiser course be retaken by trainees and supervisory appraisers every four years, and that the course must be taken by an applicant prior to obtaining a trainee license. The proposed amendments to §156.40 clarify requirements related to the duration of approval of Board approved courses and approval requirements for providers.

Kathleen Santos, General Counsel, has determined that for the first five-year period the proposed new rule is in effect there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no adverse economic effect anticipated for small businesses, micro-businesses, rural communities, or local or state employment as a result of implementing the proposed new rule. There is no significant economic cost anticipated for persons who are required to comply with the proposed new rule. Accordingly, no Economic Impact Statement or Regulatory Flexibility Analysis is required.

Ms. Santos also has determined that for each year of the first five years the section as proposed is in effect, the public benefit anticipated as a result of enforcing the section will be greater accuracy and clarity in the rules.

Except as otherwise provided, for each year of the first five years the proposed new rule is in effect, the rule will not:

create or eliminate a government program;

require the creation of new employee positions or the elimination of existing employee positions;

require an increase or decrease in future legislative appropriations to the agency;

require an increase or decrease in fees paid to the agency;

expand, limit or repeal an existing regulation;

increase or decrease the number of individuals subject to the rule's applicability;

positively or adversely affect the state's economy.

The Board requests comments on the proposal, including information related to the cost, benefit, or effect of the proposal, including any applicable data, research, or analysis, from any person required to comply with the proposal or any other interested person, which may be submitted through the online comment submission form at https://www.talcb.texas.gov/agency-information/rules-and-laws/comment-on-proposed-rules, to Kathleen Santos, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or via email to general.counsel@talcb.texas.gov. The deadline for comments is 30 days after publication in the *Texas Register*.

The amendments are proposed under Texas Occupations Code §1103.151, which authorizes TALCB to adopt rules related certifying or licensing an appraiser or appraiser trainee and qualifying education and experience required for certifying or licensing an appraiser or appraiser trainee that are consistent with applicable federal law and guidelines recognized by the Appraiser Qualifications Board (AQB); §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB, and §1103.153, which authorizes TALCB to adopt rules relating to the requirements for approval of a provider or course for qualifying or continuing education.

The statute affected by these amendments is Chapter 1103, Texas Occupations Code. No other statute, code or article is affected by the proposed amendments.

§153.13. Education Required for Licensing.

(a) Applicants for a license must meet all educational requirements established by the AQB.

(b) The Board may accept a course of study to satisfy educational requirements for licensing established by the Act or by this section if the Board or the AQB has approved the course and determined it to be a course related to real estate appraisal.

(c) The Board will approve courses for licensing upon a determination of the Board that:

(1) the subject matter of the course was appraisal related;

(2) the course was offered by an accredited college or university, or the course was approved by the AQB under its Real Estate Degree Review Program or its course approval process as a qualifying education course;

(3) the applicant obtained credit received in a classroom presentation the hours of instruction for which credit was given and successfully completed a final examination for course credit except as specified in subsection (i) of this section (relating to distance education); and

(4) unless the AQB allows for a different duration, the course was at least 15 classroom hours in duration, including time devoted to examinations that are considered to be part of the course.

(d) The Board may require an applicant to furnish materials such as course outlines, syllabi, course descriptions or official transcripts to verify course content or credit.

(e) Course providers may obtain prior approval of a course by using a process acceptable to the Board and submitting a letter indicating that the course has been approved by the AQB under its course approval process. Approval of a course based on AQB approval expires on the date the AQB approval expires and is automatically revoked upon revocation of the AQB approval.

(f) If the transcript reflects the actual hours of instruction the student received from an acceptable provider, the Board will accept classroom hour units of instruction as shown on the transcript or other document evidencing course credit. Fifteen classroom hours of credit may be awarded for one academic semester hour of credit.

(g) Distance education courses may be acceptable to meet the classroom hour requirement, or its equivalent, provided that the course is approved by the Board, that a minimum time equal to the number of hours of credit elapses from the date of course enrollment until its completion, and that the course meets the criteria listed in paragraph (1) or (2) of this subsection.

(1) The course must have been presented by an accredited college or university that offers distance education programs in other disciplines; and

(A) the person has successfully completed a written examination administered to the positively identified person at a location and proctored by an official approved by the college or university; and

(B) the content and length of the course must meet the requirements for real estate appraisal related courses established by this chapter and by the requirements for qualifying education established by the AQB and is equivalent to a minimum of 15 classroom hours, unless the AQB allows for a different duration.

(2) The course has received approval for academic credit or has been approved under the AQB Course Approval program; and

(A) the person successfully completes a written examination proctored by an official approved by the presenting entity;

(B) the course meets the requirements for qualifying education established by the AQB; and

(C) is equivalent to a minimum of fifteen classroom hours, unless the AQB allows for a different duration.

(h) "In-house" education and training is not acceptable for meeting the educational requirements for licensure.

(i) To meet the USPAP educational requirements, a course must:

(1) utilize the "National Uniform Standards of Professional Appraisal Practice (USPAP) Course" promulgated by the Appraisal Foundation, including the Student Manual and Instructor Manual; or

(2) be an equivalent USPAP course as determined by the AQB that:

(A) is devoted to the USPAP with a minimum of 15 classroom hours of instruction;

(B) uses the current edition of the USPAP promulgated by the ASB; and

(C) provides each student with his or her own permanent copy of the current edition of the USPAP promulgated by the ASB.

(j) Unless authorized by law, neither current members of the Board nor those Board staff engaged in the approval of courses or educational qualifications of applicants or license holders shall be eligible to teach or guest lecture as part of an education course approved for licensing.

(k) If the Board determines that a course no longer complies with the requirements for approval, it may suspend or revoke the approval. Proceedings to suspend or revoke approval of a course shall be conducted in accordance with the Board's disciplinary provisions for licenses.

§153.21. Appraiser Trainees and Supervisory Appraisers.

(a) Supervision of appraiser trainees required.

(1) An appraiser trainee may perform appraisals or appraiser services only under the active, personal and diligent direction and supervision of a supervisory appraiser.

(2) An appraiser trainee may be supervised by more than one supervisory appraiser.

(3) Number of Appraiser Trainees Supervised.

(A) Supervisory appraisers may supervise no more than three appraiser trainees at one time unless the requirements in subsection (a)(3)(B) of this section, are met;

(B) Supervisory appraisers may supervise up to five appraiser trainees at one time if:

(i) the supervisory appraiser has been licensed as a certified appraiser for more than five years;

(ii) the supervisory appraiser submits an application and a trainee supervision plan using a process acceptable to the Board, subject to approval by the Board. The supervision plan must include the supervisory appraiser's plan for progress monitoring of the trainees and detail how the supervisor intends to ensure active, personal, and diligent supervision of each trainee; and

(iii) the supervisory appraiser shall prepare and maintain regular trainee progress reports and make them available to the Board upon request until the trainee becomes certified or licensed or after two years have lapsed since supervising the trainee.

(4) A supervisory appraiser may be added during the term of an appraiser trainee's license if:

(A) The supervisory appraiser and appraiser trainee have provided proof to the Board of completion of an approved Appraiser Trainee/Supervisory Appraiser course using a process acceptable to the Board;

(B) an application to supervise has been received and approved by the Board; and

(C) the applicable fee has been paid.

(5) A licensed appraiser trainee who signs an appraisal report must include his or her license number and the word "Trainee" as part of the appraiser trainee's signature in the report.

(b) Eligibility requirements for appraiser trainee supervision.

(1) To be eligible to supervise an appraiser trainee, a certified appraiser must:

(A) be in good standing and not have had, within the last three years, disciplinary action affecting the certified appraiser's legal eligibility to engage in appraisal practice in any state including suspension, revocation, and surrender in lieu of discipline;

(B) complete an approved Appraiser Trainee/Supervisory Appraiser course. Completion of this course as a trainee or for the purpose of eligibility for a trainee license does not satisfy this requirement; and

(C) submit proof of course completion to the Board using a process acceptable to the Board.

(2) Before supervising an appraiser trainee, the supervisory appraiser must notify the appraiser trainee in writing of any disciplinary action taken against the supervisory appraiser within the last three years that did not affect the supervisory appraiser's eligibility to engage in appraisal practice.

(3) An application to supervise must be received and approved by the Board before supervision begins.

~~[(c) Maintaining eligibility to supervise appraiser trainees.]~~

~~[(1) A supervisory appraiser who wishes to continue to supervise appraiser trainees upon renewal of his/her license must complete an approved Appraiser Trainee/Supervisory Appraiser course within four years before the expiration date of the supervisory appraiser's current license and provide proof of completion to the Board using a process acceptable to the Board.]~~

~~[(2) If a supervisory appraiser has not provided proof of course completion at the time of renewal, but has met all other requirements for renewing the license the supervisory appraiser will no longer be eligible to supervise appraiser trainees; and the Board will take the following actions:]~~

~~[(A) the supervisory appraiser's license will be renewed on active status; and]~~

~~[(B) the license of any appraiser trainees supervised solely by that supervisory appraiser will be placed on inactive status.]~~

~~[(3) A certified appraiser may restore eligibility to supervise appraiser trainees by:]~~

~~[(A) completing the course required by this section; and]~~

~~[(B) submitting proof of course completion to the Board using a process acceptable to the Board.]~~

~~[(4) The supervisory appraiser's supervision of previously supervised appraiser trainees may be reinstated by:]~~

~~[(A) submitting a request using a process acceptable to the Board; and]~~

~~[(B) payment of any applicable fees.]~~

(c) ~~[(d)]~~ Maintaining eligibility to act as an appraiser trainee.

(1) Appraiser trainees must maintain an appraisal log and appraisal experience certifications using a process acceptable to the Board, for the license period being renewed. It is the responsibility of both the appraiser trainee and the supervisory appraiser to ensure the appraisal log is accurate, complete and signed by both parties at least quarterly or upon change in supervisory appraiser. The appraiser trainee will promptly provide copies of the experience logs and certifications to the Board upon request.

(2) An appraiser trainee must complete an approved Appraiser Trainee/Supervisory Appraiser course prior to obtaining a trainee [~~within four years before the expiration date of the appraiser trainee's current~~] license and provide proof of completion to the Board.

[~~(3) If an appraiser trainee has not provided proof of course completion at the time of renewal using a process acceptable to the Board, but has met all other requirements for renewing the license:~~]

[~~(A) the Board will renew the appraiser trainee's license on inactive status;~~]

[~~(B) the appraiser trainee will no longer be eligible to perform appraisals or appraisal services; and~~]

[~~(C) the appraiser trainee's relationship with any supervisory appraiser will be terminated.~~]

[~~(4) An appraiser trainee may return the appraiser trainee's license to active status by:~~]

[~~(A) completing the course required by this section;~~]

[~~(B) submitting proof of course completion to the Board using a process acceptable to the Board;~~]

[~~(C) submitting an application to return to active status, including an application to add a supervisory appraiser using a process acceptable to the Board; and~~]

[~~(D) paying any required fees.~~]

(d) [~~(c)~~] Duties of the supervisory appraiser.

(1) Supervisory appraisers are responsible to the public and to the Board for the conduct of the appraiser trainee under the Act.

(2) The supervisory appraiser assumes all the duties, responsibilities, and obligations of a supervisory appraiser as specified in these rules and must diligently supervise the appraiser trainee. Diligent supervision includes, but is not limited to, the following:

(A) direct supervision and training as necessary;

(B) ongoing training and supervision as necessary after the supervisory appraiser determines that the appraiser trainee no longer requires direct supervision;

(C) communication with and accessibility to the appraiser trainee; and

(D) review and quality control of the appraiser trainee's work.

(3) Supervisory appraisers must approve and sign the appraiser trainee's appraisal log at least quarterly and provide appraiser trainees with access to any appraisals and work files completed under the supervisory appraiser.

(4) After notice and hearing, the Board may reprimand a supervisory appraiser or may suspend or revoke a supervisory appraiser's license based on conduct by the appraiser trainee constituting a violation of the Act or Board rules.

(e) [~~(d)~~] Termination of supervision.

(1) Supervision may be terminated by the supervisory appraiser or the appraiser trainee.

(2) If supervision is terminated, the terminating party must:

(A) immediately notify the Board using a process acceptable to the Board; and

(B) notify the non-terminating party in writing no later than the 10th day after the date of termination; and

(C) pay any applicable fees no later than the 10th day after the date of termination.

(3) If an appraiser trainee is no longer under the supervision of a supervisory appraiser:

(A) the appraiser trainee may no longer perform the duties of an appraiser trainee; and

(B) is not eligible to perform those duties until:

(i) an application to supervise the trainee has been filed using a process acceptable to the Board;

(ii) any required fees have been paid; and

(iii) the Board has approved the application.

(f) [~~(g)~~] Course approval.

(1) To obtain Board approval of an Appraiser Trainee/Supervisory Appraiser course, a course provider must submit an application using a process acceptable to the Board.

(2) Approval of an Appraiser Trainee/Supervisory Appraiser course shall expire two years from the date of Board approval.

(3) An Appraiser Trainee/Supervisory Appraiser course may be delivered through:

(A) classroom delivery; or

(B) synchronous, asynchronous or hybrid distance education delivery. The course design and delivery mechanism for asynchronous distance education courses, including the asynchronous portion of hybrid courses must be approved by an AQB approved organization.

(g) [~~(h)~~] ACE credit.

(1) Supervisory appraisers who complete the Appraiser Trainee/Supervisory Appraiser course may receive ACE credit for the course.

(2) Appraiser Trainees may not receive qualifying or ACE credit for completing the Appraiser Trainee/Supervisory Appraiser course.

§153.40. Approval of Continuing Education Providers and Courses.

(a) Definitions. The following words and terms shall have the following meanings in this section, unless the context clearly indicates otherwise.

(1) Applicant--A person seeking accreditation or approval to be an appraiser continuing education (ACE) provider.

(2) ACE course--Any education course for which continuing education credit may be granted by the Board to a license holder.

(3) ACE provider--Any person approved by the Board; or specifically exempt by the Act, Chapter 1103, Texas Occupation Code, or Board rule; that offers a course for which continuing education credit may be granted by the Board to a license holder.

(4) Distance education course--A course offered in accordance with AQB criteria in which the instructor and students are geographically separated as defined by the AQB. Distance education includes synchronous delivery, when the instructor and student interact simultaneously online; asynchronous delivery, when the instructor and student interaction is non-simultaneous; and hybrid or blended course delivery that allows for both in-person and online interaction, either synchronous or asynchronous.

(5) Severe weather--Weather [~~weather~~] conditions, including but not limited to severe thunderstorms, tornados, hurricanes, snow

and ice, that pose risks to life or property and require intervention by government authorities and office or school closures.

(b) Approval of ACE Providers.

(1) A person seeking to offer ACE courses must:

(A) file an application using a process acceptable to the Board, with all required documentation;

(B) pay the required fees under §153.5 of this title; and

(C) maintain a fixed office in the state of Texas or designate a resident of this state as attorney-in-fact to accept service of process and act as custodian of any records in Texas which the continuing education provider is required to maintain by this subchapter.

(2) The Board may:

(A) request additional information be provided to the Board relating to an application; and

(B) terminate an application without further notice if the applicant fails to provide the additional information within 60 days from the Board's request.

(3) Exempt Providers. A unit of federal, state or local government may submit ACE course approvals without becoming an approved ACE provider.

(4) Standards for approval. To be approved by the Board to offer ACE courses, an applicant must satisfy the Board as to the applicant's ability to administer courses with competency, honesty, trustworthiness and integrity. If an applicant proposes to employ another person to manage the operation of the applicant, that person must meet this standard as if that person were the applicant.

(5) Approval notice. An applicant shall not act as or represent itself to be an approved ACE provider until the applicant has received written notice of the approval from the Board.

(6) Period of initial approval. The initial approval of a CE provider is valid for two years.

(7) Disapproval.

(A) If the Board determines that an applicant does not meet the standards for approval, the Board will provide written notice of disapproval to the applicant.

(B) The disapproval notice, applicant's request for a hearing on the disapproval, and any hearing are governed by the Administrative Procedure Act, Chapter 2001, Government Code, and Chapter 157 of this title. Venue for any hearing conducted under this section shall be in Travis County.

(8) Renewal.

(A) Not earlier than 90 days before the expiration of its current approval, an approved provider may apply for renewal for another two year period.

(B) Approval or disapproval of a renewal application shall be subject to the standards for initial applications for approval set out in this section.

(C) The Board may deny an application for renewal if the provider is in violation of a Board order.

(c) Application for approval of ACE courses. This subsection applies to appraiser education providers seeking to offer ACE courses.

(1) An applicant under this subsection must be approved by the Board as an ACE Provider.

(2) [~~(1)~~] For each ACE course an applicant intends to offer, the applicant must:

(A) file an application using a process acceptable to the Board, with all required documentation; and

(B) pay the fees required by §153.5 of this title.

(3) [~~(2)~~] An ACE provider may file a single application for an ACE course offered through multiple delivery methods.

(4) [~~(3)~~] An ACE provider who seeks approval of a new delivery method for a currently approved ACE course must submit a new application and pay all required fees.

(5) [~~(4)~~] The Board may:

(A) request additional information be provided to the Board relating to an application; and

(B) terminate an application without further notice if the applicant fails to provide the additional information within 60 days from the Board's request.

(6) [~~(5)~~] Standards for ACE course approval.

(A) To be approved as an ACE course by the Board, the course must:

(i) cover subject matter appropriate for appraiser continuing education as defined by the AQB;

(ii) submit a statement describing the objective of the course and the acceptable AQB topics covered;

(iii) be current and accurate; and

(iv) be at least two hours long.

(B) The course must be presented in full hourly units.

(C) The course must be delivered by one of the following delivery methods:

(i) classroom delivery; or

(ii) distance education.

(D) The course design and delivery mechanism for asynchronous distance education courses, including the asynchronous portion of hybrid courses must be approved by an AQB approved organization.

(7) [~~(6)~~] Approval notice.

[~~(A)~~] An ACE provider cannot offer or advertise that an ACE course is approved until the provider has received written notice of the approval from the Board.

(8) Period of Approval. Subject to subsection (c)(9) and (e)(3), an

[~~(B)~~] [~~An~~] ACE course expires two years from the date of approval. ACE providers must reapply and meet all current requirements of this section to offer the course for another two years.

(9) ACE course approval is automatically rescinded upon expiration of the ACE provider's approval.

(d) Approval of currently approved ACE course for a secondary provider.

(1) If an ACE provider wants to offer an ACE course currently approved for another provider, the secondary provider must:

(A) file an application using a process acceptable to the Board, with all required documentation;

(B) submit written authorization to the Board from the author or provider for whom the course was initially approved granting permission for the secondary provider to offer the course; and

(C) pay the fees required by §153.5 of this title.

(2) If approved to offer the currently approved course, the secondary provider must:

(A) offer the course as originally approved;

(B) assume the original expiration date;

(C) include any approved revisions;

(D) use all materials required for the course; and

(E) meet the requirements of subsection (j) of this section.

(e) Approval of ACE courses currently approved by the AQB or another state appraiser regulatory agency.

(1) To obtain Board approval of an ACE course currently approved by the AQB or another state appraiser regulatory agency, an ACE provider must:

(A) be currently approved by the Board as an ACE provider;

(B) file an application using a process acceptable to the Board, with all required documentation; and

(C) pay the course approval fee required by §153.5 of this title.

(2) If approved to offer the ACE course, the ACE provider must offer the course as approved by the AQB or other state appraiser regulatory agency, using all materials required for the course.

(3) Any course approval issued under this subsection expires the earlier of two years from the date of Board approval or the remaining term of approval granted by the AQB or other state appraiser regulatory agency.

(f) Approval of ACE courses for an [~~a 2-hour~~] in-person one-time offering.

(1) To obtain Board approval of an [~~a 2-hour~~] ACE course for an in-person one-time offering, an ACE provider must:

(A) be currently approved by the Board as an ACE provider;

(B) file an application using a process acceptable to the Board, with all required documentation; and

(C) pay the [~~one-time offering~~] course approval fee required by §153.5 of this title.

(2) Any course approved under this subsection is limited to the scheduled presentation date stated on the written notice of course approval issued by the Board.

(3) If a course approved under this subsection must be rescheduled due to circumstances beyond the provider's control, including severe weather or instructor illness, the Board may approve the revised course date if the provider:

(A) submits a request for revised course date using a process acceptable to the Board; and

(B) offers the course on the revised date in the same manner as it was originally approved.

(g) Application for approval to offer a 7-Hour National USPAP Update course or 7-Hour National USPAP Continuing Education course.

(1) To obtain approval to offer a 7-Hour National USPAP Update course or 7-Hour National USPAP Continuing Education course, the provider must:

(A) be approved by the Board as an ACE provider;

(B) file an application using a process acceptable to the Board, with all required documentation;

(C) submit written documentation to the Board demonstrating that the course and instructor are currently approved by the AQB;

(D) pay the course approval fee required by §153.5 of this title;

(E) use the current version of the USPAP; and

(F) ensure each student has access to his or her own electronic or paper copy of the current version of USPAP.

(2) Approved ACE providers of the 7-Hour National USPAP Update course or 7-Hour National USPAP Continuing Education course may include up to one additional classroom credit hour of supplemental Texas specific information. This may include topics such as the Act, Board rules, processes and procedures, enforcement issues or other topics deemed appropriate by the Board.

(h) Application for ACE course approval for a presentation by current Board members or staff. As authorized by law, current members of the Board and Board staff may teach or guest lecture as part of an approved ACE course. To obtain ACE course approval for a presentation by a Board member or staff, the provider must:

(1) file an application using a process acceptable to the Board, with all required documentation; and

(2) pay the fees required by §153.5 of this title.

(i) Responsibilities and Operations of ACE providers.

(1) ACE course examinations or course mechanism to demonstrate knowledge of the subject matter:

(A) are required for ACE distance education courses; and

(B) must comply with AQB requirements.

(2) Course evaluations. A provider shall provide each student enrolled in an ACE course a course evaluation form approved by the Board and a link to an online version of the evaluation form that a student may complete and submit to the provider after course completion.

(3) Course completion rosters.

(A) Classroom courses. Upon successful completion of an ACE classroom course, a provider shall submit to the Board a course completion roster in a format approved by the Board no later than the 10th day after the date a course is completed. The roster shall include:

(i) the provider's name and license number;

(ii) the instructor's name;

(iii) the course title;

(iv) the course approval number;

(v) the number of credit hours;

(vi) the date of issuance; and

(vii) the date the student started and completed the course.

(B) Distance education courses. A provider shall maintain a Distance Education Reporting Form and submit information contained in that form using a process acceptable to the Board for each student completing the course not earlier than the number of hours for course credit after a student starts the course and not later than the 10th day after the student completes the course.

(4) An ACE provider may withhold any official course completion documentation required by this subsection from a student until the student has fulfilled all financial obligations to the provider.

(5) Security and Maintenance of Records.

(A) An ACE provider shall maintain:

(i) adequate security against forgery for official completion documentation required by this subsection;

(ii) records of each student enrolled in a course for a minimum of four years following completion of the course, including course and instructor evaluations and student enrollment agreements; and

(iii) any comments made by the provider's management relevant to instructor or course evaluations with the provider's records.

(B) All records may be maintained electronically but must be in a common format that is legible and easily printed or viewed without additional manipulation or special software.

(C) Upon request, an ACE provider shall produce instructor and course evaluation forms for inspection by Board staff.

(6) Changes in Ownership or Operation of an approved ACE provider.

(A) An approved ACE provider shall notify [~~obtain approval of~~] the Board within [~~at least~~] 30 days [~~in advance~~] of any material change in the operation of the provider, including but not limited to changes in:

(i) ownership;

(ii) management; and

(iii) the location of main office and any other locations where courses are offered.

(B) An approved provider shall submit notice [~~requesting approval~~] of a change in ownership [~~shall submit a request~~] using a process acceptable to the Board for each [~~proposed~~] new owner who would holds [~~hold~~] at least a 10% interest in the provider.

(j) Non-compliance.

(1) If the Board determines that an ACE course or provider no longer complies with the requirements for approval, the Board may suspend or revoke approval for the ACE course or provider.

(2) Proceedings to suspend or revoke approval of an ACE course or provider shall be conducted in accordance with §153.41 of this title.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 17, 2025.

TRD-202504185
Kathleen Santos
General Counsel
Texas Appraiser Licensing and Certification Board
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 936-3088

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PART 34. TEXAS STATE BOARD OF SOCIAL WORKER EXAMINERS

CHAPTER 781. SOCIAL WORKER LICENSURE

SUBCHAPTER A. GENERAL PROVISIONS

22 TAC §781.102

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.102, relating to Definitions.

Overview and Explanation of the Proposed Rule. The proposed amendment will update language related to supervisors to remove terminology that suggests the Council approves individual supervision relationships and to align with changes proposed in other rules.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.102. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Accredited colleges or universities--An educational institution that is accredited by an accrediting agency recognized by the Council for Higher Education Accreditation, the Texas Higher Education Coordinating Board, or the United States Department of Education.

(2) Act--The Social Work Practice Act, Texas Occupations Code, Chapter 505, concerning the licensure and regulation of social workers.

(3) Agency--A public or private employer, contractor or business entity providing social work services.

(4) Assessment--An ongoing process of gathering information about and reaching an understanding of the client or client group's characteristics, perceived concerns and real problems, strengths and weaknesses, and opportunities and constraints; assessment may involve administering, scoring and interpreting instruments designed to measure factors about the client or client group.

(5) Association of Social Work Boards (ASWB)--The international organization which represents regulatory boards of social work and administers the national examinations utilized in the assessment for licensure.

(6) Board--Texas State Board of Social Worker Examiners.

(7) Case record--Any information related to a client and the services provided to that client, however recorded and stored.

(8) Client--An individual, family, couple, group or organization that receives social work services from a person identified as a social worker who is licensed by the Council.

(9) Clinical social work--A specialty within the practice of master social work that requires applying social work theory, knowledge, methods, ethics, and the professional use of self to restore or enhance social, psychosocial, or bio-psychosocial functioning of individuals, couples, families, groups, and/or persons who are adversely affected by social or psychosocial stress or health impairment. Clinical social work practice involves using specialized clinical knowledge and advanced clinical skills to assess, diagnose, and treat mental, emo-

tional, and behavioral disorders, conditions and addictions, including severe mental illness and serious emotional disturbances in adults, adolescents and children. Treatment methods may include, but are not limited to, providing individual, marital, couple, family, and group psychotherapy. Clinical social workers are qualified and authorized to use the Diagnostic and Statistical Manual of Mental Disorders (DSM), the International Classification of Diseases (ICD), Current Procedural Terminology (CPT) codes, and other diagnostic classification systems in assessment, diagnosis, and other practice activities. The practice of clinical social work is restricted to either a Licensed Clinical Social Worker, or a Licensed Master Social Worker under clinical supervision in employment or under a clinical supervision plan.

(10) Confidential information--Individually identifiable information relating to a client, including the client's identity, demographic information, physical or mental health condition, the services the client received, and payment for past, present, or future services the client received or will receive. Confidentiality is limited in cases where the law requires mandated reporting, where third persons have legal rights to the information, and where clients grant permission to share confidential information.

(11) Conditions of exchange--Setting reimbursement rates or fee structures, as well as business rules or policies involving issues such as setting and cancelling appointments, maintaining office hours, and managing insurance claims.

(12) Counseling, clinical--The use of clinical social work to assist individuals, couples, families or groups in learning to solve problems and make decisions about personal, health, social, educational, vocational, financial, and other interpersonal concerns.

(13) Counseling, supportive--The methods used to help individuals create and maintain adaptive patterns. Such methods may include, but are not limited to, building community resources and networks, linking clients with services and resources, educating clients and informing the public, helping clients identify and build strengths, leading community groups, and providing reassurance and support.

(14) Council--The [~~the~~] Texas Behavioral Health Executive Council.

(15) Consultation--Providing advice, opinions and conferring with other professionals regarding social work practice.

(16) Continuing education--Education or training aimed at maintaining, improving, or enhancing social work practice.

(17) Council on Social Work Education (CSWE)--The national organization that accredits social work education schools and programs.

(18) Direct practice--Providing social work services through personal contact and immediate influence to help clients achieve goals.

(19) Dual or multiple relationship--A relationship that occurs when social workers interact with clients in more than one capacity, whether it be before, during, or after the professional, social, or business relationship. Dual or multiple relationships can occur simultaneously or consecutively.

(20) Electronic practice--Interactive social work practice that is aided by or achieved through technological methods, such as the web, the Internet, social media, electronic chat groups, interactive TV, list serves, cell phones, telephones, faxes, and other emerging technology.

(21) Examination--A standardized test or examination, approved by the Council, which measures an individual's social work knowledge, skills and abilities.

(22) Equivalent or substantially equivalent-- [-]a licensing standard or requirement for an out-of-state license that is equal to or greater than a Texas licensure requirement shall be deemed equivalent or substantially equivalent.

(23) Executive Director-- [-]the executive director for the Texas Behavioral Health Executive Council. The executive director may delegate responsibilities to other staff members.

(24) Exploitation--Using a pattern, practice or scheme of conduct that can reasonably be construed as primarily meeting the licensee's needs or benefitting the licensee rather than being in the best interest of the client. Exploitation involves the professional taking advantage of the inherently unequal power differential between client and professional. Exploitation also includes behavior at the expense of another practitioner. Exploitation may involve financial, business, emotional, sexual, verbal, religious and/or relational forms.

(25) Field placement--A formal, supervised, planned, and evaluated experience in a professional setting under the auspices of a CSWE-accredited social work program and meeting CSWE standards.

(26) Fraud--A social worker's misrepresentation or omission about qualifications, services, finances, or related activities or information, or as defined by the Texas Penal Code or by other state or federal law.

(27) Full-time experience--Providing social work services thirty or more hours per week.

(28) Group supervision for licensure or for specialty recognition--Providing supervision to a minimum of two and a maximum of six supervisees in a designated supervision session.

(29) Health care professional--A licensee or any other person licensed, certified, or registered by the State of Texas in a health related profession.

(30) Impaired professional--A licensee whose ability to perform social work services is impaired by the licensee's physical health, mental health, or by medication, drugs or alcohol.

(31) Independent clinical practice--The practice of clinical social work in which the social worker, after having completed all requirements for clinical licensure, assumes responsibility and accountability for the nature and quality of client services, pro bono or in exchange for direct payment or third party reimbursement. Independent clinical social work occurs in independent settings.

(32) Independent non-clinical practice--The unsupervised practice of non-clinical social work outside of an organizational setting, in which the social worker, after having completed all requirements for independent non-clinical practice recognition, assumes responsibility and accountability for the nature and quality of client services, pro bono or in exchange for direct payment or third party reimbursement.

(33) Independent Practice Recognition--A specialty recognition related to unsupervised non-clinical social work at the LBSW or LMSW category of licensure, which denotes that the licensee has earned the specialty recognition, commonly called IPR, by successfully completing additional supervision which enhances skills in providing independent non-clinical social work.

(34) Individual supervision for licensure or specialty recognition--Supervision for professional development provided to one supervisee during the designated supervision session.

(35) LBSW--Licensed Baccalaureate Social Worker.

(36) LCSW--Licensed Clinical Social Worker.

(37) License--A regular or temporary Council-issued license, including LBSW, LMSW, and LCSW. Some licenses may carry an additional specialty recognition, such as LMSW-AP, LBSW-IPR, or LMSW-IPR.

(38) Licensee--A person licensed by the Council to practice social work.

(39) LMSW--Licensed Master Social Worker.

(40) LMSW-AP--Licensed Master Social Worker with the Advanced Practitioner specialty recognition for non-clinical practice. This specialty recognition will no longer be conferred after September 1, 2017. Licensees under a supervision plan for this specialty recognition before September 1, 2017 will be permitted to complete supervision and examination for this specialty recognition.

(41) Non-clinical social work--Professional social work which incorporates non-clinical work with individuals, families, groups, communities, and social systems which may involve locating resources, negotiating and advocating on behalf of clients or client groups, administering programs and agencies, community organizing, teaching, researching, providing employment or professional development non-clinical supervision, developing and analyzing policy, fund-raising, and other non-clinical activities.

(42) Person--An individual, corporation, partnership, or other legal entity.

(43) Psychotherapy--Treatment in which a qualified social worker uses a specialized, formal interaction with an individual, couple, family, or group by establishing and maintaining a therapeutic relationship to understand and intervene in intrapersonal, interpersonal and psychosocial dynamics; and to diagnose and treat mental, emotional, and behavioral disorders and addictions.

(44) Recognition--Authorization from the Council to engage in the independent or specialty practice of social work services.

(45) Rules--Provisions of this chapter specifying how the Council implements the Act-as well as Title 22, Chapters 881-885 of the Texas Administrative Code.

(46) Social work case management--Using a bio-psychosocial perspective to assess, evaluate, implement, monitor and advocate for services on behalf of and in collaboration with the identified client or client group.

(47) Social worker--A person licensed under the Act.

(48) Social work practice--Services which an employee, independent practitioner, consultant, or volunteer provides for compensation or pro bono to effect changes in human behavior, a person's emotional responses, interpersonal relationships, and the social conditions of individuals, families, groups, organizations, and communities. Social work practice is guided by specialized knowledge, acquired through formal social work education. Social workers specialize in understanding how humans develop and behave within social environments, and in using methods to enhance the functioning of individuals, families, groups, communities, and organizations. Social work practice involves the disciplined application of social work values, principles, and methods including, but not limited to, psychotherapy; marriage, family, and couples intervention; group therapy and group work; mediation; case management; supervision and administration of social work services and programs; counseling; assessment, diagnosis, treatment; policy analysis and development; research; advocacy for vulnerable groups; social work education; and evaluation.

(49) Supervisor[~~, Council-approved~~]--A person who holds a social work license with the Council and has received recognition of supervisor status to provide supervision in Texas. [~~meeting the requirements set out in §781.402 of this title (relating to Clinical Supervision for LCSW and Non-Clinical Supervision for Independent Practice Recognition), to supervise a licensee towards the LCSW, Independent Practice Recognition, or as a result of a Council order.~~] A Council-licensed [~~approved~~] supervisor will denote having this specialty recognition by placing a "-S" after their credential initials, e.g., LBSW-S, LMSW-S or LCSW-S.

(50) Supervision--Supervision includes:

(A) administrative or work-related supervision of an employee, contractor or volunteer that is not related to qualification for licensure, practice specialty recognition, a disciplinary order, or a condition of new or continued licensure;

(B) clinical supervision of a Licensed Master Social Worker in a setting in which the LMSW is providing clinical services; the supervision may be provided by a Licensed Professional Counselor, Licensed Psychologist, Licensed Marriage and Family Therapist, Licensed Clinical Social Worker or Psychiatrist. This supervision is not related to qualification for licensure, practice specialty recognition, a disciplinary order, or a condition of new or continued licensure;

(C) clinical supervision of a Licensed Master Social Worker, who is providing clinical services and is under a supervision plan to fulfill supervision requirements for achieving the LCSW; a Licensed Clinical Social Worker who is a Council-approved supervisor delivers this supervision;

(D) non-clinical supervision of a Licensed Master Social Worker or Licensed Baccalaureate Social Worker who is providing non-clinical social work service toward qualifications for independent non-clinical practice recognition; this supervision is delivered by a Council-approved supervisor; and

(E) Council-ordered supervision of a licensee by a Council-approved supervisor pursuant to a disciplinary order or as a condition of new or continued licensure.

(51) Supervision hour--A supervision hour is a minimum of 60 minutes in length.

(52) Termination--Ending social work services with a client.

(53) Waiver--The suspension of educational, professional, and/or examination requirements for applicants who meet the criteria for licensure under special conditions based on appeal to the Council.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

TRD-202504274
Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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SUBCHAPTER B. RULES OF PRACTICE

22 TAC §781.302

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.302, relating to The Practice of Social Work.

Overview and Explanation of the Proposed Rule. The proposed amendment will update rule references to clinical and non-clinical supervision plans, to align with other proposed rule changes.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.302. The Practice of Social Work.

(a) Practice of Baccalaureate Social Work--Applying social work theory, knowledge, methods, ethics and the professional use of self to restore or enhance social, psychosocial, or bio-psychosocial functioning of individuals, couples, families, groups, organizations and communities. Baccalaureate Social Work is generalist practice and may include interviewing, assessment, planning, intervention, evaluation, case management, mediation, counseling, supportive counseling, direct practice, information and referral, problem solving, supervision, consultation, education, advocacy, community organization, and policy and program development, implementation, and administration. An LBSW may only practice social work in an agency employment setting or under contract with an agency, unless under a non-clinical supervision plan per §781.406(c) [~~781.402(d)(1)~~] of this title.

(b) Practice of Independent Non-Clinical Baccalaureate Social Work--An LBSW recognized for independent practice, known as LBSW-IPR, may provide any non-clinical baccalaureate social work services in either an employment or an independent practice setting. An LBSW-IPR may work under contract, bill directly for services, and bill third parties for reimbursements for services. An LBSW-IPR must restrict his or her independent practice to providing non-clinical social work services.

(c) Practice of Master's Social Work--Applying social work theory, knowledge, methods and ethics and the professional use of self to restore or enhance social, psychosocial, or bio-psychosocial functioning of individuals, couples, families, groups, organizations and communities. Master's Social Work practice may include applying specialized knowledge and advanced practice skills in assessment, treatment, planning, implementation and evaluation, case management, mediation, counseling, supportive counseling, direct practice, information and referral, supervision, consultation, education, research, advocacy, community organization and developing, implementing and administering policies, programs and activities. An LMSW may engage in Baccalaureate Social Work practice. An LMSW may only practice social work in an agency employment setting or under contract with an agency, unless under a non-clinical supervision plan per §781.406(c) [~~781.402(d)(1)~~] of this title. An LMSW may practice clinical social work, as defined by subsection (f) of this section, in an agency employment setting or under contract with an agency if under clinical supervision per §781.402(a)(2) [~~781.404(a)(2)~~] of this title or under a clinical supervision plan with an LCSW supervisor per §781.402(a)(3) and §781.405(a) [~~781.404(a)(3)~~] of this title.

(d) Advanced Non-Clinical Practice of LMSWs--An LMSW recognized as an Advanced Practitioner (LMSW-AP) may provide any non-clinical social work services in either an employment or an independent practice setting. An LMSW-AP may work under contract, bill directly for services, and bill third parties for reimbursements for services. An LMSW-AP must restrict his or her practice to providing non-clinical social work services.

(e) Independent Practice for LMSWs--An LMSW recognized for independent practice may provide any non-clinical social work services in either an employment or an independent practice setting. This licensee is designated as LMSW-IPR. An LMSW-IPR may work under contract, bill directly for services, and bill third parties for reimbursements for services. An LMSW-IPR must restrict his or her independent practice to providing non-clinical social work services.

(f) Practice of Clinical Social Work--The practice of social work that requires applying social work theory, knowledge, methods, ethics, and the professional use of self to restore or enhance social, psychosocial, or bio-psychosocial functioning of individuals, couples, families, groups, and/or persons who are adversely affected by social or psychosocial stress or health impairment. The practice of clinical social work requires applying specialized clinical knowledge and advanced clinical skills in assessment, diagnosis, and treatment of mental, emotional, and behavioral disorders, conditions and addictions, including severe mental illness and serious emotional disturbances in adults, adolescents, and children. The clinical social worker may engage in Baccalaureate Social Work practice and Master's Social Work practice. Clinical treatment methods may include but are not limited to providing individual, marital, couple, family, and group therapy, mediation, counseling, supportive counseling, direct practice, and psychotherapy. Clinical social workers are qualified and authorized to use the Diagnostic and Statistical Manual of Mental Disorders (DSM), the International Classification of Diseases (ICD), Current Procedural Terminology (CPT) Codes, and other diagnostic classification systems in assessment, diagnosis, treatment and other practice activities. An LCSW may provide any clinical or non-clinical social work service or supervision in either an employment or independent practice setting. An LCSW may work under contract, bill directly for services, and bill third parties for service reimbursements.

(g) A licensee who is not recognized for independent practice and who is not under a non-clinical supervision plan must not engage in any independent practice that falls within the definition of social work practice in §781.102 of this title [(~~relating to Definitions~~)] unless the person is licensed in another profession and acting solely within the scope of that license. If the person is practicing professionally under another license, the person may not use the titles "licensed master social worker," "licensed social worker," or "licensed baccalaureate social worker," or any other title or initials that imply social work licensure.

(h) An LBSW or LMSW who is not recognized for independent practice may bill directly to patients or bill directly to third party payers if the LBSW or LMSW is under a formal supervision plan.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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22 TAC §781.303

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.303, relating to Rules of Practice.

Overview and Explanation of the Proposed Rule. The proposed amendment would require a licensee who provides services to a client who concurrently receives services from another provider to seek consent from the client to contact the other provider and to strive to establish a collaborative relationship with that provider. The amendment also clarifies a licensee must report any knowledge of unlicensed practice.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state

or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.303. General Standards of Practice.

This section establishes standards of professional conduct required of a social worker. The licensee, following applicable statutes:

(1) shall not knowingly offer or provide professional services to an individual concurrently receiving professional services from another mental health services provider except with that provider's knowledge. If a licensee learns of such concurrent professional services, the licensee must immediately request release from the client [~~shall take immediate and reasonable action~~] to inform the other mental health services provider and strive to establish a positive and collaborative professional relationship;

(2) shall terminate a professional relationship when it is reasonably clear that the client is not benefiting from the relationship. If continued professional services are indicated, the licensee shall take reasonable steps to facilitate transferring the client by providing the client with the name and contact information of three sources of service;

(3) shall not evaluate any individual's mental, emotional, or behavioral condition unless the licensee has personally interviewed the individual or the licensee discloses with the evaluation that the licensee has not personally interviewed the individual;

(4) shall not persistently or flagrantly over treat a client;

(5) shall not aid and abet the unlicensed practice of social work by a person required to be licensed under the Act and must report to the council knowledge of any unlicensed practice;

(6) shall not participate in any way in falsifying licensure applications or any other documents submitted to the Council;

(7) shall ensure that, both before services commence and as services progress, the client knows the licensee's qualifications and any intent to delegate service provision; any restrictions the Council has placed on the licensee's license; the limits on confidentiality and privacy; and applicable fees and payment arrangements;

(8) if the client must barter for services, shall [~~it is the professional's responsibility to~~] ensure that the client is in no way harmed. The value of the barter shall be agreed upon in advance and shall not exceed customary charges for the service or goods; and

(9) shall ensure that the client or a legally authorized person representing the client has signed a consent for services. A licensee shall obtain and keep a copy of the relevant portions of any court order, divorce decree, power of attorney, or letters of guardianship authorizing the individual to provide substitute consent on behalf of the minor or ward.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.322

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.322, relating to Child Custody Evaluations.

Overview and Explanation of the Proposed Rule. The proposed amendment will conform the rule to the statutory changes made to Sections 107.104 and 107.112 of the Family Code by H.B. 2340 from the 89th Legislature, Regular Session (2025).

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive

Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.322. Child Custody Evaluations.

(a) Licensees shall comply with Texas Family Code, Chapter 107, Subchapters D, E, and F, concerning Child Custody Evaluation, Adoption Evaluation, and Evaluations in Contested Adoptions.

(b) A licensee who has completed a doctoral degree and at least 10 court-ordered child custody evaluations under the supervision of an individual qualified by the Texas Family Code, Chapter 107 to perform child custody evaluations is qualified to conduct child custody evaluations under Texas Family Code, Chapter 107. All other licensees must comply with the qualification requirements stipulated in Texas Family Code, Chapter 107.

(1) In addition to the minimum qualifications set forth by this rule, an individual must complete at least eight hours of family violence dynamics training provided by a family violence service provider to be qualified to conduct child custody evaluations.

(2) In addition to the qualifications prescribed by this rule, to be qualified to conduct a child custody evaluation, an individual must complete, during the two-year period preceding the evaluation, at least three hours of initial or continuing training, as applicable, related to the care of a child with an intellectual disability or developmental disability, including education, therapy, preparation for independent living, or methods for addressing physical or mental health challenges.

(c) Any complaint relating to the outcome of a child custody evaluation or adoption evaluation conducted by a licensee must be reported to the court that ordered the evaluation, Council rule §884.3 of this title.

(d) Disclosure of confidential information in violation of Texas Family Code[,] §§107.111, 107.1111, or [§]107.163, or failure to redact any social security numbers or child's birth date from records subject to disclosure under 107.112 before making the records available, is grounds for disciplinary action, up to and including revocation of license, by the Council.

(e) A licensee who provides services concerning a matter which the licensee knows or should know will be utilized in a legal proceeding, such as a divorce, child custody determination, disability claim, or criminal prosecution, must comply with all applicable Council rules in this chapter regardless of whether the licensee is acting as a factual witness or an expert.

(f) A licensee may not provide therapy and any other type of service, including but not limited to a child custody evaluation or parenting facilitation, in the same case, whether such services are delivered sequentially or simultaneously.

(g) Licensees may not offer an expert opinion or recommendation relating to the conservatorship of or possession of or access to a child unless the licensee has conducted a child custody evaluation relating to the child under Texas Family Code, Chapter 107, Subchapter D.

(h) Prior to beginning [~~Licensees providing~~] child custody evaluations or adoption evaluations, licensees shall[~~, prior to beginning the evaluation, in writing~~] inform the parties in writing of:

(1) the limitations on confidentiality in the evaluation process; and

(2) the basis of fees and costs and the method of payment, including any fees associated with postponement, cancelation and/or nonappearance, and the parties' pro rata share of the fees and costs as determined by the court order or written agreement of the parties.

(i) A Licensed Baccalaureate Social Worker shall not conduct child custody evaluations or adoption evaluations unless qualified to provide such services by another professional license or otherwise by Texas Family Code, Chapter 107.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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SUBCHAPTER C. APPLICATION AND LICENSING

22 TAC §781.401

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.401, relating to Qualifications for Licensure.

Overview and Explanation of the Proposed Rule. The proposed amendments align the rule with statutory language and use more plain language to describe licensure requirements, including to replace the phrase "Council-approved supervisor" with the more accurate term "qualified supervisor." The amendments also remove language related to the independent practice recognition specialty, which is proposed to be included in a new rule.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may

not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.401. Qualifications for Licensure.

(a) [~~Licensure.~~] The following education and experience is required for licensure as designated. [~~If an applicant for a license has held a substantially equivalent license in good standing in another jurisdiction for one year immediately preceding the date of application, the applicant will be deemed to have met the experience requirement under this chapter.~~]

(1) Licensed Clinical Social Worker (LCSW).

(A) Has been conferred a doctoral or master's degree in social work from a Council on Social Work Education (CSWE)-[~~CSWE~~] accredited social work program, or a doctoral degree in social work from an accredited institution of higher learning acceptable to the Council.[~~, and has documentation in the form of a university transcript of successfully completing a field placement in social work.~~]

(B) Has documentation in the form of a university transcript of successfully completing a field placement in social work.

(C) [~~(B)~~] Has had 3000 hours of supervised professional clinical experience over a period of at least 24 months, or its equivalent if the experience was completed in another jurisdiction. Hours accrued in non-clinical settings may be used to satisfy the requirements of this rule if the applicant works at least 4 hours per week providing clinical social work as defined in §781.102 of this title.

(D) [~~(C)~~] Has had a minimum of 100 hours of supervision, over the course of the 3000 hours of supervised experience, with a qualified supervisor. [~~Council approved supervisor.~~] If the social worker completed supervision in another jurisdiction, the social worker shall have the supervision verified by the regulatory authority in the other jurisdiction. If such verification is impossible, the social worker may request that the Council accept alternate verification of supervision. If an applicant for a license has held a substantially equivalent license in good standing in another jurisdiction for one year immediately preceding the date of application, the applicant will be deemed to have met the experience requirement under this chapter.

(E) [~~(D)~~] Has passed the Clinical examination administered nationally by ASWB.

(2) Licensed Master Social Worker (LMSW).

(A) Has been conferred a doctoral or master's degree in social work from a social work program that is accredited by, or in candidacy for accreditation by, CSWE. [~~CSWE-accredited social work program, or a doctoral degree in social work from an accredited university acceptable to the Council, and has documentation in the form of a university transcript of successfully completing a field placement in social work.~~]

(B) Has documentation in the form of a university transcript of successfully completing a field placement in social work.

(C) [~~(B)~~] Has passed the Master's examination administered nationally by ASWB.

(3) Licensed Baccalaureate Social Worker (LBSW).

(A) Has been conferred a baccalaureate degree in social work from a social work program that is accredited by, or in candidacy for accreditation by CSWE. [~~CSWE accredited social work program.~~]

(B) Has passed the Bachelors examination administered nationally by ASWB.

[~~(b) Specialty Recognition. The following education and experience is required for Independent Non-clinical Practice specialty recognitions.~~]

[~~(1) Is currently licensed in the State of Texas as an LBSW or LMSW.~~]

[~~(2) While fully licensed as a social worker has had 3000 hours of supervised full-time social work experience over a minimum two-year period, or its equivalent if the experience was completed in another state. Supervised professional experience must comply with §781.404 of this title and all other applicable laws and rules.~~]

[~~(3) Has had a minimum of 100 hours of supervision, over the course of the 3000 hours of experience, with a Council-approved supervisor. If supervision was completed in another jurisdiction, the social worker shall have the supervision verified by the regulatory authority in the other jurisdiction. If such verification is impossible, the social worker may request that the Council accept alternate verification.~~]

(b) [~~(c)~~] All applicants [~~Applicants~~] for a license must complete the Council's social work jurisprudence examination and submit proof of completion at the time of application.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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22 TAC §781.402

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners propose the repeal of §781.402, relating to Clinical Supervision for LCSW and Non-Clinical Supervision for Independent Practice Recognition.

Overview and Explanation of the Proposed Rule. The proposed repeal removes the current rule in conjunction with proposed new rules that restructure and consolidate existing rule language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed repeal is in effect, there will be no additional estimated

cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of no longer enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the repeal does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect there will be a benefit to licensees, applicants, and the general public because the proposed repeal will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the repeal is in effect, the public benefit anticipated as a result of repealing the rule language will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed repeal will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed repeal will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed repeal does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed repeal is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed repeal is in effect, the Executive Council estimates that the proposed repeal will have no effect on government growth. The proposed repeal does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed repeal. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed repeal may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This repeal is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The repeal is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this repeal pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this repeal to the Executive Council. The repeal is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this repeal in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this repeal to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this repeal under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.402. Clinical Supervision for LCSW and Non-Clinical Supervision for Independent Practice Recognition.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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22 TAC §781.402

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes new rule §781.402, relating to Types of Supervision.

Overview and Explanation of the Proposed Rule. The proposed new rule will consolidate existing rule language regarding the types of supervision provided by social work licensees. The new language makes non-substantive edits to use more plain, direct language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this in-

stance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.402. Types of Supervision.

(a) Types of supervision.

(1) Administrative or work-related oversight of an employee, contractor or volunteer that is not related to qualification for licensure, practice specialty recognition, a disciplinary order, or a condition of new or continued licensure. This supervision does not require recognition by the Council.

(2) Clinical supervision of an LMSW in a setting in which the LMSW is providing clinical services. This supervision may be provided by a Licensed Professional Counselor, Licensed Psychologist, Licensed Marriage and Family Therapist, Licensed Clinical Social Worker (LCSW), or Psychiatrist. This supervision is not related to qualification for licensure, practice specialty recognition, a disciplinary order, or a condition of new or continued licensure.

(3) Clinical supervision of an LMSW, who is providing clinical services and is under a supervision plan to fulfill supervision requirements for achieving the LCSW. This supervision must be provided by a Licensed Clinical Social Worker who holds supervisor status.

(4) Non-clinical supervision of an LMSW or Licensed Baccalaureate Social Worker (LBSW) who is providing non-clinical social work service toward qualifications for independent non-clinical practice recognition.

(5) Council-ordered supervision of a licensee by an approved supervisor pursuant to a disciplinary order or as a condition of new or continued licensure.

(b) A licensee with supervisor status may perform the following supervisory functions.

(1) An LCSW may supervise clinical experience toward the LCSW license, non-clinical experience toward the Independent Practice Recognition (non-clinical), and Council-ordered supervision.

(2) An LMSW with the Independent Practice Recognition (non-clinical) or Advanced Practitioner (AP) recognition may supervise an LBSW's or LMSW's non-clinical experience toward the non-clinical Independent Practice Recognition, and an LBSW or LMSW (non-clinical) under Council-ordered supervision.

(3) An LBSW with the non-clinical Independent Practice Recognition may supervise an LBSW's non-clinical experience toward the non-clinical Independent Practice Recognition, and an LBSW under Council-ordered supervision.

(c) A supervisor shall supervise only those supervisees who provide services that fall within the supervisor's own competency.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.403

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes the repeal to §781.403, relating to Independent Practice Recognition (Non-Clinical).

Overview and Explanation of the Proposed Rule. The proposed repeal removes the current rule in conjunction with proposed new rules that restructure and consolidate existing rule language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed repeal is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of no longer enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the repeal does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect there will be a benefit to licensees, applicants, and the general public because the proposed repeal will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the repeal is in effect, the public benefit anticipated as a result of repealing the rule language will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed repeal will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed repeal will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed repeal does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required

to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed repeal is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed repeal is in effect, the Executive Council estimates that the proposed repeal will have no effect on government growth. The proposed repeal does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed repeal. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed repeal may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This repeal is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The repeal is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this repeal pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this repeal to the Executive Council. The repeal is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this repeal in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this repeal to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this repeal under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.403. Independent Practice Recognition (Non-Clinical).
The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.403

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes new rule §781.403, relating to Supervision Process.

Overview and Explanation of the Proposed Rule. The proposed new rule consolidates existing rule language regarding the supervision process and requirements supervisors must perform. The new language clarifies the type of records a supervisor must keep, including a detailed log of supervision sessions and a plan for the custody of records in the event a supervisor ceases practice. The new language requires a supervisee to notify supervisors of any pending complaints against the supervisee, and to share a copy of any remediation plan with all current and future supervisors. The new language also makes non-substantive edits to use more plain, direct language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be

no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.403. Supervision Process.

(a) A supervisor providing any form of supervision, other than administrative or work-related supervision described in §781.402(a)(1) of this title, must comply with the following:

(1) The supervisor is obligated to keep legible, accurate, complete, signed supervision notes and must be able to produce such documentation for the Council if requested. The notes shall document the content, duration, and date of each supervision session.

(2) A social worker may only provide supervision to a supervisee employed in another setting with written approval of the employer. A copy of the approval must be kept in the supervisor's files.

(3) A supervisor who is otherwise compensated for supervisory duties may not charge or collect a fee or anything of value from the supervisee for the supervision services provided to the supervisee.

(4) The supervisor shall ensure that the supervisee knows and adheres to the laws and rules governing the practice of social work.

(5) A supervisor shall not be employed by or under the employment supervision of the person who he or she is supervising.

(6) A supervisor shall not be a family member of the person being supervised.

(7) The supervisor and supervisee shall avoid forming any relationship with each other that impairs the objective, professional judgment and prudent, ethical behavior of either.

(b) All supervision toward licensure or specialty recognition must meet the following conditions.

(1) The supervisor shall keep a supervision file on each supervisee that includes:

(A) a supervision plan;

(B) a clearly defined job description and list of responsibilities for each of the supervisee's positions held during the supervised experience, including a discussion of any position or duties not subject to supervision;

(C) a list of locations where the supervisee provides supervised services;

(D) a log of experience and supervision earned by the supervisee that reflects the date and duration of each supervision meeting, the accumulated hours of non-clinical experience, and the accumulated hours of clinical supervised experience, if any;

(E) an established plan for the custody and control of the records of supervision for the supervisee in the event of the supervisor's death or incapacity or termination of the supervisor's practice;

(F) copy of written approval from the supervisee's employing agency agreeing to outside supervision; and

(G) a copy of any written plan for remediation of the supervisee described in 781.403(d) of this section.

(2) A supervisor is responsible for developing a well-conceptualized supervision plan with the supervisee, and for updating that plan whenever there is a change in agency of employment, job function, goals for supervision, or method by which supervision is provided.

(3) Before entering into a supervisory plan, the supervisor shall be aware of actual or intended service terms and conditions between a supervisee and their clients. The supervisor shall not provide supervision if the supervisee is practicing outside the authorized scope of the license. If the supervisor believes that a social worker is practicing outside the scope of the license, the supervisor shall make a report to the Council.

(4) Supervision toward licensure or specialty recognition may occur in one-on-one sessions, in group sessions, or in a combination of one-on-one and group sessions. Sessions may transpire in the same geographic location, or via audio, web technology or other electronic supervision techniques that comply with HIPAA and Texas Health and Safety Code, Chapter 611, and/or other applicable state or federal statutes or rules.

(5) Supervision groups shall have no fewer than two supervisees and no more than six.

(6) The Council considers supervision toward licensure or specialty recognition to be supervision which promotes professional growth. Therefore, all supervision formats must encourage clear, accurate communication between the supervisor and the supervisee, including case-based communication that meets standards for confidentiality. Though the Council favors supervision formats in which the supervisor and supervisee are in the same geographical place for a substantial part of the supervised experience, the Council also recognizes that some current and future technology, such as using reliable, technologically-secure computer cameras and microphones, can allow personal face-to-face, though remote, interaction, and can support professional growth. Supervision formats must be clearly described in the supervision plan, explaining how the supervision strategies and methods of delivery meet the supervisee's professional growth needs and ensure that confidentiality is protected.

(7) Supervision toward licensure or specialty recognition must extend over a full 3000 hours over a period of not less than 24 full months for Licensed Clinical Social Worker (LCSW) or Independent Practice Recognition (IPR). Even if the individual completes the minimum of 3000 hours of supervised experience and minimum of 100 hours of supervision prior to 24 months from the start date of supervision, supervision which meets the Council's minimum requirements shall extend to a minimum of 24 full months.

(8) Supervision shall occur in proportion to the number of actual hours worked for the 3,000 hours of supervised experience. No more than 10 hours of supervision may be counted in any one month, or 30-day period, as appropriate, towards satisfying minimum requirements for licensure or specialty recognition.

(c) A supervisor who agrees to provide Council-ordered supervision of a licensee must understand the Council order and follow the supervision stipulations outlined in the order. The supervisor must address with the licensee those professional behaviors that led to Council discipline, and must help to remediate those concerns while assisting the licensee to develop strategies to avoid repeating illegal, substandard, or unethical behaviors.

(d) If the supervisor determines that the supervisee lacks the professional skills and competence to practice social work under an independent license, the supervisor shall develop and implement a written remediation plan for the supervisee. If a supervisee receives a remediation plan, the supervisee must provide a copy of the remediation plan to any other current or future supervisors, as well as any relevant documentation regarding successful completion of the plan.

(e) The supervisor and the supervisee bear professional responsibility for the supervisee's professional activities. If a supervisee is informed of a pending complaint against them, the supervisee must notify each of their supervisors of the complaint.

(f) A supervisee who provides client services for payment or reimbursement shall submit billing to the client or third-party payers which clearly indicates the services provided and who provided the services, and specifying the supervisee's licensure category and the fact that the licensee is under supervision.

(g) If either the supervisor's or supervisee's license is revoked, suspended, placed on probated suspension, or becomes delinquent or expired during supervision, supervision hours accumulated during that time will not be accepted unless approved by the Council.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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22 TAC §781.404

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.404, relating to Recognition as a Supervisor.

Overview and Explanation of the Proposed Rule. The proposed amendments consolidate existing rule language regarding the requirements to hold supervisor status. The amendments clarify that a supervisor must hold a social work license issued by the Council, and adds requirements for actions a licensee must take if supervisor status is revoked or expires. Language related to types of supervision and the supervision process is proposed to move to other consolidated rules.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.404. Recognition as a [~~Council-approved~~] Supervisor [~~and the Supervision Process~~].

[~~(a) Types of supervision include:~~]

[~~(1) administrative or work-related supervision of an employee, contractor or volunteer that is not related to qualification for licensure, practice specialty recognition, a disciplinary order, or a condition of new or continued licensure;~~]

[~~(2) clinical supervision of a Licensed Master Social Worker in a setting in which the LMSW is providing clinical services; the supervision may be provided by a Licensed Professional Counselor, Licensed Psychologist, Licensed Marriage and Family Therapist, Licensed Clinical Social Worker or Psychiatrist. This supervision is not related to qualification for licensure, practice specialty recognition, a disciplinary order, or a condition of new or continued licensure;~~]

[~~(3) clinical supervision of a Licensed Master Social Worker, who is providing clinical services and is under a supervision plan to fulfill supervision requirements for achieving the LCSW; a Licensed Clinical Social Worker who is a Council-approved supervisor delivers this supervision;~~]

[~~(4) non-clinical supervision of a Licensed Master Social Worker or Licensed Baccalaureate Social Worker who is providing non-clinical social work service toward qualifications for independent non-clinical practice recognition; this supervision is delivered by a Council-approved supervisor; or~~]

[~~(5) Council-ordered supervision of a licensee by a Council-approved supervisor pursuant to a disciplinary order or as a condition of new or continued licensure.~~]

(a) [~~(b)~~] A person who wishes to hold supervisor status [~~be a Council-approved supervisor~~] must file an application [~~and~~] pay the applicable fee, and meet the following qualifications.

(1) Be [~~A Council-approved supervisor must be~~] actively licensed in good standing by the Council as an LBSW, an LMSW, or an LCSW. [~~, or be recognized as an Advanced Practitioner (LMSW-AP), or hold the equivalent social work license in another jurisdiction.~~]

(2) Have [~~The person applying for Council-approved status must have~~] practiced in the [~~at his/her~~] category of licensure for two years. [~~The Council-approved supervisor shall supervise only those supervisees who provide services that fall within the supervisor's own competency.~~]

[~~(2) The Council-approved supervisor is responsible for the social work services provided within the supervisory plan.~~]

(3) Have [~~The Council-approved supervisor must have~~] completed a 40-hour supervisor's training program acceptable to the Council.

(b) Licensed practice in another jurisdiction under an equivalent scope of practice may count toward the two-year minimum experience requirement.

(c) [~~(A)~~] At a minimum, the 40-hour supervisor's training program must meet each of the following requirements:

(1) [~~(i)~~] the course must be taught by a licensed social worker holding both the appropriate license classification, and supervisor status issued by the Council;

(2) [~~(ii)~~] all related coursework and assignments must be completed over a time period not to exceed 90 days; and

(3) [~~(iii)~~] the 40-hour supervision training must include at least:

(A) [~~(I)~~] three (3) hours for defining and conceptualizing supervision and models of supervision;

(B) [~~(II)~~] three (3) hours for supervisory relationship and social worker development;

(C) [~~(III)~~] twelve (12) hours for supervision methods and techniques, covering roles, focus (process, conceptualization, and personalization), group supervision, multi-cultural supervision (race, ethnic, and gender issues), and evaluation methods;

(D) [~~(IV)~~] twelve (12) hours for supervision and standards of practice, codes of ethics, and legal and professional issues; and

(E) [~~(V)~~] three (3) hours for executive and administrative tasks, covering supervision plan, supervision contract, time for supervision, record keeping, and reporting.

[~~(B) Subparagraph (A) of this paragraph is effective September 1, 2023.~~]

[~~(4) The Council-approved supervisor must submit required documentation and fees to the Council.~~]

[~~(5) When a licensee is designated Council-approved supervisor, he or she may perform the following supervisory functions.~~]

[~~(A) An LCSW may supervise clinical experience toward the LCSW license, non-clinical experience toward the Independent Practice Recognition (non-clinical), and Council-ordered probated suspension;~~]

[~~(B) An LMSW-AP may supervise non-clinical experience toward the non-clinical Independent Practice Recognition; and Council-ordered probated suspension for non-clinical practitioners;~~]

[~~(C) An LMSW with the Independent Practice Recognition (non-clinical) who is a Council-approved supervisor may supervise an LBSW's or LMSW's non-clinical experience toward the non-clinical Independent Practice Recognition; and an LBSW or LMSW (non-clinical) under Council-ordered probated suspension;~~]

[~~(D) An LBSW with the non-clinical Independent Practice Recognition who is a Council-approved supervisor may supervise an LBSW's non-clinical experience toward the non-clinical Independent Practice Recognition; and an LBSW under Council-ordered probated suspension.~~]

(d) [~~(6)~~] A [~~The approved~~] supervisor must renew [~~the approved~~] supervisor status in conjunction with the biennial license renewal. [~~The approved supervisor may surrender supervisory status by documenting the choice on the appropriate Council renewal form and subtracting the supervisory renewal fee from the renewal payment.~~] If a licensee who has surrendered supervisory status desires to regain supervisory status, the licensee must reapply and meet the current requirements for [~~approved~~] supervisor status.

(e) [~~(7)~~] A supervisor must maintain an active license and supervisor status, as well as the qualifications described in this section while [~~he or she is~~] providing supervision.

[~~(8) A Council-approved supervisor who wishes to provide any form of supervision or Council-ordered supervision must comply with the following:~~]

[~~(A) The supervisor is obligated to keep legible, accurate, complete, signed supervision notes and must be able to produce such documentation for the Council if requested. The notes shall document the content, duration, and date of each supervision session.~~]

[(B) A social worker may contract for supervision with written approval of the employing agency. A copy of the approval must accompany the supervisory plan submitted to the Council.]

[(C) A Council-approved supervisor who is otherwise compensated for supervisory duties may not charge or collect a fee or anything of value from the supervisee for the supervision services provided to the supervisee.]

[(D) Before entering into a supervisory plan, the supervisor shall be aware of all conditions of exchange with the clients served by her or his supervisee. The supervisor shall not provide supervision if the supervisee is practicing outside the authorized scope of the license. If the supervisor believes that a social worker is practicing outside the scope of the license, the supervisor shall make a report to the Council.]

[(E) A supervisor shall not be employed by or under the employment supervision of the person who he or she is supervising.]

[(F) A supervisor shall not be a family member of the person being supervised.]

[(G) A supervisee must have a clearly defined job description and responsibilities.]

[(H) A supervisee who provides client services for payment or reimbursement shall submit billing to the client or third-party payers which clearly indicates the services provided and who provided the services, and specifying the supervisee's licensure category and the fact that the licensee is under supervision.]

[(I) If either the supervisor or supervisee has an expired license or a license that is revoked or suspended during supervision, supervision hours accumulated during that time will be accepted only if the licensee appeals to and receives approval from the Council.]

[(J) A licensee must be a current Council-approved supervisor in order to provide professional development supervision toward licensure or specialty recognition, or to provide Council-ordered supervision to a licensee. Providing supervision without having met all requirements for current, valid Council-approved supervisor status may be grounds for disciplinary action against the supervisor.]

[(K) The supervisor shall ensure that the supervisee knows and adheres to Subchapter B, Rules of Practice, of this Chapter.]

[(L) The supervisor and supervisee shall avoid forming any relationship with each other that impairs the objective, professional judgment and prudent, ethical behavior of either.]

[(M) Should a supervisor become subject to a Council disciplinary order, that person is no longer a Council-approved supervisor and must so inform all supervisees, helping them to find alternate supervision. The person may reapply for Council-approved supervisor status by meeting the terms of the disciplinary order and having their license in good standing, in addition to submitting an application for Council-approved supervisor, and proof of completion of a 40-hour Council-approved supervisor training course, taken no earlier than the date of execution of the Council order.]

[(N) Providing supervision without Council-approved supervisor status is grounds for disciplinary action.]

[(O) A supervisor shall refund all supervisory fees the supervisee paid after the date the supervisor ceased to be Council-approved.]

[(P) A supervisor is responsible for developing a well-conceptualized supervision plan with the supervisee, and for updating that plan whenever there is a change in agency of employment, job function, goals for supervision, or method by which supervision is provided.]

[(9) A Council-approved supervisor who wishes to provide supervision towards licensure as an LCSW or towards specialty recognition in Independent Practice (IPR) or Advanced Practitioner (LMSW-AP), which is supervision for professional growth, must comply with the following:]

[(A) Supervision toward licensure or specialty recognition may occur in one-on-one sessions, in group sessions, or in a combination of one-on-one and group sessions. Session may transpire in the same geographic location, or via audio, web technology or other electronic supervision techniques that comply with HIPAA and Texas Health and Safety Code, Chapter 611, and/or other applicable state or federal statutes or rules.]

[(B) Supervision groups shall have no fewer than two members and no more than six.]

[(C) Supervision shall occur in proportion to the number of actual hours worked for the 3,000 hours of supervised experience. No more than 10 hours of supervision may be counted in any one month, or 30-day period, as appropriate, towards satisfying minimum requirements for licensure or specialty recognition.]

[(D) The Council considers supervision toward licensure or specialty recognition to be supervision which promotes professional growth. Therefore, all supervision formats must encourage clear, accurate communication between the supervisor and the supervisee, including case-based communication that meets standards for confidentiality. Though the Council favors supervision formats in which the supervisor and supervisee are in the same geographical place for a substantial part of the supervision time, the Council also recognizes that some current and future technology, such as using reliable, technologically-secure computer cameras and microphones, can allow personal face-to-face, though remote, interaction, and can support professional growth. Supervision formats must be clearly described in the supervision plan, explaining how the supervision strategies and methods of delivery meet the supervisee's professional growth needs and ensure that confidentiality is protected.]

[(E) Supervision toward licensure or specialty recognition must extend over a full 3000 hours over a period of not less than 24 full months for LCSW or Independent Practice Recognition (IPR). Even if the individual completes the minimum of 3000 hours of supervised experience and minimum of 100 hours of supervision prior to 24 months from the start date of supervision, supervision which meets the Council's minimum requirements shall extend to a minimum of 24 full months.]

[(F) The supervisor and the supervisee bear professional responsibility for the supervisee's professional activities.]

[(G) If the supervisor determines that the supervisee lacks the professional skills and competence to practice social work under a regular license, the supervisor shall develop and implement a written remediation plan for the supervisee.]

[(H) Supervised professional experience required for licensure must comply with §781.401 of this title and §781.402 of this title and all other applicable laws and rules.]

[(10) A Council-approved supervisor who wishes to provide supervision required as a result of a Council order must comply with this title, all other applicable laws and rules, and/or the following.]

[(A) A licensee who is required to be supervised as a condition of initial licensure, continued licensure, or disciplinary action must:]

[(i) ~~submit one supervisory plan for each practice location to the Council for approval by the Council or its designee within 30 days of initiating supervision;]~~

[(ii) ~~submit a current job description from the agency in which the social worker is employed with a verification of authenticity from the agency director or his or her designee on agency letterhead or submit a copy of the contract or appointment under which the licensee intends to work, along with a statement from the potential supervisor that the supervisor has reviewed the contract and is qualified to supervise the licensee in the setting;]~~

[(iii) ~~ensure that the supervisor submits reports to the Council on a schedule determined by the Council. In each report, the supervisor must address the supervisee's performance, how closely the supervisee adheres to statutes and rules, any special circumstances that led to the imposition of supervision, and recommend whether the supervisee should continue licensure. If the supervisor does not recommend the supervisee for continued licensure, the supervisor must provide specific reasons for not recommending the supervisee. The Council may consider the supervisor's reservations as it evaluates the supervision verification the supervisee submits; and]~~

[(iv) ~~notify the Council immediately if there is a disruption in the supervisory relationship or change in practice location and submit a new supervisory plan within 30 days of the break or change in practice location.]~~

~~[(B) The supervisor who agrees to provide Council-ordered supervision of a licensee who is under Council disciplinary action must understand the Council order and follow the supervision stipulations outlined in the order. The supervisor must address with the licensee those professional behaviors that led to Council discipline, and must help to remediate those concerns while assisting the licensee to develop strategies to avoid repeating illegal, substandard, or unethical behaviors.]~~

~~[(C) Council-ordered and mandated supervision timeframes are specified in the Council order.]~~

(f) Should a supervisor become subject to a Council disciplinary order that imposes a probated suspension, suspension, or revocation, that person's supervisor status is revoked. The person may reapply for supervisor status by:

(1) meeting the terms of the disciplinary order;

(2) having their license in good standing;

(3) completing a 40-hour supervisor training course, taken no earlier than the date of execution of the Council order; and

(4) submitting a new application for supervisor status.

(g) If a licensee loses their authorization to provide supervision, either through failure to maintain an active license and status or through a disciplinary action, the supervisor must immediately inform all supervisees and assist them to find alternate supervision. The licensee shall refund all supervisory fees the supervisee paid after the date the supervisor ceased to hold supervisor status.

(h) Providing supervision without appropriate licensure and supervisor status is grounds for disciplinary action.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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22 TAC §781.405

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes the repeal of §781.405, relating to Applications for Licensure.

Overview and Explanation of the Proposed Rule. The proposed repeal removes the current rule in conjunction with proposed new rules that restructure and consolidate existing rule language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed repeal is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of no longer enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the repeal does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect there will be a benefit to licensees, applicants, and the general public because the proposed repeal will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the repeal is in effect, the public benefit anticipated as a result of repealing the rule language will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed repeal will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed repeal will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed repeal does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amend-

ment of another rule is required because the proposed repeal is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed repeal is in effect, the Executive Council estimates that the proposed repeal will have no effect on government growth. The proposed repeal does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed repeal. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed repeal may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This repeal is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The repeal is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this repeal pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this repeal to the Executive Council. The repeal is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this repeal in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this repeal to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this repeal under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.405. Application for Licensure.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.405

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes new rule §781.405, relating to Clinical Supervision for Licensed Clinical Social Worker.

Overview and Explanation of the Proposed Rule. The proposed new rule consolidates existing rule language related to applying for a clinical social worker license, including what information must be submitted to the Council with the application. The new language also clarifies how an LMSW may continue to perform clinical social work services after completing LCSW experience requirements. The new language also makes non-substantive edits to use more plain, direct language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.405. Clinical Supervision for Licensed Clinical Social Worker.

(a) To accrue supervised clinical experience required for the issuance of a Licensed Clinical Social Worker (LCSW), a Licensed Master Social Worker (LMSW) and their LCSW supervisor shall complete a supervision plan, on a form prescribed by the Council or a form with substantially equivalent information, signed by both the LMSW and the LCSW supervisor.

(b) The LMSW shall submit an application to reclassify the LMSW licensure to an LCSW license upon fulfillment of the supervision requirements and passage of the ASWB Clinical exam.

(1) The applicant must provide the appropriate supervision plans and verification forms. The documentation must include the names and contact information of all supervisors; beginning and ending dates of supervision; job description; and average number of hours of social work activity per week.

(2) The applicant's experience must have been in a position providing social work services, under the supervision of a qualified supervisor, with written evaluations to demonstrate satisfactory performance.

(3) The applicant must maintain and, upon request, provide to the Council documentation of employment status, pay vouchers, or supervisory evaluations.

(c) Upon request of the LMSW, the LCSW supervisor shall submit a completed and signed supervision verification form prescribed by the Council, within 30 days of the completion of the supervisee's hours or upon termination of the supervisor-supervisee relationship.

(d) An LMSW that has completed clinical supervision for an LCSW license may, but is not required to, continue to provide clinical

social work services under the supervision plan with their LCSW supervisor. An LCSW supervisor may, but is not required to, continue to provide clinical supervision to an LMSW that has completed their clinical supervised experience hours. An LMSW that has completed clinical supervision may not provide clinical social work services outside of appropriately supervised practice until issuance of an LCSW license.

(e) A person who has obtained a temporary license may not begin the supervision process toward independent clinical practice until the regular license is issued.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.406

The Texas Behavioral Health Executive Council on behalf the Texas State Board of Social Worker Examiners proposes the repeal of §781.406, relating to Required Documentation of Qualifications for Licensure.

Overview and Explanation of the Proposed Rule. The proposed repeal removes the current rule in conjunction with proposed new rules that restructure and consolidate existing rule language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed repeal is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of no longer enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the repeal does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect there will be a benefit to licensees, applicants, and the general public because the proposed repeal will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the repeal is in effect, the public benefit anticipated as a result of repealing the rule language will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed repeal is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed repeal will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed repeal will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed repeal does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed repeal is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed repeal is in effect, the Executive Council estimates that the proposed repeal will have no effect on government growth. The proposed repeal does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed repeal. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed repeal may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This repeal is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The repeal is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this repeal pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt

rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this repeal to the Executive Council. The repeal is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this repeal in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this repeal to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this repeal under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.406. Required Documentation of Qualifications for Licensure.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.406

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes new rule §781.406, relating to Independent Practice Recognition.

Overview and Explanation of the Proposed Rule. The proposed new rule consolidates existing rule language related to the independent practice recognition (IPR) specialty, including requirements to qualify for the specialty designation and qualification to supervise the experience required to earn the specialty. The new language clarifies that an LBSW or LMSW under supervision toward the IPR designation may own and operation a non-clinical practice under that supervision. The new language also makes non-substantive edits to use more plain, direct language.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.406. Independent Practice Recognition.

(a) A person must meet the following education and experience requirements for Independent Non-clinical Practice specialty recognition.

(1) Is currently licensed in the State of Texas as a Licensed Baccalaureate Social Worker (LBSW) or Licensed Master Social Worker (LMSW).

(2) While licensed as a social worker has had 3000 hours of supervised social work experience over a minimum two-year period, or its equivalent if the experience was completed in another state.

(3) Has had a minimum of 100 hours of supervision, over the course of the 3000 hours of experience, with an appropriate supervisor. If supervision was completed in another jurisdiction, the social worker shall have the supervision verified by the regulatory authority in the other jurisdiction. If such verification is impossible, the social worker may request that the Council accept alternate verification.

(b) The following are qualified supervisors for accruing supervised experience toward Independent Practice Recognition.

(1) An individual supervising an LBSW for independent non-clinical practice recognition shall hold supervisor status and be an LBSW recognized for independent non-clinical practice, an LMSW recognized for independent non-clinical practice, a Licensed Master Social Worker-Advanced Practitioner (LMSW-AP), or a Licensed Clinical Social Worker (LCSW).

(2) An individual supervising an LMSW for the independent non-clinical practice recognition shall hold supervisor status and be an LMSW recognized for independent non-clinical practice, an LMSW-AP, or an LCSW.

(c) To accrue supervised experience required for an LBSW or an LMSW to apply for Independent Practice Recognition, the LBSW or LMSW shall complete a supervision plan, on a form prescribed by the Council or a form with substantially equivalent information, signed by both the LBSW or LMSW and the supervisor.

(d) An LBSW or LMSW shall submit an application for Independent Practice Recognition upon fulfillment of the supervision requirements.

(1) The applicant must provide the appropriate supervision plans and verification forms. The documentation must include the names and contact information of all supervisors; beginning and ending dates of supervision; job description; and average number of hours of social work activity per week.

(2) The applicant's experience must have been in a position providing social work services, under the supervision of a qualified supervisor, with written evaluations to demonstrate satisfactory performance.

(3) The applicant must maintain and, upon request, provide to the Council documentation of employment status, pay vouchers, or supervisory evaluations.

(4) Applicants must complete the Council's social work jurisprudence examination and submit proof of completion at the time of application.

(e) The supervisor shall complete and sign a supervision verification form prescribed by the Council when the LBSW or LMSW submits an application for Independent Practice Recognition.

(f) An LBSW or LMSW may own and operate their own non-clinical practice when under a supervision plan for independent practice. The LBSW's or LMSW's supervisor is responsible for the acts or omissions of the supervisee while providing services under the supervision plan.

(g) A person who has obtained a temporary license may not begin the supervision process toward independent practice recognition until the regular license is issued.

(h) An LBSW-IPR who applies to reclassify LBSW to LMSW is no longer recognized for non-clinical independent practice. To regain the non-clinical independent practice recognition, the LMSW must satisfy the requirements for IPR. Supervised experience hours accrued before the issuance of an LMSW license cannot be considered for LMSW-IPR.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

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Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
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22 TAC §781.407

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes new rule §781.407, relating to Prohibited Independent Practice.

Overview and Explanation of the Proposed Rule. The proposed new rule consolidates existing rule language related to prohibitions on independent social work practice, including that an LMSW working towards an LCSW may not own or operate a private practice to provide clinical social work services. The new language expands the guidelines the Council will rely on and makes clarifying edits to better guide a determining whether independent practice is occurring.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license

holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.407. Prohibited Independent Practice.

(a) A Licensed Master Social Worker who plans to apply for a Licensed Clinical Social Worker license may not own or operate a private practice to provide clinical social work to clients.

(b) A licensee who is not recognized for independent practice and who is not under a non-clinical supervision plan must not engage in any independent practice that falls within the definition of social work practice in §781.102 of this title unless the person is licensed in another profession and acting solely within the scope of that license.

(c) A social worker provides services under the direction of an employing agency, and is not practicing independently, when the employer has the right to control the means and details by which services are performed, regardless of whether the social worker is a full-time or part-time employee or an independent contractor. The Council will use guidelines developed by the Internal Revenue Service (IRS) and the Texas Workforce Commission, to demonstrate whether a professional is performing independent practice. Such guidelines include:

(1) Behavioral control. An employer can control the social worker's behavior by giving instructions about how work gets done rather than simply receiving the end products of the work. The more detailed the instructions, the more control an employer exercises.

(2) Financial control. The employer determines the amount and regularity of payment to employees. An independent practitioner typically negotiates a timeframe for completing work and receiving payment. Independent practitioners have more freedom to make business decisions that affect the profitability of their work, such as investing in equipment or renting an office. Employees typically do not invest their own finances into an employing agency. Employees are usually reimbursed for job-related expenses, whereas independent practitioners often must negotiate reimbursement as part of the total agreed compensation.

(3) Relationship of the parties. The nature of the relationship between the employer and the social worker is usually outlined in a written contract with clear intent whether the employing agency has control over the social worker and whether the employer is assuming responsibility for the social worker as an employee. Signs that a social worker is an employee include: if the employment relationship is permanent or ongoing, if an employer gives the social worker employee benefits, and if the social worker is retained to perform key aspects of the employer's day-to-day business.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

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Darrel D. Spinks
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Texas State Board of Social Worker Examiners
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For further information, please call: (512) 305-7706

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22 TAC §781.419

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.419, relating to Licensing of Military Service Members, Military Veterans, and Military Spouses.

Overview and Explanation of the Proposed Rule. The proposed amendment will align the Council's rules with changes made to Texas Occupations Code Chapter 55 by the 89th Legislature regarding licensing of military service members, veterans, and spouses.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.419. Licensing of Military Service Members, Military Veterans, and Military Spouses.

(a) An applicant applying for licensure under this section must comply with Council rule §882.60 of this title [~~(relating to Special Provisions Applying to Military Service Members, Veterans, and Spouses)~~].

[~~(b) Licensing requirements that either match or exceed Texas requirements are considered substantially equivalent.~~]

(b) [~~(c)~~] For an application for a license submitted by a verified military service member or military veteran, the applicant shall receive credit towards any licensing or apprenticeship requirements, except an examination requirement, for verified military service, training, or education that is relevant to the occupation, unless he or she holds a restricted license issued by another jurisdiction or if he or she has an unacceptable criminal history as described by the Act and this chapter.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

TRD-202504289
Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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SUBCHAPTER D. SCHEDULE OF SANCTIONS

22 TAC §781.805

The Texas Behavioral Health Executive Council on behalf of the Texas State Board of Social Worker Examiners proposes amendments to §781.805, relating to Schedule of Sanctions.

Overview and Explanation of the Proposed Rule. The proposed amendments adjusts the schedule of sanctions to align with other rule consolidation proposals.

Fiscal Note. Darrel D. Spinks, Executive Director of the Executive Council, has determined that for the first five-year period the

proposed rule is in effect, there will be no additional estimated cost, reduction in costs, or loss or increase in revenue to the state or local governments as a result of enforcing or administering the rule. Additionally, Mr. Spinks has determined that enforcing or administering the rule does not have foreseeable implications relating to the costs or revenues of state or local government.

Public Benefit. Mr. Spinks has determined for the first five-year period the proposed rule is in effect there will be a benefit to licensees, applicants, and the general public because the proposed rule will provide greater clarity and consistency in the Executive Council's rules. Mr. Spinks has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated as a result of enforcing the rule will be to help the Executive Council protect the public.

Probable Economic Costs. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no additional economic costs to persons required to comply with this rule.

Small Business, Micro-Business, and Rural Community Impact Statement. Mr. Spinks has determined for the first five-year period the proposed rule is in effect, there will be no adverse effect on small businesses, micro-businesses, or rural communities.

Regulatory Flexibility Analysis for Small and Micro-Businesses and Rural Communities. Mr. Spinks has determined that the proposed rule will have no adverse economic effect on small businesses, micro-businesses, or rural communities. Thus, the Executive Council is not required to prepare a regulatory flexibility analysis pursuant to §2006.002 of the Tex. Gov't Code.

Local Employment Impact Statement. Mr. Spinks has determined that the proposed rule will have no impact on local employment or a local economy. Thus, the Executive Council is not required to prepare a local employment impact statement pursuant to §2001.022 of the Tex. Gov't Code.

Requirement for Rules Increasing Costs to Regulated Persons. The proposed rule does not impose any new or additional costs to regulated persons, state agencies, special districts, or local governments; therefore, pursuant to §2001.0045 of the Tex. Gov't Code, no repeal or amendment of another rule is required to offset any increased costs. Additionally, no repeal or amendment of another rule is required because the proposed rule is necessary to protect the health, safety, and welfare of the residents of this state and because regulatory costs imposed by the Executive Council on licensees is not expected to increase.

Government Growth Impact Statement. For the first five-year period the proposed rule is in effect, the Executive Council estimates that the proposed rule will have no effect on government growth. The proposed rule does not create or eliminate a government program; it does not require the creation or elimination of employee positions; it does not require the increase or decrease in future legislative appropriations to this agency; it does not require an increase or decrease in fees paid to the agency; it does not create a new regulation; it does not expand an existing regulation; it does not increase or decrease the number of individuals subject to the rule's applicability; and it does not positively or adversely affect the state's economy.

Takings Impact Assessment. Mr. Spinks has determined that there are no private real property interests affected by the proposed rule. Thus, the Executive Council is not required to prepare a takings impact assessment pursuant to §2007.043 of the Tex. Gov't Code.

Request for Public Comments. Comments on the proposed rule may be submitted by mail to Brenda Skiff, Executive Assistant, Texas Behavioral Health Executive Council, 1801 Congress Ave., Ste. 7.300, Austin, Texas 78701 or via https://www.bhec.texas.gov/proposed-rule-changes-and-the-rulemaking-process/. The deadline for receipt of comments is 5:00 p.m., Central Time, on January 4, 2026, which is at least 30 days from the date of publication of this proposal in the *Texas Register*.

Applicable Legislation. This rule is proposed pursuant to the specific legal authority granted to the Executive Council by H.B. 1501, 86th Leg., R.S. (2019).

Statutory Authority. The rule is proposed under Tex. Occ. Code, Title 3, Subtitle I, Chapter 507, which provides the Texas Behavioral Health Executive Council with the authority to make all rules, not inconsistent with the Constitution and Laws of this State, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

Additionally, the Executive Council proposes this rule pursuant to the authority found in §507.152 of the Tex. Occ. Code which vests the Executive Council with the authority to adopt rules necessary to perform its duties and implement Chapter 507 of the Tex. Occ. Code.

In accordance with §505.2015 of the Tex. Occ. Code the Texas State Board of Social Worker Examiners previously voted and, by a majority, approved to propose this rule to the Executive Council. The rule is specifically authorized by §505.2015 of the Tex. Occ. Code which states the Board shall propose to the Executive Council rules regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice; continuing education requirements for license holders; and a schedule of sanctions for violations of this chapter or rules adopted under this chapter.

The Executive Council also proposes this rule in compliance with §507.153 of the Tex. Occ. Code. The Executive Council may not propose and adopt a rule regarding the qualifications necessary to obtain a license; the scope of practice, standards of care, and ethical practice for a profession; continuing education requirements; or a schedule of sanctions unless the rule has been proposed by the applicable board for the profession. In this instance, the underlying board has proposed this rule to the Executive Council. Therefore, the Executive Council has complied with Chapters 505 and 507 of the Texas Occupations Code and may propose this rule.

Lastly, the Executive Council proposes this rule under the authority found in §2001.004 of the Tex. Gov't Code which requires state agencies to adopt rules of practice stating the nature and requirements of all available formal and informal procedures.

No other code, articles or statutes are affected by this section.

§781.805. Schedule of Sanctions.

The following standard sanctions shall apply to violations of the Act and these rules.

Figure: 22 TAC §781.805

[~~Figure: 22 TAC §781.805~~]

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 20, 2025.

TRD-202504290
Darrel D. Spinks
Executive Director
Texas State Board of Social Worker Examiners
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 305-7706

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TITLE 25. HEALTH SERVICES

PART 11. CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS

CHAPTER 703. GRANTS FOR CANCER PREVENTION AND RESEARCH

25 TAC §703.24

The Cancer Prevention and Research Institute of Texas ("CPRIT" or "the Institute") proposes amendments to 25 Texas Administrative Code §703.24 relating to the Institute's timely review and payment of Financial Status Reports.

BACKGROUND INFORMATION AND JUSTIFICATION

CPRIT requires all of its grant recipients to report grant expenditures on quarterly Financial Status Reports (FSR). In general, CPRIT conducts these reviews in accordance with standards set in the Texas Grant Management Standards (TxGMS), as published by the office of the Texas Comptroller of Public Accounts. When necessary, and as allowed by TxGMS, CPRIT establishes variations from TxGMS through the official rulemaking process. TxGMS standards include a 21-day deadline for a state agency to review a request for payment and notify a grantee of any errors in the request. This 21-day deadline applies to FSR. However, the volume, complexity, and timing of FSR reviews make it impossible for CPRIT to review all FSR submissions within 21 days. CPRIT is in the process of revising its business process and developing new technology tools to shorten these review times but lacks sufficient data to determine the necessary review times at present. As a result, CPRIT must clarify that it can only guarantee payment within 30 days of receiving a complete and correct FSR. CPRIT expects to revise this rule again in the future to specify predictable review timelines once it has new processes and new technology tools in place and has obtained sufficient data to make accurate predictions. CPRIT is adding the current language permitting the institute to waive those eventual review timelines to ensure grantees receive notice if any deadlines for review or payment will not be met going forward.

SECTION-BY-SECTION SUMMARY

Proposed §703.24(f) specifies that CPRIT shall review and pay Financial Status Reports within thirty (30) days of receiving a complete and correct FSR from a grant recipient.

Proposed §703.24(f)(1) allows CPRIT's Chief Executive Officer to temporarily waive the thirty (30) day deadline.

Proposed §703.24(f)(2) states that a waiver must be in writing, specify its applicability, and that the Chief Executive Officer must provide a copy of the waiver to CPRIT's Oversight Committee.

Proposed §703.24(f)(3) requires the Institute to post waivers under this subsection on its public website and maintain copies as part of the grant record.

FISCAL NOTE

Mr. John Ellis, General Counsel for CPRIT, has determined that for each year of the first five years that the proposed new sections will be in effect, there will be no fiscal implications for state or local governments as a result of enforcing or administering the proposed rule. In addition, CPRIT does not anticipate that enforcing or administering the proposed rule will result in any reductions in costs or in any additional costs to the Institute, the state, or local governments. CPRIT also does not anticipate that there will be any loss or increase in revenue to the Institute, the state, or local governments as a result of enforcing or administering the proposed rule.

PUBLIC BENEFIT

Mr. Ellis has determined that for each year of the first five years that the proposed amendments will be in effect, the public benefit expected as a result of adopting the proposed rule amendments will be timelier payment to grant recipients and more transparency when there is a delay in CPRIT's review and payment of an FSR.

ECONOMIC COSTS TO PERSONS AND IMPACT ON LOCAL ECONOMY

There are no anticipated economic costs to persons required to comply with the proposed rule. There is no effect on local economy for the first five years that the proposed rule will be in effect; therefore, no local employment impact statement is required under Texas Government Code §§2001.022 and 2001.024(a)(6).

FISCAL IMPACT ON SMALL BUSINESSES, MICRO-BUSINESSES, AND RURAL COMMUNITIES

The proposed rule amendments will have no direct adverse economic impact on small businesses, micro-businesses, or rural communities. Accordingly, the preparation of an economic impact statement and a regulatory flexibility analysis, as specified in Texas Government Code §2006.002, is not required.

GOVERNMENT GROWTH IMPACT STATEMENT

Pursuant to Texas Government Code §2001.0221, CPRIT provides the following government growth impact statement for the proposed rule. For each year of the first five years that the proposed rule will be in effect, CPRIT has determined the following:

(1) the proposed rule will not create or eliminate a government program;

(2) implementation of the proposed rule will not require the creation of new employee positions or the elimination of existing employee positions;

(3) implementation of the proposed rule will not require an increase or decrease in future legislative appropriations to the agency;

(4) the proposed rule will not require an increase or decrease in fees paid to the agency;

(5) the proposed rule will create new regulations;

(6) the proposed rule will not expand, limit, or repeal an existing regulation;

(7) the proposed rule will not increase or decrease the number of individuals subject to the rule's applicability; and

(8) the proposed rule will not positively or adversely affect the state's economy.

REQUEST FOR PUBLIC COMMENTS

Comments or questions on the proposed rule may be submitted in writing and directed to Mr. John Ellis, General Counsel, Cancer Prevention and Research Institute of Texas, P.O. Box 12097, Austin, Texas 78711, or by e-mail to jellis@cprit.texas.gov. Comments will be accepted no later than January 12, 2026. Comments should be organized in a manner consistent with the organization of the proposed rule.

STATUTORY AUTHORITY

The proposed rule amendments are authorized by Texas Health & Safety Code § 102.108, which provides the Institute with broad rule-making authority to administer the Chapter.

CROSS REFERENCE TO STATUTE

The proposed rule amendments implement Chapter 102 of the Texas Health & Safety Code. No other statute, code, or article is affected by the proposed rule.

§703.24. Financial Status Reports.

(a) The Grant Recipient shall report expenditures to be reimbursed with Grant Award funds on the quarterly Financial Status Report form. The Grant Recipient must report all expenses for which it seeks reimbursement that the Grant Recipient paid during the fiscal quarter indicated on the quarterly Financial Status Report form.

(1) Expenditures shall be reported by budget category consistent with the Grant Recipient's Approved Budget.

(2) If the Grant Recipient seeks reimbursement for an expense it paid prior to the period covered by the current quarterly Financial Status Report but did not previously report to the Institute, the Grant Recipient must provide a written explanation for failing to claim the prior payment in the appropriate period.

(A) The Grant Recipient must submit the written explanation with any supporting documentation at the time that the Grant Recipient files its current Financial Status Report.

(B) The Institute shall consider the explanation and may approve reimbursement for the otherwise eligible expense. The Institute's decision whether to reimburse the expense is final.

(3) All expenditures must be supported with appropriate documentation showing that the costs were incurred and paid. A Grant Recipient that is a public or private institution of higher education as defined by §61.003, Texas Education Code is not required to submit supporting documentation for an individual expense totaling less than $750 in the "supplies" or "other" budget categories.

(4) The Financial Status Report and supporting documentation must be submitted via the Grant Management System, unless the Grant Recipient is specifically directed in writing by the Institute to submit or provide it in another manner.

(5) The Institute may request in writing that a Grant Recipient provide more information or correct a deficiency in the supporting documentation for a Financial Status Report. If a Grant Recipient does not submit the requested information within five (5) business days after the request is submitted, the Financial Status Report may be disapproved by the Institute.

(A) Nothing herein restricts the Institute from disapproving the FSR without asking for additional information or prior to the submission of additional information.

(B) Nothing herein extends the FSR due date.

(6) The requirement to report and timely submit quarterly Financial Status Reports applies to all Grant Recipients, regardless of whether Grant Award funds are disbursed by reimbursement or in advance of incurring costs.

(b) Quarterly Financial Status Reports shall be submitted to the Institute within ninety (90) days of the end of the state fiscal quarter (based upon a September 1 - August 31 fiscal year). The Institute shall review expenditures and supporting documents to determine whether expenses charged to the Grant Award are:

(1) Allowable, allocable, reasonable, necessary, and consistently applied regardless of the source of funds; and

(2) Adequately supported with documentation such as cost reports, receipts, third party invoices for expenses, or payroll information.

(c) A Grant Award with a Grant Contract effective date within the last quarter of a state fiscal year (June 1 - August 31) will have an initial financial reporting period beginning September 1 of the following state fiscal year.

(1) A Grant Recipient that incurs Authorized Expenses after the Grant Contract effective date but before the beginning of the next state fiscal year may request reimbursement for those Authorized Expenses.

(2) The Authorized Expenses described in paragraph (1) of this subsection must be reported in the Financial Status Report reflecting Authorized Expenses for the initial financial reporting period beginning September 1.

(d) Except as provided herein, the Grant Recipient waives the right to reimbursement of project costs incurred during the reporting period if the Financial Status Report for that quarter is not submitted to the Institute within thirty (30) days of the Financial Status Report due date. Waiver of reimbursement of project costs incurred during the reporting period also applies to Grant Recipients that have received advancement of Grant Award funds.

(1) For purposes of this rule, the "Financial Status Report due date" is ninety (90) days following the end of the state fiscal quarter.

(2) The Chief Executive Officer may approve a Grant Recipient's request to defer submission of the reimbursement request for the current fiscal quarter until the next fiscal quarter if, on or before the original Financial Status Report due date, the Grant Recipient submits a written explanation for the Grant Recipient's inability to complete a timely submission of the Financial Status Report.

(3) A Grant Recipient may appeal the waiver of its right to reimbursement of project costs.

(A) The appeal shall be in writing, provide good cause for failing to submit the Financial Status Report within thirty (30) days of the Financial Status Report due date, and be submitted via the Grant Management System.

(B) The Chief Executive Officer may approve the appeal for good cause. The decision by the Chief Executive Officer to approve or deny the grant recipient's appeal shall be in writing and available to the Grant Recipient via the Grant Management System.

(C) The Chief Executive Officer's decision to approve or deny the Grant Recipient's appeal is final, unless the Grant Recipient timely seeks reconsideration of the Chief Executive Officer's decision by the Oversight Committee.

(D) The Grant Recipient may request that the Oversight Committee reconsider the Chief Executive Officer's decision regarding the Grant Recipient's appeal. The request for reconsideration shall be in writing and submitted to the Chief Executive Officer within 10 days of the date that the Chief Executive Officer notifies the Grant Recipient of the decision regarding the appeal as noted in subparagraph (C) of this paragraph.

(E) The Chief Executive Officer shall notify the Oversight Committee in writing of the decision to approve or deny the Grant Recipient's appeal. The notice should provide justification for the Chief Executive Officer's decision. In the event that the Grant Recipient timely seeks reconsideration of the Chief Executive Officer's decision, the Chief Executive Officer shall provide the Grant Recipient's written request to the Oversight Committee at the same time.

(F) The Grant Recipient's request for reconsideration is deemed denied unless three or more Oversight Committee members request that the Chief Executive Officer add the Grant Recipient's request for reconsideration to the agenda for action at the next regular Oversight Committee meeting. The decision made by the Oversight Committee is final.

(G) If the Grant Recipient's appeal is approved by the Chief Executive Officer or the Oversight Committee, the Grant Recipient shall report the project costs and provide supporting documentation for the costs incurred during the reporting period covered by the appeal on the next available financial status report to be filed by the Grant Recipient.

(H) Approval of the waiver appeal does not connote approval of the expenditures; the expenditures and supporting documentation shall be reviewed according to subsection (b) of this section.

(I) This subsection applies to any waivers of the Grant Recipient's reimbursement decided by the Institute on or after September 1, 2015.

(4) Notwithstanding subsection (c) of this section, in the event that the Grant Recipient and Institute execute the Grant Contract after the effective date of the Grant Contract, the Chief Program Officer may approve additional time for the Grant Recipient to prepare and submit the outstanding Financial Status Report(s). The approval shall be in writing and maintained in the Grants Management System. The Chief Program Officer's approval may cover more than one Financial Status Report and more than one fiscal quarter.

(5) In order to receive disbursement of grant funds, the most recently due Financial Status Report must be approved by the Institute.

(e) If a deadline set by this rule falls on a Saturday, Sunday, or federal holiday as designated by the U.S. Office of Personnel Management, the required filing may be submitted on the next business day. The Institute will not consider a required filing delinquent if the Grant Recipient complies with this subsection.

(f) Unless waived under paragraph (1) of this subsection, the Institute shall review Financial Status Reports and supporting documentation and make payment within 30 days of receiving a complete and correct quarterly Financial Status Report.

(1) The Chief Executive Officer may temporarily waive the requirements of this subsection, in whole or in part, upon finding that the waiver is necessary for the Institute to reduce a backlog of submitted Financial Status Reports, cope with and unusual or unworkable volume and complexity of Financial Status Report reviews, manage challenges with its electronic grant management system, or for any other reason consistent with the purposes and duties of the Institute.

(2) A waiver under paragraph (1) of this subsection shall be in writing and state the justification for the waiver. The waiver shall specify the length of time it is applicable, but no waiver shall exceed 180 days from the date on which the Chief Executive Officer grants the waiver. The Chief Executive Officer shall provide the waiver to the Oversight Committee at the time of its approval.

(3) All waivers approved pursuant to this subsection shall be posted on the Institute's Internet website. The Institute shall maintain a copy of an approved waiver as part of the applicable grant record.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 21, 2025.

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Heidi McConnell
Deputy Executive Officer / Chief Operating Officer
Cancer Prevention and Research Institute of Texas
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For further information, please call: (512) 463-3190

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TITLE 43. TRANSPORTATION

PART 10. TEXAS DEPARTMENT OF MOTOR VEHICLES

CHAPTER 217. VEHICLE TITLES AND REGISTRATION

SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

43 TAC §§217.22, 217.26, 217.28, 217.29

INTRODUCTION. The Texas Department of Motor Vehicles (department) proposes amendments to 43 Texas Administrative Code (TAC) Subchapter B, Motor Vehicle Registration, §§217.22, 217.26, 217.28, and 217.29 to limit the types of personal identification documents that an applicant can use to register a vehicle in Texas under Transportation Code, §502.040, which requires that the owner of a vehicle apply for registration in Texas and that the applicant for registration is a resident of Texas. These proposed amendments are necessary to ensure that the applicant's personal identification document is valid and that the applicant is legally eligible to reside in Texas.

EXPLANATION.

The proposed amendments to 43 TAC §217.22 would add a new §217.22(44), defining "valid passport" as an unexpired passport or passport card that is issued by the United States government, or an unexpired passport that is issued by the government of another foreign country and supported by a stamp or mark on the passport and either a permanent resident card, or an unexpired immigrant visa from the United States Department of Homeland Security to show that the person has the legal right to reside in the United States. The remaining subsections in §217.22 are proposed to be renumbered as necessary to accommodate new §217.22(44). These proposed amendments are necessary to strengthen the document validity requirements for vehicle regis-

tration in order to prevent fraud and to prevent applicants who are not legally eligible to reside in Texas from registering vehicles to drive on Texas roads.

The proposed amendments to §217.26 would distinguish the personal identification document requirements for registration that does not require the applicant to be a resident of Texas from registrations under Transportation Code, §502.040, which requires Texas residency. While the proposed amendment to §217.26(a) preserves the existing flexibility in personal identification documents for applicants for types of registration that do not require Texas residency, proposed new §217.26(b) limits the types of personal identification documents the department would accept from applicants for registration requiring Texas residency. Applicants for vehicle registration under Transportation Code, §502.040 would have to show either a valid, unexpired driver's license or state identification card that meets the requirements of the REAL ID Act of 2005 (REAL ID), a valid passport as defined by new §217.22(44), or a valid, unexpired Texas handgun license. All three of these methods of identification provide proof that the applicant is legally eligible to reside in Texas. REAL ID requires that the issuing authority verify the legal presence status of applicants who are not United States citizens. As stated above, the proposed new definition of "valid passport" in §217.22(44) would show that the applicant is legally eligible to reside in Texas. Business and Commerce Code §507.001, relating to Concealed Handgun License as Valid Proof of Identification, requires that the department accept a Texas handgun license in lieu of a driver's license; an applicant for a handgun license must provide proof of citizenship or lawful presence. These proposed amendments are necessary to prevent fraud and to prevent applicants who are not legally eligible to reside in Texas from registering vehicles. The remaining subsections of §216.26 are proposed to be relettered to accommodate proposed new §217.26(b).

Proposed amendments to §217.28 and §217.29 would require applicants seeking to renew a motor vehicle registration to provide documents or information to allow the department to verify that the vehicle owner has a personal identification document that meets the requirements of proposed amended §217.26. These changes are necessary to implement the new identification requirements for all registered vehicles, including those that were initially registered prior to the effective date of these proposed amendments. Subsections of §228.28(c) would be renumbered to accommodate the addition of the new identification requirements in proposed new §228.28(c)(2).

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Glenna Bowman, Chief Financial Officer, has determined that for each year of the first five years the amendments will be in effect, there will be no significant fiscal impact to state or local governments as a result of the enforcement or administration of the proposal because the department's data shows that the vast majority of applicants for registration have been presenting the department with personal identification documents that will meet the requirements of the amended rules. Annette Quintero, Director of the Vehicle Titles and Registration Division, has determined that there will be no measurable effect on local employment or the local economy as a result of the proposal.

PUBLIC BENEFIT AND COST NOTE.

Public Benefit. Ms. Quintero has also determined that, for each year of the first five years the amended sections are in effect, the public benefits anticipated as a result of the proposal include reducing the risk of fraud in vehicle registration, and preventing people who are not legally eligible to reside in Texas from attaining registration to drive on Texas roads.

Anticipated Costs To Comply With The Proposal. Ms. Quintero anticipates that there will be costs to comply with these revisions for individuals who do not have a valid, unexpired driver's license or unexpired passport and have to pay the application costs necessary to attain those documents. The cost to persons required to comply with the proposal would be $33 or less for the Texas driver's license fee and $165 or less for a United States passport.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. As required by Government Code, §2006.002, the department has determined that the proposed amendments will have an adverse economic effect on small businesses, micro-businesses, and rural communities to the extent that they register vehicles and do not have valid, current identification document for the individual registering a vehicle under Transportation Code, §502.040. These individuals would have to apply for and pay the fees associated with a Texas driver's license or United States passport, as described above. There are approximately 3.5 million small and micro-businesses in Texas and approximately 1,660 incorporated communities in Texas with a population of less than 25,000; the department has no data on how many of these businesses and communities register their vehicles through a representative with a valid driver's license or passport that would meet the requirements of the proposed revisions. Therefore, the department is required to prepare a regulatory flexibility analysis under Government Code, §2006.002. The department considered establishing separate identification requirements for small and micro-businesses and rural communities, exempting small and micro-businesses from the identification requirements, and allowing small and micro-businesses and rural communities to use the same personal identification requirements as the proposed rules provide for registration that does not require Texas residency. The department rejected all three options because they would not be consistent with the health, safety and welfare of the state, as they would all allow the risk of fraud and the risk of individuals who are not legally eligible to reside in Texas registering vehicles and driving on Texas roads.

TAKINGS IMPACT ASSESSMENT. The department has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking or require a takings impact assessment under Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT STATEMENT. The department has determined that each year of the first five years the proposed amendments are in effect, no government program would be created or eliminated. Implementation of the proposed amendments would not require the creation of new employee positions or elimination of existing employee positions. Implementation would not require an increase or decrease in future legislative appropriations to the department or an increase or significant decrease of fees paid to the department. The proposed amendments technically create a new regulation for an applicant for vehicle registration who is required to be a resident of Texas. The proposed amendments do not expand or repeal an existing regulation. The proposed amendments limit an existing regulation by restricting the types of identifying documents that a person can use to register a vehicle under Transportation

Code, §502.040. Lastly, the proposed amendments do not affect the number of individuals subject to the rule's applicability and will not affect this state's economy.

REQUEST FOR PUBLIC COMMENT.

If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on January 5, 2026. The department requests information related to the cost, benefit, or effect of the proposed amendments, including any applicable data, research, or analysis, from any person required to comply with the proposed rule or any other interested person. A request for a public hearing must be sent separately from your written comments. Send written comments or hearing requests by email to rules@txdmv.gov or by mail to Office of General Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is held, the department will consider written comments and public testimony presented at the hearing.

STATUTORY AUTHORITY. The Texas Department of Motor Vehicles (department) proposes amendments to §§217.22, 217.26, 217.28 and 217.29 under Transportation Code, §502.0021, which gives the department the authority to adopt rules to administer Transportation Code, Chapter 502; Transportation Code, §502.040, which gives the department authority to determine by rule the personal identification required for vehicle registration under that section; and Transportation Code, §502.043, which gives the department authority to make rules to prescribe the manner and required information for an application for vehicle registration and to require an applicant for registration to provide current personal identification.

CROSS REFERENCE TO STATUTE. Transportation Code, Chapter 502 and 1002; Business and Commerce Code, Chapter 507.

§217.22. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Affidavit for alias exempt registration--A form prescribed by the director that must be executed by an exempt law enforcement agency to request the issuance of exempt registration in the name of an alias.

(2) Agent--A duly authorized representative possessing legal capacity to act for an individual or legal entity.

(3) Alias--The name of a vehicle registrant reflected on the registration, different than the name of the legal owner of the vehicle.

(4) Alias exempt registration--Registration issued under an alias to a specific vehicle to be used in covert criminal investigations by a law enforcement agency.

(5) Axle load--The total load transmitted to the road by all wheels whose centers may be included between two parallel transverse vertical planes 40 inches apart, extending across the full width of the vehicle.

(6) Border commercial zone--A commercial zone established under Title 49, C.F.R., Part 372 that is contiguous to the border with Mexico.

(7) Bus--A motor vehicle used to transport persons and designed to accommodate more than 10 passengers, including the operator; or a motor vehicle, other than a taxicab, designed and used to transport persons for compensation.

(8) Carrying capacity--The maximum safe load that a commercial vehicle may carry, as determined by the manufacturer.

(9) Character--A numeric or alpha symbol displayed on a license plate.

(10) County or city civil defense agency--An agency authorized by a commissioner's court order or by a city ordinance to provide protective measures and emergency relief activities in the event of hostile attack, sabotage, or natural disaster.

(11) Current photo identification--a government-issued photo identification that is currently valid or is expired not more than 12 months, or a state-issued personal identification certificate issued to a qualifying person if the identification states that it has no expiration.

(12) Digital license plate--As defined in Transportation Code, §504.151.

(13) Digital license plate owner--A digital license plate owner is a person who purchases or leases a digital license plate from a department-approved digital license plate provider.

(14) Director--The director of the Vehicle Titles and Registration Division, Texas Department of Motor Vehicles.

(15) Division--Vehicle Titles and Registration Division.

(16) Executive administrator--The director of a federal agency, the director of a Texas state agency, the sheriff of a Texas county, or the chief of police of a Texas city that by law possesses the authority to conduct covert criminal investigations.

(17) Exempt agency--A governmental body exempted by statute from paying registration fees when registering motor vehicles.

(18) Exempt license plates--Specially designated license plates issued to certain vehicles owned or controlled by exempt agencies.

(19) Exhibition vehicle--

(A) An assembled complete passenger car, truck, or motorcycle that:

(i) is a collector's item;

(ii) is used exclusively for exhibitions, club activities, parades, and other functions of public interest;

(iii) does not carry advertising; and

(iv) has a frame, body, and motor that is at least 25-years old; or

(B) A former military vehicle as defined in Transportation Code, §504.502.

(20) Fire-fighting equipment--Equipment mounted on fire-fighting vehicles used in the process of fighting fires, including, but not limited to, ladders and hoses.

(21) Foreign commercial motor vehicle--A commercial motor vehicle, as defined by 49 C.F.R. §390.5, that is owned by a person or entity that is domiciled in or a citizen of a country other than the United States.

(22) GPS--A global positioning system tracking device that can be used to determine the location of a digital license plate through data collection by means of a receiver in a digital license plate.

(23) Highway construction project--That section of the highway between the warning signs giving notice of a construction area.

(24) International symbol of access--The symbol adopted by Rehabilitation International in 1969 at its Eleventh World Congress of Rehabilitation of the Disabled.

(25) Legend--A name, motto, slogan, or registration expiration notification that is centered horizontally at the bottom of the license plate.

(26) Make--The trade name of the vehicle manufacturer.

(27) Metal license plate--A non-digital license plate issued by the department under Transportation Code Chapter 502, 503, or Chapter 504.

(28) Nonprofit organization--An unincorporated association or society or a corporation that is incorporated or holds a certificate of authority under the Business Organizations Code.

(29) Nominating State Agency--A state agency authorized to accept and distribute funds from the sale of a specialty plate as designated by the nonprofit organization (sponsoring entity).

(30) Optional digital license plate information--Any information authorized to be displayed on a digital license plate in addition to required digital license plate information when the vehicle is in park, including:

(A) an emergency alert or other public safety alert issued by a governmental entity, including an alert authorized under Subchapter L, M, or P of Government Code Chapter 411;

(B) vehicle manufacturer safety recall notices;

(C) advertising; or

(D) a parking permit.

(31) Park--As defined in Transportation Code, §541.401.

(32) Political subdivision--A county, municipality, local board, or other body of this state having authority to provide a public service.

(33) Primary region of interest--The field on a metal or digital license plate with alphanumeric characters representing the plate number. The primary region of interest encompasses a field of 5.75 inches in width by 1.75 inches in height on metal license plates manufactured for motorcycles, mopeds, golf carts, or off-highway vehicles. The primary region of interest encompasses a field of 8.375 inches in width by 2.5625 inches in height on metal license plates manufactured for all other vehicles.

(34) Registration period--A designated period during which registration is valid. A registration period begins on the first day of a calendar month and ends on the last day of a calendar month.

(35) Required digital license plate information--The minimum information required to be displayed on a digital license plate: the registration expiration month and year (unless the vehicle is a token trailer as defined by Transportation Code, §502.001), the alphanumeric characters representing the plate number, the word "Texas," the registration expiration notification if the registration for the vehicle has expired; and the legend (if applicable).

(36) Secondary region of interest--The field on a metal or digital license plate with the word "Texas" centered horizontally at the top of the plate. The secondary region of interest encompasses a field of 2.5 inches in width by 0.5625 inches in height on metal license plates manufactured for motorcycles, mopeds, golf carts, or off-highway vehicles. The secondary region of interest encompasses a field of 6 inches in width by 1.9375 inches in height on metal license plates manufactured for all other vehicles.

(37) Service agreement--A contractual agreement that allows individuals or businesses to access the department's vehicle registration records.

(38) Specialty license plate--A special design license plate issued by the department.

(39) Specialty license plate fee--Statutorily or department required fee payable on submission of an application for a specialty license plate, symbol, tab, or other device, and collected in addition to statutory motor vehicle registration fees.

(40) Sponsoring entity--An institution, college, university, sports team, or any other non-profit individual or group that desires to support a particular specialty license plate by coordinating the collection and submission of the prescribed applications and associated license plate fees or deposits for that particular license plate.

(41) Street or suburban bus--A vehicle, other than a passenger car, used to transport persons for compensation exclusively within the limits of a municipality or a suburban addition to a municipality.

(42) Tandem axle group--Two or more axles spaced 40 inches or more apart from center to center having at least one common point of weight suspension.

(43) Unconventional vehicle--A vehicle built entirely as machinery from the ground up, that is permanently designed to perform a specific function, and is not designed to transport property.

(44) Valid passport--

(A) An unexpired passport or passport card issued by the United States government; or

(B) An unexpired passport issued by the government of another country with:

(i) A stamp or mark affixed by the United States Department of Homeland Security onto the passport to evidence and authorize lawful admission into the United States; and

(ii) A current permanent resident card or unexpired immigrant visa issued by the United States Department of Homeland Security.

(45) [~~(44)~~] Vehicle classification--The grouping of vehicles in categories for the purpose of registration, based on design, carrying capacity, or use.

(46) [~~(45)~~] Vehicle description--Information regarding a specific vehicle, including, but not limited to, the vehicle make, model year, body style, and vehicle identification number.

(47) [~~(46)~~] Vehicle identification number--A number assigned by the manufacturer of a motor vehicle or the department that describes the motor vehicle for purposes of identification.

(48) [~~(47)~~] Vehicle registration insignia--A license plate, symbol, tab, or other device issued by the department evidencing that all applicable fees have been paid for the current registration period and allowing the vehicle to be operated on the public highways.

(49) [~~(48)~~] Vehicle registration record--Information contained in the department's files that reflects, but is not limited to, the make, vehicle identification number, model year, body style, license number, and the name of the registered owner.

(50) [~~(49)~~] Volunteer fire department--An association that is organized for the purpose of answering fire alarms, extinguishing fires, and providing emergency medical services.

§217.26. Identification Required.

(a) In a registration class under Transportation Code, Chapter 502 that does not require the owner of the vehicle to be a resident of this state, an [~~An~~] application for initial registration is not acceptable unless the applicant presents a current photo identification of the owner containing a unique identification number and expiration date. The current photo identification must be a:

(1) driver's license or state identification certificate issued by a state or territory of the United States;

(2) United States or foreign passport;

(3) United States military identification card;

(4) North Atlantic Treaty Organization identification or identification issued under a Status of Forces Agreement;

(5) United States Department of Homeland Security, United States Citizenship and Immigration Services, or United States Department of State identification document; or

(6) license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

(b) In a registration class under Transportation Code, Chapter 502 that requires the owner of the vehicle to be a resident of this state, an application for initial registration is not acceptable unless the applicant presents one of the following for the owner of the vehicle:

(1) a valid, unexpired driver's license or state identification certificate issued by a state or territory of the United States that complies with the minimum document requirements and issuance standards for federal recognition under the REAL ID Act of 2005, Public Law 109-13;

(2) a valid passport; or

(3) a valid, unexpired license to carry a handgun issued by the Texas Department of Public Safety under Government Code, Chapter 411, Subchapter H.

(c) [~~(b)~~] If the motor vehicle is titled in:

(1) more than one name, then the identification of one owner must be presented;

(2) the name of a leasing company, then:

(A) proof of the Federal Employer Identification Number/Employee Identification Number (FEIN/EIN) of the leasing company must be submitted, written on the application, and can be entered into the department's titling system. The number must correspond to the name of the leasing company in which the vehicle is being titled; and

(B) the leasing company may submit:

(i) a current photo identification, required under this section, of the lessee listed as the registrant; or

(ii) a current photo identification, required under this section, of the employee or authorized agent who signed the application for the leasing company, and the employee's or authorized agent's employee identification, letter of authorization written on the lessor's letterhead, or a printed business card. The printed business card, employee identification, or letter of authorization written on the lessor's letterhead must contain the name of the lessor, and the employee's or authorized agent's name must match the name on the current photo identification;

(3) the name of a trust, then a current photo identification, required under this section, of a trustee must be presented; or

(4) the name of a business, government entity, or organization, then:

(A) proof of the Federal Employer Identification Number/Employee Identification Number (FEIN/EIN) of the business, government entity, or organization must be submitted, written on the application, and can be entered into the department's titling system. The number must correspond to the name of the business, government entity, or organization in which the vehicle is being titled;

(B) the employee or authorized agent must present a current photo identification, required under this section; and

(C) the employee's or authorized agent's employee identification; letter of authorization written on the business', government entity's, or organization's letterhead; or a printed business card. The printed business card, employee identification, or letter of authorization written on the business', government entity's, or organization's letterhead must contain the name of the business, governmental entity, or organization, and the employee's or authorized agent's name must match the name on the current photo identification.

(d) [~~(c)~~] Within this section, an identification document such as a printed business card, letter of authorization, or power of attorney, may be an original or photocopy.

(e) [~~(d)~~] A person who holds a general distinguishing number issued under Transportation Code, Chapter 503 is exempt from submitting to the county tax assessor-collector, but must retain:

(1) the owner's identification, as required under this section; and

(2) authorization to sign, as required under this section.

(f) [~~(e)~~] A person who holds a general distinguishing number issued under Transportation Code, Chapter 503 is not required to submit photo identification or authorization for an employee or agent signing a title assignment with a secure power of attorney.

(g) [~~(f)~~] This section does not apply to non-titled vehicles.

§217.28. Vehicle Registration Renewal.

(a) To renew vehicle registration, a vehicle owner must apply to the tax assessor-collector of the county in which the owner resides or a county tax assessor-collector who is willing to accept the application.

(b) The department will send a registration renewal notice, indicating the proper registration fee and the month and year the registration expires, to each vehicle owner prior to the expiration of the vehicle's registration.

(c) The registration renewal notice should be returned by the vehicle owner to the county tax assessor-collector in the county in which the owner resides or a county tax assessor-collector who is willing to accept the application, or to that tax assessor-collector's deputy, either in person or by mail, unless the vehicle owner renews via the Internet. The renewal notice must be accompanied by the following information, documents and fees:

(1) registration renewal fees prescribed by law;

(2) documents or information necessary to verify that the vehicle owner has a personal identification document that meets the applicable requirements of §217.26 of this title (relating to Identification Required);

(3) [~~(2)~~] any local fees or other fees prescribed by law and collected in conjunction with registration renewal; and

(4) [~~(3)~~] evidence of financial responsibility required by Transportation Code, §502.046, unless otherwise exempted by law.

(d) If a registration renewal notice is lost, destroyed, or not received by the vehicle owner, the vehicle may be registered if the owner presents personal identification that meets the applicable requirements of §217.26 of this title [~~acceptable to the county tax assessor-collector or via the Internet~~]. Failure to receive the notice does not relieve the owner of the responsibility to renew the vehicle's registration.

(e) Renewal of expired vehicle registrations.

(1) If the owner has been arrested or cited for operating the vehicle without valid registration then a 20% delinquency penalty is due when registration is renewed, the full annual fee will be collected, and the vehicle registration expiration month will remain the same.

(2) If the county tax assessor-collector or the department determines that a registrant has a valid reason for being delinquent in registration, the vehicle owner will be required to pay for 12 months' registration. Renewal will establish a new registration expiration month that will end on the last day of the eleventh month following the month of registration renewal.

(3) If the county tax assessor-collector or the department determines that a registrant does not have a valid reason for being delinquent in registration, the full annual fee will be collected and the vehicle registration expiration month will remain the same.

(4) Specialty license plates, symbols, tabs, or other devices may be prorated as provided in §217.45(d)(2) of this title (relating to Specialty License Plates, Symbols, Tabs, and Other Devices).

(5) Evidence of a valid reason may include receipts, passport dates, and military orders. Valid reasons may include:

(A) extensive repairs on the vehicle;

(B) the person was out of the country;

(C) the vehicle is used only for seasonal use;

(D) military orders;

(E) storage of the vehicle;

(F) a medical condition such as an extended hospital stay; and

(G) any other reason submitted with evidence that the county tax assessor-collector or the department determines is valid.

(6) The operation of a vehicle with an expired registration that has been stored or otherwise not in operation that is driven only to an inspection station for the purpose of obtaining an inspection, if applicable, required for registration, will not affect the determination of whether the registrant has a valid or invalid reason for being delinquent.

(f) For purposes of Transportation Code §502.407(c), the county tax assessor-collector's office of the county in which the owner resides is closed for a protracted period of time if the county tax assessor-collector's office has notified the department that it is closed or will be closed for more than one week.

§217.29. Vehicle Registration Renewal via Internet.

(a) Internet registration renewal program. The department will maintain a uniform Internet registration renewal process. This process will provide for the renewal of vehicle registrations via the Internet and will be in addition to vehicle registration procedures provided for in §217.28 of this title (relating to Vehicle Registration Renewal). The Internet registration renewal program will be facilitated by a third-party vendor.

(b) County participation in program. All county tax assessor-collectors shall process registration renewals through an online system designated by the department.

(c) Eligibility of individuals for participation. To be eligible to renew a vehicle's registration via the Internet, the vehicle owner must meet all criteria for registration renewal outlined in this subchapter and in Transportation Code, Chapter 502.

(d) Information to be submitted by vehicle owner. A vehicle owner who renews registration via the Internet must submit or verify the following information:

(1) registrant information, including the vehicle owner's name, [~~and~~] county of residence, and information necessary to verify that the vehicle owner has a personal identification document that meets the applicable requirements of §217.26 of this title (relating to Identification Required);

(2) vehicle information, including the license plate number of the vehicle to be registered;

(3) insurance information, including the name of the insurance company, the name of the insurance company's agent (if applicable), the telephone number of the insurance company or agent (local or toll free number serviced Monday through Friday 8:00 a.m. to 5:00 p.m.), the insurance policy number, and representation that the policy meets all applicable legal standards;

(4) credit card information, including the type of credit card, the name appearing on the credit card, the credit card number, and the expiration date; and

(5) other information prescribed by rule or statute.

(e) Duties of the county. A county tax assessor-collector shall:

(1) accept electronic payment for vehicle registration renewal via the Internet;

(2) execute an agreement with the department as provided by the director;

(3) process qualified Internet registration renewal transactions as submitted by the third-party vendor;

(4) verify that the vehicle owner's personal identification document meets the applicable requirements of §217.26;

(5) [~~(4)~~] communicate with the third-party vendor and applicants via email, regular mail, or other means, as specified by the director;

(6) [~~(5)~~] reject applications that do not meet all requirements set forth in this chapter, and in Transportation Code, Chapter 502; and

(7) [~~(6)~~] register each vehicle for a 12-month period.

(f) Duties of the department. For vehicle registration renewals that are submitted via the Internet, the department and its centralized third-party vendor shall promptly facilitate and mail vehicle registration insignias to applicants.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on November 19, 2025.

TRD-202504233

Laura Moriaty
General Counsel
Texas Department of Motor Vehicles
Earliest possible date of adoption: January 4, 2026
For further information, please call: (512) 465-4160

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WITHDRAWN RULES

Withdrawn Rules include proposed rules and emergency rules. A state agency may specify that a rule is withdrawn immediately or on a later date after filing the notice with the Texas Register. A proposed rule is withdrawn six months after the date of publication of the proposed rule in the Texas Register if a state agency has failed by that time to adopt, adopt as amended, or withdraw the proposed rule. Adopted rules may not be withdrawn. (Government Code, §2001.027)

TITLE 10. COMMUNITY DEVELOPMENT

PART 1. TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

CHAPTER 10. UNIFORM MULTIFAMILY RULES

SUBCHAPTER J. HOUSING FINANCE CORPORATION COMPLIANCE MONITORING

10 TAC §§10.1201 - 10.1207

The Texas Department of Housing and Community Affairs withdraws proposed new 10 TAC §§10.1201 - 10.1207 which appeared in the October 24, 2025, issue of the *Texas Register* (50 TexReg 6959).

Filed with the Office of the Secretary of State on November 18, 2025.

TRD-202504197
Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
Effective date: November 18, 2025
For further information, please call: (512) 475-3959

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ADOPTED RULES

Adopted rules include new rules, amendments to existing rules, and repeals of existing rules. A rule adopted by a state agency takes effect 20 days after the date on which it is filed with the Secretary of State unless a later date is required by statute or specified in the rule (Government Code, §2001.036). If a rule is adopted without change to the text of the proposed rule, then the *Texas Register* does not republish the rule text here. If a rule is adopted with change to the text of the proposed rule, then the final rule text is included here. The final rule text will appear in the Texas Administrative Code on the effective date.

TITLE 4. AGRICULTURE

PART 2. TEXAS ANIMAL HEALTH COMMISSION

CHAPTER 38. TRICHOMONIASIS

4 TAC §§38.1 - 38.3, 38.8

The Texas Animal Health Commission (Commission) in a duly noticed meeting on November 18, 2025, adopted changes to Title 4, Texas Administrative Code, Chapter 38 titled "Trichomoniasis." Specifically, the Commission adopted amendments to §§38.1, 38.2, 38.3, and 38.8 without changes to the proposed text published in the September 19, 2025 issue of the *Texas Register* (50 TexReg 6086) and will not be republished.

JUSTIFICATION FOR RULE ACTION

The Commission adopts amendments to Chapter 38 to correct and update test result language and certain testing requirements regarding the Trichomoniasis program.

Bovine Trichomoniasis is a sexually transmitted disease of cattle caused by the organism *Trichomonas foetus*. The trichomoniasis organism is found on the surface of an infected bull's penis and on the inside of the prepuce. Once a bull is infected, it is infected for life and is a reservoir for the organism. An infected bull will not show symptoms but will physically transmit the organism to female cattle during the breeding process. Clinical indications of the presence of trichomoniasis in female cattle include reduced pregnancy rates, changes in pregnancy pattern, pyometras and higher rates of abortion throughout the pregnancy.

Unlike bulls, trichomoniasis infected females will show an immune response to the presence of the *Trichomonas foetus* organism in their reproductive tract. Antibodies are produced both within the reproductive tract and blood which helps in the clearance of the infection in many exposed females. The immunity is short-lived and cattle that have previously cleared the infection can become re-infected if exposed to the organism during a following breeding. Infected female cattle can remain infected throughout their pregnancy, deliver a live calf and be a potential threat in spreading the disease in the next breeding season.

The Bovine Trichomoniasis Working Group (TWG) met on July 10, 2025, to review the effectiveness of the current program. The TWG discussed the program overview to date and the need for updated rule language and possible revisions to the program's assurance testing requirements.

The TWG recommended updating rule language that referenced "negative" test result to "not detected" results. This change reflects the most correct way to report results from a test that does not find a target pathogen because pathogens may not be present or there may merely be insufficient genetic material from the target pathogen such that it was not found above the detection limit of the test.

The second recommendation was to eliminate the assurance testing requirements for bulls that are part of a herd one year after the date the hold order or quarantine on the herd was released. This requirement was originally put in place to address repeat infections. The TWG's evaluation of this requirement found that the testing has not served that purpose, there is not a need for additional surveillance at this time, and the requirement is administratively burdensome.

As a result of the TWG's review, the Commission adopts amendments to Chapter 38 to update "negative" test result to "not detected," and to remove the official testing requirement for bulls that are part of an infected one year after the release of a hold or quarantine order

HOW THE RULES WILL FUNCTION

Section 38.1 includes definitions for the Trichomoniasis program. The amendments change "negative" test result to "not detected."

Section 38.2 outlines the general requirements of the Trichomoniasis program. The amendments update "negative" test result to "not detected."

Section 38.3 concerns infected herds. The amendments update "negative" test result to "not detected." Additionally, the amendments eliminate the assurance test requirement for bulls in herds one year after a hold order or quarantine was released. The amendments also adjust numbering.

Section 38.8 includes the Herd Certification Program for breeding bulls. The amendments update "negative" test result to "not detected." The amendments correct formatting to italicize scientific names.

SUMMARY OF COMMENTS RECEIVED AND COMMISSION RESPONSE

The 30-day comment period ended October 19, 2025.

During this period, the Commission received no comments regarding the changes to this rule.

STATUTORY AUTHORITY

The amendments are adopted under the following statutory authority as found in Chapter 161 of the Texas Agriculture Code. The Commission is vested by statute, §161.041(a), with the requirement to protect all livestock, domestic animals, and domestic fowl from disease. The Commission is authorized, through §161.041(b), to act to eradicate or control any disease or agent of transmission for any disease that affects livestock.

Pursuant to §161.005, entitled "Commission Written Instruments", the Commission may authorize the executive director or another employee to sign written instruments on behalf of

the Commission. A written instrument, including a quarantine or written notice signed under that authority, has the same force and effect as if signed by the entire Commission.

Pursuant to §161.006, entitled "Documents to Accompany Shipment", if required that a certificate or permit accompany animals or commodities moved in this state, the document must be in the possession of the person in charge of the animals or commodities, if the movement is made by any other means.

Pursuant to §161.0417, entitled "Authorized Personnel for Disease Control", a person, including a veterinarian, must be authorized by the Commission in order to engage in an activity that is part of a state or federal disease control or eradication program for animals.

Pursuant to §161.046, entitled "Rules", the Commission may adopt rules as necessary for the administration and enforcement of this chapter.

Pursuant to §161.048, entitled "Inspection of Shipment of Animals or Animal Products", the Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. An agent of the Commission is entitled to stop and inspect a shipment of animals or animal products being transported in this state in order to determine if the shipment originated from a quarantined area or herd; or determine if the shipment presents a danger to the public health or livestock industry through insect infestation or through a communicable or noncommunicable disease.

Pursuant to §161.054, titled "Regulation of Movement of Animals; Exception", the Commission, by rule, may regulate the movement of animals. The Commission may restrict the intrastate movement of animals even though the movement of the animals is unrestricted in interstate or international commerce. The Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. The Commission is authorized, through §161.054(b), to prohibit or regulate the movement of animals into a quarantined herd, premises, or area. The executive director of the Commission is authorized, through §161.054(d), to modify a restriction on animal movement, and may consider economic hardship.

Pursuant to §161.056(a), titled "Animal Identification Program", the Commission, to provide for disease control and enhance the ability to trace disease-infected animals or animals that have been exposed to disease, may develop and implement an animal identification program that is no more stringent than a federal animal disease traceability or other federal animal identification program. Section 161.056(d) authorizes the Commission to adopt rules to provide for an animal identification program more stringent than a federal program only for control of a specific animal disease or for animal emergency management.

Pursuant to §161.061, titled "Establishment", if the Commission may establish a quarantine against all or the portion of a state, territory, or country in which a disease listed in rules adopted under Section 161.041. Section 161.061(b), a quarantine established may extend to any affected area, including a county, district, pasture, lot, ranch, farm, field, range, thoroughfare, building, stable, or stockyard pen. Section 161.061(c), the Commission may establish a quarantine to prohibit or regulate the movement of infected animals and the movement of animals into an affected area. Section 161.061(d) allows the Commission to delegate its authority to establish a quarantine to the executive director.

Pursuant to §161.065, titled "Movement from Quarantined Area; Movement of Quarantined Animals", the Commission may provide a written certificate or written permit authorizing the movement of animals from quarantined places. If the Commission finds animals have been moved in violation of an established quarantine or in violation of any other livestock sanitary law, the Commission shall quarantine the animals until they have been properly treated, vaccinated, tested, dipped, or disposed of in accordance with the rules of the commission.

Pursuant to §161.101, entitled "Duty to Report", a veterinarian, a veterinary diagnostic laboratory, or a person having care, custody, or control of an animal shall report the existence of the diseases, if required by the Commission, among livestock, exotic livestock, bison, domestic fowl, or exotic fowl to the Commission within 24 hours after diagnosis of the disease.

Pursuant to §161.113, entitled "Testing or Treatment of Livestock", if the Commission requires testing or vaccination under this subchapter, the testing or vaccination must be performed by an accredited veterinarian or qualified person authorized by the commission. The state may not be required to pay the cost of fees charged for the testing or vaccination. The Commission may require the owner or operator of a livestock market to furnish adequate equipment or facilities or have access to essential equipment or facilities within the immediate vicinity of the livestock market.

Pursuant to §161.114, entitled "Inspection of Livestock", an authorized inspector may examine livestock consigned to and delivered on the premises of a livestock market before the livestock are offered for sale. If the inspector considers it necessary, the inspector may have an animal tested or vaccinated. Any testing or vaccination must occur before the animal is removed from the livestock market.

Pursuant to §161.148, titled "Administrative Penalty", the Commission may impose an administrative penalty on a person who violates Chapter 161 or a rule or order adopted under Chapter 161. The penalty for a violation may be in an amount not to exceed $5,000, effective September 1, 2021.

No other statutes, articles, or codes are affected by this proposal.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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CHAPTER 45. REPORTABLE AND ACTIONABLE DISEASES

4 TAC §45.3

The Texas Animal Health Commission (Commission) in a duly noticed meeting on November 18, 2025, adopted amendments

to Title 4, Part 2, Chapter 45 §45.3, concerning Reportable and Actionable Disease List in the Texas Administrative Code, Title 4, Part 2, Chapter 45, titled "Reportable and Actionable Diseases." The Commission adopted amendments to §45.3 without changes to the proposed text published in the September 19, 2025 issue of the *Texas Register* (50 TexReg 6090) and will not be republished.

JUSTIFICATION FOR RULE ACTION

Egg drop syndrome virus (EDSv) is an infectious disease caused by an atadenovirus which can affect many species of poultry and birds. The clinical signs of EDSv are largely associated with egg production. Infected birds produce thin-shelled, soft-shelled, or shell-less eggs, and experience a rapid and extended loss in egg production. Currently, there is no treatment for EDSv and vaccine use is limited.

Due to the economic risks posed by EDSv on the Texas poultry industry, early detection and reporting are critical to prevention. The amendment to §45.3 will add egg drop syndrome virus to the list of diseases that are reportable to the Commission to address the emerging threat to susceptible species in Texas.

Adopted concurrently with a separate preamble, the Commission also amends §51.15 concerning entry requirements for poultry that require domestic poultry from EDSv affected states or poultry vaccinated against EDSv to enter Texas for immediate slaughter only with a written request reviewed and approved by the executive director.

HOW THE RULE WILL FUNCTION

The amendments to §45.3, Reportable and Actionable Disease List, add egg drop syndrome virus to the list of reportable and actionable diseases and reorder the list in alphabetical order.

SUMMARY OF COMMENTS RECEIVED AND COMMISSION RESPONSE

The 30-day comment period ended October 19, 2025.

During this period, the Commission received one comment in support of the amendment from the Texas Poultry Federation.

The Texas Poultry Federation thanked the Commission for its proactive approach to protecting Texas poultry from emerging disease threats.

Response: The Commission thanks the commenter for its feedback.

STATUTORY AUTHORITY

The amendments are adopted under the Texas Agriculture Code, Chapter 161, §161.046 which authorizes the Commission to promulgate rules in accordance with the Texas Agriculture Code.

Pursuant to §161.041, titled "Disease Control," the Commission shall protect all livestock, exotic livestock, domestic fowl, and exotic fowl from diseases the Commission determines require control or eradication. Pursuant to §161.041(b) the Commission may act to eradicate or control any disease or agent of transmission for any disease that affects livestock, exotic livestock, domestic fowl, or exotic fowl. The Commission may adopt any rules necessary to carry out the purposes of this subsection, including rules concerning testing, movement, inspection, and treatment.

Pursuant to §161.048, titled "Inspection of Shipment of Animals or Animal Product," the Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. An agent of the Commission is entitled to stop and inspect a shipment of animals or animal products being transported in this state to determine if the shipment originated from a quarantined area or herd; or determine if the shipment presents a danger to the public health or livestock industry through insect infestation or through a communicable or non-communicable disease.

Pursuant to §161.054, titled "Regulation of Movement of Animals; Exception," the Commission may by rule regulate the movement of animals, and may restrict the intrastate movement of animals even though the movement of the animals is unrestricted in interstate or international commerce. The Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved.

Pursuant to §161.101, titled "Duty to Report," a veterinarian, a veterinary diagnostic laboratory, or a person having care, custody, or control of an animal shall report the existence of the disease, if required by the Commission, among livestock, exotic livestock, bison, domestic fowl, or exotic fowl to the Commission within 24 hours after diagnosis of the disease.

No other statutes, articles, or codes are affected by this adoption.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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CHAPTER 51. ENTRY REQUIREMENTS

4 TAC §51.15

The Texas Animal Health Commission (Commission) in a duly noticed meeting on November 18, 2025, adopted amendments to Title 4, Part 2, Chapter 51 §51.15, concerning Poultry in the Texas Administrative Code, Title 4, Part 2, Chapter 51, titled "Entry Requirements." The Commission adopted amendments to §51.15 with non-substantive changes to §51.15(e) of the proposed text published in the September 19, 2025 issue of the *Texas Register* (50 TexReg 6092) to clarify language concerning applicable quarantine areas. The rule will be republished.

JUSTIFICATION FOR RULE ACTION

The Commission is tasked with creating and enforcing entry requirements for livestock, fowl, exotic livestock, and exotic fowl. The Commission adopts amendments to the entry requirements governing poultry to simplify and consolidate rules across chapters and to add entry requirements concerning egg drop syndrome virus (EDSv).

Previously, entry requirements for poultry were located in §51.15 and in §57.11. The amendments move the requirements from §57.11 to §51.15. These changes create concise and clear

guidelines for entry. Additionally, prior rules were written in large paragraph blocks that were difficult to understand. The amendments seek to break the requirements down into easy to follow lists. The amendments to §51.15 are adopted concurrently with amendments to §57.11.

Further, the amendments to §51.15 include new entry requirements for poultry entering from EDSv affected states. The amendments require birds from affected states or birds that have been vaccinated against EDSv to submit a written request prior to entry and obtain authorization from the executive director prior to entry. Egg drop syndrome virus (EDSv) is an infectious disease caused by an atadenovirus which can affect many species of poultry and birds. The disease results in malformed eggs and decreased egg production. Currently, there is no treatment for EDSv. The amendments to §51.15 are adopted concurrently with an amendment to §45.3 which adds EDSv to the Commission's reportable and actionable disease list.

HOW THE RULES WILL FUNCTION

Section 51.15 includes entry requirements for poultry. The amendments consolidate entry requirements previously found in §57.11 for clarity and conciseness. The amendments reorganize existing entry requirements into easier to follow lists rather than bulky paragraphs. And the amendments create new requirements for birds entering Texas from EDSv affected states similar to existing requirements for birds entering Texas from Infectious Laryngotracheitis affected states.

SUMMARY OF COMMENTS RECEIVED AND COMMISSION RESPONSE

The 30-day comment period ended October 19, 2025.

During this period, the Commission received one comment in support of the amendments from the Texas Poultry Federation.

The Texas Poultry Federation thanked the Commission for its proactive approach to protecting Texas poultry from emerging disease threats. TPF expressed concern with possible confusion over language in §51.15(e) and requested the Commission clarify that birds from both state quarantine and federal quarantine areas shall not enter without express written consent.

Response: The Commission thanks the commenter for its feedback.

The Commission agrees that the language can be made clearer. Changes to the proposal were made to clarify that birds from both state quarantine and federal quarantine areas shall not enter without express written consent.

STATUTORY AUTHORITY

The amendments are adopted under the Texas Agriculture Code, Chapter 161, §161.046 which authorizes the Commission to promulgate rules in accordance with the Texas Agriculture Code.

Pursuant to §161.041, titled "Disease Control," the Commission shall protect all livestock, exotic livestock, domestic fowl, and exotic fowl from diseases the Commission determines require control or eradication. Pursuant to §161.041(b) the Commission may act to eradicate or control any disease or agent of transmission for any disease that affects livestock, exotic livestock, domestic fowl, or exotic fowl. The Commission may adopt any rules necessary to carry out the purposes of this subsection, including rules concerning testing, movement, inspection, and treatment.

Pursuant to §161.043, titled "Regulation of Exhibitions," the Commission may regulate the entry of livestock and may require certification of those animals as reasonably necessary to protect against communicable diseases.

Pursuant to §161.048, titled "Inspection of Shipment of Animals or Animal Product," the Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. An agent of the Commission is entitled to stop and inspect a shipment of animals or animal products being transported in this state to determine if the shipment originated from a quarantined area or herd; or determine if the shipment presents a danger to the public health or livestock industry through insect infestation or through a communicable or non-communicable disease.

Pursuant to §161.054, titled "Regulation of Movement of Animals; Exception," the Commission may by rule regulate the movement of animals, and may restrict the intrastate movement of animals even though the movement of the animals is unrestricted in interstate or international commerce. The Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved.

Pursuant to §161.056(a), titled "Animal Identification Program," the Commission, to provide for disease control and enhance the ability to trace disease-infected animals or animals that have been exposed to disease, may develop and implement an animal identification program that is no more stringent than a federal animal disease traceability or other federal animal identification program. Section 161.056(d) authorizes the Commission to adopt rules to provide for an animal identification program more stringent than a federal program only for control of a specific animal disease or for animal emergency management.

Pursuant to §161.081, titled "Importation of Animals," the Commission by rule may provide the method for inspecting and testing animals before and after entry into Texas. The Commission may create rules for the issuance and form of health certificates and entry permits.

Pursuant to §161.101, titled "Duty to Report," a veterinarian, a veterinary diagnostic laboratory, or a person having care, custody, or control of an animal shall report the existence of the disease, if required by the Commission, among livestock, exotic livestock, bison, domestic fowl, or exotic fowl to the Commission within 24 hours after diagnosis of the disease.

No other statutes, articles, or codes are affected by this adoption.

§51.15. Poultry.

(a) Poultry shipped into the State of Texas shall be accompanied by an official health certificate issued by an accredited veterinarian within 30 days prior to shipment and shall have an entry permit in accordance with §51.2 of this title (relating to General Requirements). The health certificate shall state:

(1) Poultry have been inspected and are free of evidence of infectious or contagious disease;

(2) Poultry have been vaccinated only with approved vaccines as defined in this regulation;

(3) Poultry have not originated from an area that has had active Laryngotracheitis or chicken embryo origin Laryngotracheitis vaccine virus within the last 30 days; and

(4) Poultry have passed a negative test for pullorum-typhoid within 30 days prior to shipment or that they originate from flocks

which have met the pullorum-typhoid requirements of the Texas Pullorum-Typhoid Program and/or the National Poultry Improvement Plan.

(5) Live domestic poultry from states not affected with Avian Influenza may enter Texas under the following circumstances:

(A) The domestic poultry originates from a flock that is certified in accordance with the National Poultry Improvement Plan as U.S. Avian Influenza Clean, U.S. H5/H7 Avian Influenza Clean, or U.S. H5/H7 Avian Influenza Monitored; or

(B) The domestic poultry is from an Avian Influenza negative flock that participates in an approved state-sponsored Avian Influenza monitoring program and participation in the program and the general description of the birds, test date, test results, and name of testing laboratory are documented on the CVI; or

(C) The domestic poultry originate from a flock in which a minimum of 30 birds, 4 weeks of age or older, or the complete flock, if fewer than 30, are serologically negative to an Enzyme Linked Immunosorbent Assay (ELISA) or Agar Gel Immunodiffusion (AGID) test for Avian Influenza within 30 days of entry or a minimum of 10 birds (e.g. two pools of 5 birds per house) are tested negative on trachea swabs to a real-time reverse-transcriptase polymerase chain reaction (RRT-PCR) test within 30 days of entry or negative to other tests approved by the Commission; the general description of the birds, test date, test results, and name of testing laboratory are documented on the CVI.

(b) Movement of poultry from disease affected states.

(1) Live domestic poultry from states affected with Avian Influenza may enter Texas for immediate slaughter and processing only under the following circumstances:

(A) A minimum of 30 birds per flock are serologically negative to an ELISA or AGID test for Avian Influenza within 72 hours of entry, or a minimum of 10 birds (e.g., two pools of 5 birds per house) are tested negative on tracheal swabs to a RRT-PCR test within 72 hours of entry or negative to other tests approved by the TAHC; and

(B) Specific written permission has been granted.

(2) Live domestic poultry from states affected with Infectious Laryngotracheitis or poultry that has been vaccinated with chick embryo vaccine may enter Texas for immediate slaughter and processing only under the following conditions:

(A) The request for authorization to bring poultry into the state must be in writing and shall include a proposed route to slaughter that would not pose a disease risk to Texas poultry;

(B) The initial request must be approved by the executive director prior to entry of the poultry;

(3) Live domestic poultry from states affected with egg drop syndrome virus or poultry that has been vaccinated against the virus may enter Texas for immediate slaughter and processing only under the following conditions:

(A) The request for authorization to bring poultry into the state must be in writing and shall include a proposed route to slaughter that would not pose a disease risk to Texas poultry;

(B) The initial request must be approved by the executive director prior to entry of the poultry;

(c) An official health certificate is not required on poultry consigned to slaughter establishments, which maintain federal or state ante and postmortem inspection, provided the shipment is accompanied by a waybill indicating the plant of destination.

(d) Baby poultry will be exempt from this section if from an NPIP, or equivalent, hatchery, and accompanied by NPIP Form 9-3 or 9-3i; or, if covered by an approved "Commuter Poultry Flock Agreement" on file with the state of origin and the commission.

(e) Live poultry, unprocessed poultry, hatching eggs, unprocessed eggs, egg flats, poultry coops, cages, crates, other birds, and used poultry equipment affected with, or recently exposed to, infectious, contagious, or communicable disease, or originating in state quarantined areas or federal quarantined areas shall not enter Texas without express written consent from the commission.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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CHAPTER 57. POULTRY

4 TAC §57.11

The Texas Animal Health Commission (Commission) in a duly noticed meeting on November 18, 2025, adopted amendments to Title 4, Part 2, Chapter 57 §57.11, concerning General Requirements in the Texas Administrative Code, Title 4, Part 2, Chapter 57, titled "Poultry." The Commission adopted amendments to §57.11 without changes to the proposed text published in the September 19, 2025 issue of the *Texas Register* (50 TexReg 6095) and will not be republished.

JUSTIFICATION FOR RULE ACTION

The Commission is tasked with creating and enforcing entry requirements for livestock, fowl, exotic livestock, and exotic fowl. The Commission adopts amendments to the entry requirements governing poultry to simplify and consolidate rules across chapters. Previously, entry requirements for poultry were located in §51.15 and in §57.11. The amendments move the requirements from §57.11 to §51.15. These changes create concise and clear guidelines for entry. The amendments to §57.11 are adopted concurrently with amendments to §51.15.

HOW THE RULES WILL FUNCTION

The amendments to §57.11, General Requirements, remove the interstate movement requirements that have been moved to §51.15, renumber paragraphs, and clarify proven available methods of poultry carcass disposal.

SUMMARY OF COMMENTS RECEIVED AND COMMISSION RESPONSE

The 30-day comment period ended October 19, 2025.

During this period, the Commission received no comments regarding the changes to this rule.

STATUTORY AUTHORITY

The amendments are adopted under the Texas Agriculture Code, Chapter 161, §161.046 which authorizes the Commission to promulgate rules in accordance with the Texas Agriculture Code.

Pursuant to §161.041, titled "Disease Control," the Commission shall protect all livestock, exotic livestock, domestic fowl, and exotic fowl from diseases the commission determines require control or eradication. Pursuant to §161.041(b) the Commission may act to eradicate or control any disease or agent of transmission for any disease that affects livestock, exotic livestock, domestic fowl, or exotic fowl. The Commission may adopt any rules necessary to carry out the purposes of this subsection, including rules concerning testing, movement, inspection, and treatment.

Pursuant to §161.043, titled "Regulation of Exhibitions," the Commission may regulate the entry of livestock and may require certification of those animals as reasonably necessary to protect against communicable diseases.

Pursuant to §161.048, titled "Inspection of Shipment of Animals or Animal Product," the Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved. An agent of the Commission is entitled to stop and inspect a shipment of animals or animal products being transported in this state to determine if the shipment originated from a quarantined area or herd; or determine if the shipment presents a danger to the public health or livestock industry through insect infestation or through a communicable or non-communicable disease.

Pursuant to §161.054, titled "Regulation of Movement of Animals; Exception," the Commission may by rule regulate the movement of animals, and may restrict the intrastate movement of animals even though the movement of the animals is unrestricted in interstate or international commerce. The Commission may require testing, vaccination, or another epidemiologically sound procedure before or after animals are moved.

Pursuant to §161.056(a), titled "Animal Identification Program," the Commission, to provide for disease control and enhance the ability to trace disease-infected animals or animals that have been exposed to disease, may develop and implement an animal identification program that is no more stringent than a federal animal disease traceability or other federal animal identification program. Section 161.056(d) authorizes the Commission to adopt rules to provide for an animal identification program more stringent than a federal program only for control of a specific animal disease or for animal emergency management.

Pursuant to §161.081, titled "Importation of Animals," the Commission by rule may provide the method for inspecting and testing animals before and after entry into Texas. The Commission may create rules for the issuance and form of health certificates and entry permits.

No other statutes, articles, or codes are affected by this adoption.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Texas Animal Health Commission
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TITLE 16. ECONOMIC REGULATION

PART 1. RAILROAD COMMISSION OF TEXAS

CHAPTER 3. OIL AND GAS DIVISION

16 TAC §3.15, §3.107

The Railroad Commission of Texas adopts amendments to §3.15, relating to Surface Equipment Removal Requirements and Inactive Wells, and §3.107, relating to Penalty Guidelines for Oil and Gas Violations, without changes to the proposed text as published in the September 5, 2025, issue of the *Texas Register* (50 TexReg 5795); the rule text will not be republished. The amendments implement House Bill 2663, 89th Texas Legislature (Regular Session, 2025). The bill amends Texas Natural Resources Code §89.029 to require an operator who is applying for a plugging extension for a well that has been inactive for at least 10 years to affirm to the Commission it has removed all equipment associated with providing electric power to the production site, unless the equipment is owned by a utility provider, as defined by Texas Utilities Code §31.002. The bill also requires the Commission to assess a penalty of up to $25,000 if an operator falsely files this affirmation.

The Commission received one comment from the Texas Land & Mineral Owners Association (TLMA) which supports the proposed amendments. TLMA stated that inactive wells have created serious challenges for landowners, some of whom endured physical damage to their property long before the devastating Panhandle wildfires of 2024 drew statewide attention to this issue. The consequences of neglect are both economic and environmental, and they fall disproportionately on landowners who often lack standing in oil and gas leasing negotiations. TLMA commends the Commission for taking steps to address the growing problem of inactive wells and the removal of electrical equipment is a vital component of these reforms. What may appear to be a minor change has the potential to prevent millions of dollars in losses and protect landowners from the continued impacts of operator negligence.

The Commission adopts amendments in §3.15(f)(2)(A) to add a reference to Texas Natural Resources Code §89.029.

The Commission adopts amendments in §3.15(f)(2)(A)(ii) to add wording that an operator who is applying for a plugging extension for a well that has been inactive for at least 10 years to affirm that equipment associated with providing electric service has been removed. This new provision does not apply to equipment owned by an electric utility.

The Commission adopts amendments to the Figure in §3.107(j) to add the new penalty.

The Commission adopts the amendments under Texas Natural Resources Code, §81.051 and §81.052, which provide the Commission with jurisdiction over all persons owning or engaged in

drilling or operating oil or gas wells in Texas and the authority to adopt all necessary rules for governing and regulating persons and their operations under commission jurisdiction; Texas Natural Resources Code §§85.042, 85.202, 86.041 and 86.042, which require the Commission to adopt rules to control waste of oil and gas; and Texas Natural Resources Code, §89.023, which authorizes the Commission to adopt rules relating to the definition of active operation.

Statutory authority: Texas Natural Resources Code, §§81.051, 81.052, 85.042, 85.202, 86.041, 86.042, 89.023.

Cross-reference to statute: Texas Natural Resources Code, Chapter 81, 85, 86, and 89.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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CHAPTER 9. LP-GAS SAFETY RULES
SUBCHAPTER A. GENERAL REQUIREMENTS

The Railroad Commission of Texas (Commission) adopts the repeal of §9.14, relating to Military Fee Exemption, new §9.14, relating to Military Licensing and Fee Exemption, and amendments to §§9.2, 9.10, 9.13, and 9.20 relating to Definitions, Rules Examination, General Installers and Repairman Exemption, and Dispenser Operations Certificate Exemption, without changes to the proposed text as published in the September 5, 2025, issue of the *Texas Register* (50 TexReg 5801); the rule text will not be republished. The Commission received no comments on the proposal. The Commission adopts the repeal, new rule, and amendments pursuant to House Bill (HB) 5629 (89th Legislature, Regular Session, 2025) which amended Occupations Code §§55.004, 55.0041, 55.0042, 55.005, and 55.009 and Senate Bill 1818 (89th Legislature, Regular Session, 2025) which amended Occupations Code §§55.004 and 55.0041.

HB 5629 amends current law governing state agencies that issue occupational licenses to military service members, military veterans, and military spouses, establishing new and streamlined requirements. The legislation amends provisions in §55.004, Occupations Code, related to the issuance of alternative licenses, and in §55.0041, Occupations Code, related to the recognition of out-of-state licenses. Pursuant to HB 5629, a state agency must issue an alternative license to a military service member, military veteran, or military spouse if the applicant either (1) holds a current license issued by another state that is similar in scope of practice to the state agency's license and is in good standing with the out-of-state licensing authority, or (2) held a license with the state agency within the preceding five years. Similarly, HB 5629 requires a state agency to recognize an out-of-state license for a military service member or a military spouse who (1) holds a current out-of-state license that is similar in scope of practice to the state agency's license, (2) is in good standing with the out-of-state licensing authority, and (3) submits certain required information in an affidavit. The legislation also clarifies the definition of what qualifies as "good standing", decreases application processing timelines from 30 business days to 10 business days, and requires a state agency to maintain a record of each complaint made against a military service member, military veteran, or military spouse to whom the agency issued a license and to publish such information on its website. Lastly, HB 5629 requires a state agency issuing an occupational license to waive license application and examination fees for military service members, military veterans, and military spouses. The Commission already complies with the requirement to waive license application and examination fees but streamlines those requirements in response to the legislation.

The Commission's Alternative Fuels Safety Department (AFS) issues LP-gas licenses to applicants that meet the requirements of Chapter 9 to perform LP-gas activities in Texas. AFS also issues certifications to qualified individuals, known as certificate holders or certified individuals, allowing them to perform certain LP-gas activities in Texas. Certificate holders must be in compliance with all applicable continuing education and training requirements, renewal requirements, and must be employed by an LP-gas licensee in accordance with §9.8(a) of this title (relating to Requirements and Application for a New Certificate).

Section 55.001 of the Occupations Code defines "license" as "a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to engage in a particular business." Accordingly, Chapter 55 and HB 5629 only apply to licenses, as defined by §55.001, that are issued to individuals. AFS typically issues LP-gas licenses to registered business entities, but on rare occasions may issue an LP-gas license to an individual operating as a sole proprietorship. Certifications, on the other hand, are issued only to individuals employed by an LP-gas licensee, provided they meet the applicable examination, continuing education, and renewal requirements in Chapter 9. Therefore, an LP-gas license issued to a sole proprietor and certifications issued under Chapter 9 are "licenses" under §55.001 and are subject to the provisions of HB 5629 and this rulemaking. New §9.14(a)(2) adopts the term "license" as defined in §55.001, Occupations Code, and therefore, usage of the word "license" in §9.14 refers specifically to LP-gas licenses issued to individuals as sole proprietors and to certifications issued to individuals.

The Commission adopts amendments to §9.2(5)(F), the definition of "certificate holder", to clarify that an individual who holds an alternative license or the recognition of an out-of-state license pursuant to §9.14 meets the definition of certificate holder.

New §9.14 includes retitling the rule to more accurately reflect its subject matter, reorganizing the rule for greater clarity in light of the changes to military fee exemption requirements under HB 5629, and incorporating new provisions related to alternative licensing and the recognition of out-of-state licenses as required by HB 5629.

New §9.14(a)(1) - (2) clarifies that §9.14 applies to licenses, military service members, military veterans, or military spouses as those terms are defined in §55.001, Occupations Code. New §9.14(a)(3), in accordance with HB 5629, states that an individual is considered to be in good standing with another state's licensing authority if the individual holds a license that

is current and has not been suspended, revoked, or voluntarily surrendered during an investigation for unprofessional conduct; has not been disciplined with the other state's licensing authority; and is not currently under investigation by the other state's licensing authority for unprofessional conduct. AFS will conduct reviews of each application submitted under new §9.14 to determine whether the applicant is in good standing with the other state's licensing authority. Additionally, §9.14(a)(4) states that the Commission shall maintain a record of complaints made against a military service member, military veteran, or military spouse to whom AFS issues an alternative license or out-of-state recognition of a license and shall publish at least quarterly the complaint information on its website.

To implement this requirement, the Commission is creating a page on its website to post a list of any complaints it receives against the military service members that hold an alternative license or an out-of-state license recognized by the Commission. The website will be updated at least quarterly. The Commission is in the process of creating a new Form 16V for applications for an alternative license and a new Form 16M for applications for recognition of an out-of-state license.

New subsection §9.14(b) contains the provisions for alternative licensing pursuant to HB 5629. Military service members, military veterans, and military spouses may apply for an alternative license by submitting a completed Form 16V to AFS. There are two avenues by which an applicant may receive an alternative license from AFS. First, an applicant may receive an alternative license from the Commission if the applicant holds a current license issued by another state's licensing authority that is similar in scope of practice to the requested LP-gas license issued by AFS and the applicant is in good standing with the other state's licensing authority. The applicant must submit a completed Form 16V, which includes as an attachment a copy of the current LP-gas license issued in the other state, a copy of military documentation reflecting the applicant's status as a military service member or military veteran, and any other documentation that may be requested by AFS. If the applicant is a military spouse, a copy of the marriage license must also be attached. Upon receipt of a completed Form 16V with all required attachments, AFS will conduct a review of the application to ensure the form and attachments are completed as required, will determine whether the other state's license is similar in scope of practice to the requested alternative license to be issued by AFS, and conduct due diligence to determine whether the applicant is in good standing with the other state's licensing authority.

Second, an applicant may receive an alternative license from the Commission if the applicant held an LP-gas license from the Commission within the five years preceding the application date. Those applicants are still required to complete Form 16V and must attach military documentation and a marriage license, if applicable. Regardless of which avenue an applicant uses to pursue an alternative license under §9.14, AFS will issue the alternative license within 10 business days of the application date if the application meets the requirements of §9.14 and HB 5629.

New §9.14(c) contains the provisions for the recognition of an out-of-state license pursuant to HB 5629. Military service members and military spouses are eligible to apply for the recognition of an out-of-state license by submitting a complete Form 16M to AFS. An applicant may receive the recognition of an out-of-state license from the Commission if the applicant holds a current license issued by another state's licensing authority that is similar in scope of practice to the requested LP-gas license issued by AFS. The applicant must submit a completed Form 16M, which includes as an attachment a copy of the current LP-gas license issued in the other state, a copy of military orders showing relocation to Texas, and any other documentation that may be requested by AFS. If the applicant is a military spouse, a copy of the marriage license must also be attached. Finally, the affidavit included in Form 16M must be signed and notarized by the applicant, affirming under penalty of perjury that: (1) the applicant is the person described and identified in the application; (2) all statements in the application are true, correct, and complete; (3) the applicant understands the scope of practice for the applicable license in this state and will not perform outside of that scope of practice; and (4) the applicant is in good standing in the state in which the applicant holds or has held an applicable license. Upon receipt of a completed Form 16V with all required attachments, AFS will conduct a review of the application to ensure the form, attachments, and affidavit are completed as required and will determine whether the other state's license is similar in scope of practice to the requested alternative license to be issued by AFS. AFS will recognize the out-of-state license within 10 business days of the application date if the application meets the requirements of §9.14 and HB 5629.

New §9.14(d) contains provisions for the exemption of license application and examination fees for military service members, military veterans, and military spouses. A service member may apply for exemption from a license application fee or examination fee by filing a completed Form 35 with AFS, including a copy of applicable military records and a copy of the applicant's driver's license or state-issued identification card. If the exemption is granted by AFS, the applicant should attach the exemption to the application for a license or examination to serve as notice of payment.

New §9.14(e) contains provisions related to renewals of licenses. Alternative licenses and out-of-state recognitions are still required to submit renewals pursuant to Chapter 9 and are required to pay renewal fees. However, a military service member who fails to renew a license because the individual was on active duty is exempt from any increased fee or penalty imposed by AFS. Additionally, a military service member who holds a license is entitled to two years of additional time to complete continuing education requirements or any other requirement related to the renewal of the license.

The Commission adopts the repeal under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

16 TAC §9.14

Statutory authority: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, §113.051.

Cross reference to statute: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, Chapter 113.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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For further information, please call: (512) 475-1295

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16 TAC §§9.2, 9.10, 9.13, 9.14, 9.20

The Commission adopts the new rule and amendments under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

Statutory authority: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, §113.051.

Cross reference to statute: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, Chapter 113.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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CHAPTER 13. REGULATIONS FOR COMPRESSED NATURAL GAS (CNG) SUBCHAPTER C. CLASSIFICATION, REGISTRATION, AND EXAMINATION

The Railroad Commission of Texas (Commission) adopts the repeal of §13.76, relating to Military Fee Exemption, new §13.76, relating to Military Licensing and Fee Exemption, and amendments to §13.61 and §13.70, relating to License Categories, Container Manufacturer Registration, Fees, and Application for Licenses, Manufacturer Registrations, and Renewals; and Examination and Exempt Registration Requirements and Renewals, without changes to the proposed text as published in the September 5, 2025, issue of the *Texas Register* (50 TexReg 5806); the rule text will not be republished. The Commission received no comments on the proposal. The Commission adopts the repeal, new rule, and amendments pursuant to House Bill (HB) 5629 (89th Legislature, Regular Session, 2025) which amended Occupations Code §§55.004, 55.0041, 55.0042, 55.005, and 55.009 and Senate Bill 1818 (89th Legislature, Regular Session, 2025) which amended Occupations Code §§55.004 and 55.0041.

HB 5629 amends current law governing state agencies that issue occupational licenses to military service members, military veterans, and military spouses, establishing new and streamlined requirements. The legislation amends provisions in §55.004, Occupations Code, related to the issuance of alternative licenses, and in §55.0041, Occupations Code, related to the recognition of out-of-state licenses. Pursuant to HB 5629, a state agency must issue an alternative license to a military service member, military veteran, or military spouse if the applicant either (1) holds a current license issued by another state that is similar in scope of practice to the state agency's license and is in good standing with the out-of-state licensing authority, or (2) held a license with the state agency within the preceding five years. Similarly, HB 5629 requires a state agency to recognize an out-of-state license for a military service member or a military spouse who (1) holds a current out-of-state license that is similar in scope of practice to the state agency's license, (2) is in good standing with the out-of-state licensing authority, and (3) submits certain required information in an affidavit. The legislation also clarifies the definition of what qualifies as "good standing", decreases application processing timelines from 30 business days to 10 business days, and requires a state agency to maintain a record of each complaint made against a military service member, military veteran, or military spouse to whom the agency issued a license and to publish such information on its website. Lastly, HB 5629 requires a state agency issuing an occupational license to waive license application and examination fees for military service members, military veterans, and military spouses. The Commission already complies with the requirement to waive license application and examination fees but streamlines those requirements in response to the legislation.

The Commission's Alternative Fuels Safety Department (AFS) issues CNG licenses to applicants that meet the requirements of Chapter 13 to perform CNG activities in Texas. AFS also issues certifications to qualified individuals, known as certificate holders or certified individuals, allowing them to perform certain CNG activities in Texas. Certificate holders must be in compliance with all applicable continuing education and training requirements, renewal requirements, and must be employed by a CNG licensee in accordance with §13.70(a).

Section 55.001 of the Occupations Code defines "license" as "a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to engage in a particular business." Accordingly, Chapter 55 and HB 5629 only apply to licenses, as defined by §55.001, that are issued to individuals. AFS typically issues CNG licenses to registered business entities, but on rare occasions may issue a CNG license to an individual operating as a sole proprietorship. Certifications, on the other hand, are issued only to individuals employed by a CNG licensee, provided they meet the applicable examination, continuing education, and renewal requirements in Chapter 13. Therefore, a CNG license issued to a sole proprietor and certifications issued under Chapter 13 are "licenses" under §55.001 and are subject to the provisions of HB 5629 and this rulemaking. New §13.76(a)(2) adopts the term "license" as defined in §55.001, Occupations Code, and therefore, usage of the word "license" in §13.76 refers specifically to CNG licenses issued to individuals as sole proprietors and to certifications issued to individuals.

New §13.76 includes retitling the rule to more accurately reflect its subject matter, reorganizing the rule for greater clarity in light of the changes to military fee exemption requirements under HB 5629, and incorporating new provisions related to alternative licensing and the recognition of out-of-state licenses as required by HB 5629.

New §13.76(a)(1) - (2) clarifies that the rule applies to licenses, military service members, military veterans, or military spouses as those terms are defined in §55.001, Occupations Code. New §13.76(a)(3), in accordance with HB 5629, states that an individual is considered to be in good standing with another state's licensing authority if the individual holds a license that is current and has not been suspended, revoked, or voluntarily surrendered during an investigation for unprofessional conduct; has not been disciplined with the other state's licensing authority; and is not currently under investigation by the other state's licensing authority for unprofessional conduct. AFS will conduct reviews of each application submitted under new §13.76 to determine whether the applicant is in good standing with the other state's licensing authority. Additionally, §13.76(a)(4) states that the Commission shall maintain a record of complaints made against a military service member, military veteran, or military spouse to whom AFS issues an alternative license or out-of-state recognition of a license and shall publish at least quarterly the complaint information on its website.

To implement this requirement, the Commission is creating a page on its website to post a list of any complaints it receives against the military service members that hold an alternative license or an out-of-state license recognized by the Commission. The website will be updated at least quarterly. The Commission is in the process of creating a new Form 16V for applications for an alternative license and a new Form 16M for applications for recognition of an out-of-state license.

New §13.76(b) contains the provisions for alternative licensing pursuant to HB 5629. Military service members, military veterans, and military spouses may apply for an alternative license by submitting a completed Form 16V to AFS. There are two avenues by which an applicant may receive an alternative license from AFS. First, an applicant may receive an alternative license from the Commission if the applicant holds a current license issued by another state's licensing authority that is similar in scope of practice to the requested CNG license issued by AFS and the applicant is in good standing with the other state's licensing authority. The applicant must submit a completed Form 16V which includes as an attachment a copy of the current CNG license issued in the other state, a copy of military documentation reflecting the applicant's status as a military service member or military veteran, and any other documentation that may be requested by AFS. If the applicant is a military spouse, a copy of the marriage license must also be attached. Upon receipt of a completed Form 16V with all required attachments, AFS will conduct a review of the application to ensure the form and attachments are completed as required, will determine whether the other state's license is similar in scope of practice to the requested alternative license to be issued by AFS, and conduct due diligence to determine whether the applicant is in good standing with the other state's licensing authority.

Second, an applicant may receive an alternative license from the Commission if the applicant held a CNG license from the Commission within the five years preceding the application date. Those applicants are still required to complete Form 16V and must attach military documentation and a marriage license, if applicable. Regardless of which avenue an applicant uses to pursue an alternative license under §13.76, AFS will issue the alternative license within 10 business days of the application date if the application meets the requirements of §13.76 and HB 5629.

New §13.76(c) contains the provisions for the recognition of an out-of-state license pursuant to HB 5629. Military service members and military spouses are eligible to apply for the recognition of an out-of-state license by submitting a complete Form 16M to AFS. An applicant may receive the recognition of an out-of-state license from the Commission if the applicant holds a current license issued by another state's licensing authority that is similar in scope of practice to the requested CNG license issued by AFS. The applicant must submit a completed Form 16M which includes as an attachment a copy of the current CNG license issued in the other state, a copy of military orders showing relocation to Texas, and any other documentation that may be requested by AFS. If the applicant is a military spouse, a copy of the marriage license must also be attached. Finally, the affidavit included in Form 16M must be signed and notarized by the applicant, affirming under penalty of perjury that: (1) the applicant is the person described and identified in the application; (2) all statements in the application are true, correct, and complete; (3) the applicant understands the scope of practice for the applicable license in this state and will not perform outside of that scope of practice; and (4) the applicant is in good standing in the state in which the applicant holds or has held an applicable license. Upon receipt of a completed Form 16V with all required attachments, AFS will conduct a review of the application to ensure the form, attachments, and affidavit are completed as required and will determine whether the other state's license is similar in scope of practice to the requested alternative license to be issued by AFS. AFS will recognize the out-of-state license within 10 business days of the application date if the application meets the requirements of new §13.76 and HB 5629.

New §13.76(d) contains provisions for the exemption of license application and examination fees for military service members, military veterans, and military spouses. A service member may apply for exemption from a license application fee or examination fee by filing a completed Form 35 with AFS, including a copy of applicable military records and a copy of the applicant's driver's license or state-issued identification card. If the exemption is granted by AFS, the applicant should attach the exemption to the application for a license or examination to serve as notice of payment.

New §13.76(e) contains provisions related to renewals of licenses. Alternative licenses and out-of-state recognitions are still required to submit renewals pursuant to Chapter 13 and are required to pay renewal fees. However, a military service member who fails to renew a license because the individual was on active duty is exempt from any increased fee or penalty imposed by AFS. Additionally, a military service member who holds a license is entitled to two years of additional time to complete continuing education requirements or any other requirement related to the renewal of the license.

The Commission adopts the repeal under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

16 TAC §§13.61, 13.70, 13.76

The Commission adopts the new rule and amendments under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

Statutory authority: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, §§116.012.

Cross reference to statute: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, Chapter 116.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Railroad Commission of Texas
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For further information, please call: (512) 475-1295

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16 TAC §13.76

The Commission adopts the repeal under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

Statutory authority: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, §§116.012.

Cross reference to statute: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, Chapter 116.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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CHAPTER 14. REGULATIONS FOR LIQUEFIED NATURAL GAS (LNG)
SUBCHAPTER A. GENERAL APPLICABILITY AND REQUIREMENTS

The Railroad Commission of Texas (Commission) adopts the repeal of §14.2015, relating to Military Fee Exemption, new §14.2015, relating to Military Licensing and Fee Exemption, and amendments to §14.2013 and §14.2019, relating to License Categories, Container Manufacturer Registration, Fees, and Application for Licenses, Manufacturer Registrations, and Renewals; and Examination and Requirements and Renewals, without changes to the proposed text as published in the September 5, 2025, issue of the *Texas Register* (50 TexReg 5811); the rule text will not be republished. The Commission received no comments on the proposal. The Commission adopts the repeal, new rule, and amendments pursuant to House Bill (HB) 5629 (89th Legislature, Regular Session, 2025) which amended Occupations Code §§55.004, 55.0041, 55.0042, 55.005, and 55.009 and Senate Bill 1818 (89th Legislature, Regular Session, 2025) which amended Occupations Code §§55.004 and 55.0041.

HB 5629 amends current law governing state agencies that issue occupational licenses to military service members, military veterans, and military spouses, establishing new and streamlined requirements. The legislation amends provisions in §55.004, Occupations Code, related to the issuance of alternative licenses, and in §55.0041, Occupations Code, related to the recognition of out-of-state licenses. Pursuant to HB 5629, a state agency must issue an alternative license to a military service member, military veteran, or military spouse if the applicant either (1) holds a current license issued by another state that is similar in scope of practice to the state agency's license and is in good standing with the out-of-state licensing authority, or (2) held a license with the state agency within the preceding five years. Similarly, HB 5629 requires a state agency to recognize an out-of-state license for a military service member or a military spouse who (1) holds a current out-of-state license that is similar in scope of practice to the state agency's license, (2) is in good standing with the out-of-state licensing authority, and (3) submits certain required information in an affidavit. The legislation also clarifies the definition of what qualifies as "good standing", decreases application processing timelines from 30 business days to 10 business days, and requires a state agency to maintain a record of each complaint made against a military service member, military veteran, or military spouse to whom the agency issued a license and to publish such information on its website. Lastly, HB 5629 requires a state agency issuing an occupational license to waive license application and examination fees for military service members, military veterans, and military spouses. The Commission already complies with the requirement to waive license application and examination fees but streamlines those requirements in response to the legislation.

The Commission's Alternative Fuels Safety Department (AFS) issues LNG licenses to applicants that meet the requirements of Chapter 14 to perform LNG activities in Texas. AFS also issues certifications to qualified individuals, known as certificate holders or certified individuals, allowing them to perform certain LNG activities in Texas. Certificate holders must be in compliance with all applicable continuing education and training requirements, renewal requirements, must be employed by an LNG licensee in accordance with §14.2019(a).

Section 55.001 of the Occupations Code defines "license" as "a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to engage in a particular business." Accordingly, Chapter 55 and HB 5629 only apply to licenses, as defined by §55.001, that are issued to individuals. AFS typically issues LNG licenses to registered business entities, but on rare occasions may issue an LNG license to an individual operating as a sole proprietorship. Certifications, on the other hand, are issued only to individuals employed by an LNG licensee, provided they meet the applicable examination, continuing education, and renewal requirements in Chapter 14. Therefore, an LNG license issued to a sole proprietor and certifications issued under Chapter 14 are "licenses" under §55.001 and are subject to the provisions of HB 5629 and this rulemaking. New §14.2015(a)(2) adopts the term "license" as defined in §55.001, Occupations

Code, and therefore, usage of the word "license" in §14.2015 refers specifically to LNG licenses issued to individuals as sole proprietors and to certifications issued to individuals.

New §14.2015 includes retitling the rule to more accurately reflect its subject matter, reorganizing the rule for greater clarity in light of the changes to military fee exemption requirements under HB 5629, and incorporating new provisions related to alternative licensing and the recognition of out-of-state licenses as required by HB 5629.

New §14.2015(a)(1)-(2) clarifies that the rule applies to licenses, military service members, military veterans, or military spouses as those terms are defined in §55.001, Occupations Code. Subsection (a)(3), in accordance with HB 5629, states that an individual is considered to be in good standing with another state's licensing authority if the individual holds a license that is current and has not been suspended, revoked, or voluntarily surrendered during an investigation for unprofessional conduct; has not been disciplined with the other state's licensing authority; and is not currently under investigation by the other state's licensing authority for unprofessional conduct. AFS will conduct reviews of each application submitted under new §14.2015 to determine whether the applicant is in good standing with the other state's licensing authority. Additionally, subsection (a)(4) states that the Commission shall maintain a record of complaints made against a military service member, military veteran, or military spouse to whom AFS issues an alternative license or out-of-state recognition of a license and shall publish at least quarterly the complaint information on its website.

To implement this requirement, the Commission is creating a page on its website to post a list of any complaints it receives against the military service members that hold an alternative license or an out-of-state license recognized by the Commission. The website will be updated at least quarterly. The Commission is in the process of creating a new Form 16V for applications for an alternative license and a new Form 16M for applications for recognition of an out-of-state license.

New §14.2015(b) contains the provisions for alternative licensing pursuant to HB 5629. Military service members, military veterans, and military spouses may apply for an alternative license by submitting a completed Form 16V to AFS. There are two avenues by which an applicant may receive an alternative license from AFS. First, an applicant may receive an alternative license from the Commission if the applicant holds a current license issued by another state's licensing authority that is similar in scope of practice to the requested LNG license issued by AFS and the applicant is in good standing with the other state's licensing authority. The applicant must submit a completed Form 16V which includes as an attachment a copy of the current LNG license issued in the other state, a copy of military documentation reflecting the applicant's status as a military service member or military veteran, and any other documentation that may be requested by AFS. If the applicant is a military spouse, a copy of the marriage license must also be attached. Upon receipt of a completed Form 16V with all required attachments, AFS will conduct a review of the application to ensure the form and attachments are completed as required, will determine whether the other state's license is similar in scope of practice to the requested alternative license to be issued by AFS, and conduct due diligence to determine whether the applicant is in good standing with the other state's licensing authority.

Second, an applicant may receive an alternative license from the Commission if the applicant held an LNG license from the Commission within the five years preceding the application date. Those applicants are still required to complete Form 16V and must attach military documentation and a marriage license, if applicable. Regardless of which avenue an applicant uses to pursue an alternative license under §14.2015, AFS will issue the alternative license within 10 business days of the application date if the application meets the requirements of §14.2015 and HB 5629.

New §14.2015(c) contains the provisions for the recognition of an out-of-state license pursuant to HB 5629. Military service members and military spouses are eligible to apply for the recognition of an out-of-state license by submitting a complete Form 16M to AFS. An applicant may receive the recognition of an out-of-state license from the Commission if the applicant holds a current license issued by another state's licensing authority that is similar in scope of practice to the requested LNG license issued by AFS. The applicant must submit a completed Form 16M which includes as an attachment a copy of the current LNG license issued in the other state, a copy of military orders showing relocation to Texas, and any other documentation that may be requested by AFS. If the applicant is a military spouse, a copy of the marriage license must also be attached. Finally, the affidavit included in Form 16M must be signed and notarized by the applicant, affirming under penalty of perjury that: (1) the applicant is the person described and identified in the application; (2) all statements in the application are true, correct, and complete; (3) the applicant understands the scope of practice for the applicable license in this state and will not perform outside of that scope of practice; and (4) the applicant is in good standing in the state in which the applicant holds or has held an applicable license. Upon receipt of a completed Form 16V with all required attachments, AFS will conduct a review of the application to ensure the form, attachments, and affidavit are completed as required and will determine whether the other state's license is similar in scope of practice to the requested alternative license to be issued by AFS. AFS will recognize the out-of-state license within 10 business days of the application date if the application meets the requirements of §14.2015 and HB 5629.

New §14.2015(d) contains provisions for the exemption of license application and examination fees for military service members, military veterans, and military spouses. A service member may apply for exemption from a license application fee or examination fee by filing a completed Form 35 with AFS, including a copy of applicable military records and a copy of the applicant's driver's license or state-issued identification card. If the exemption is granted by AFS, the applicant should attach the exemption to the application for a license or examination to serve as notice of payment.

New §14.2015(e) contains provisions related to renewals of licenses. Alternative licenses and out-of-state recognitions are still required to submit renewals pursuant to Chapter 14 and are required to pay renewal fees. However, a military service member who fails to renew a license because the individual was on active duty is exempt from any increased fee or penalty imposed by AFS. Additionally, a military service member who holds a license is entitled to two years of additional time to complete continuing education requirements or any other requirement related to the renewal of the license.

The Commission adopts amendments to §§14.2013(c) and 14.2019(b)(3)(C)(iv) to rename the title of §14.2015 and to remove language related to military licensing fee exemptions as

all rule language related to fee exemptions is covered by new §14.2015(d).

16 TAC §§14.2013, 14.2015, 14.2019

The Commission adopts the new rule, and amendments under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

Statutory authority: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, §§116.012.

Cross reference to statute: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, Chapter 116.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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16 TAC §14.2015

The Commission adopts the repeal under Texas Occupations Code, Chapter 55, which authorizes the Commission to promulgate rules pertaining to the issuance of occupational licenses to military service members, military veterans, and military spouses.

Statutory authority: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, §§116.012.

Cross reference to statute: Texas Occupations Code, Chapter 55, and Texas Natural Resources Code, Chapter 116.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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PART 2. PUBLIC UTILITY COMMISSION OF TEXAS

CHAPTER 22. PROCEDURAL RULES

The Public Utility Commission of Texas (commission) repeals 16 Texas Administrative Code (TAC) §22.71, relating to Filing of Pleadings, Documents, and Other Materials, and 16 TAC §22.72, relating to Formal Requisites of Pleadings and Documents to be Filed with the Commission, and adopts new 16 TAC §22.71, relating to Commission Filing Requirements and Procedures, and new 16 TAC §22.72, relating to Form Requirements for Documents Filed with the Commission. The commission adopts these rules with changes to the proposed text as published in the May 23, 2025 issue of the *Texas Register* (50 TexReg 3057). The rules will be republished. The repeals are adopted without changes and will not be republished

The new rules modernize the process, procedures, and standards for filing documents for proceedings and other matters before the commission. New 16 TAC §22.71 removes the requirement to file physical documents, except for maps; applications and notices of intent in electric base rate proceedings; and applications for new or amended electric, water, or sewer certificates of necessity, where both physical and electronic documents may be required to be filed. The new rule authorizes both the physical and electronic filing of documents with the commission, updates the standards for physical filings, and authorizes an employee of the commission or the presiding officer to request a physical copy of any filing. It establishes new requirements for filing confidential material with the commission and restates existing requirements for confidential filing. Specifically, when a person seeks to file an item confidentially with the commission, the person must publicly file a redacted copy of the item and a fully completed confidential-filing memorandum to identify the pages that are confidential and justify the claim to confidentiality and confidentially file an unredacted version of the item. Additionally, new 16 TAC §22.71 authorizes Central Records to reject certain filings and establishes a process for challenging a confidential-filing designation. The adopted rule also includes the confidential filing memorandum, a new commission-prescribed form, as Figure 16 TAC §22.71(j)(1)(E). New 16 TAC §22.72 updates the formatting standards and guidelines for electronic and physical items filed with the commission and includes procedures for filing external storage devices for digital media, handwritten documents, and maps and GIS data. New 16 TAC §22.72 also updates the page limit and signature requirements for filings and adds a new requirement for a party to provide evidence of service with a filing.

The commission received comments on the proposed rule from AEP Texas, Inc. and Southwestern Electric Power Company (collectively, AEP); CenterPoint Energy Houston Electric, LLC (CenterPoint); Electric Reliability Council of Texas (ERCOT); Entergy Texas, Inc. (Entergy); Lower Colorado River Authority (LCRA); Oncor Electric Delivery Company, LLC (Oncor); Southwestern Public Service Company (SPS); State Office of Administrative Hearings (SOAH); Texas Association of Water Companies, Inc. (TAWC); Texas Competitive Power Advocates (TCPA); Texas Electric Cooperatives (TEC); Texas Energy Association for Marketers (TEAM); Texas Public Power Association (TPPA); Texas-New Mexico Power Company (TNMP); and Vistra Corporate Service Company, LLC (Vistra).

General Comments

TPPA recommended that any deadlines in proposed §22.71 and proposed §22.72 are measured in "working days," as defined by §22.22(48), relating to Definitions.

Commission response

The commission declines to implement the recommended change because it is unnecessary. The usage of "working days" versus "calendar days" or "days" is intentional across all commission rules. Specifically, the definition of "days" under §22.2(18) means "[c]alendar days, not working days, unless otherwise specified by this chapter or the commission's substantive rules." It is also not apparent why revising the timelines to use "working days" in either rule is necessary.

Proposed §22.71 - Commission Filing Requirements and Procedures.

Proposed §22.71 establishes the filing requirements and procedures for the commission.

The commission modifies the proposed order to replace the scope section with a purpose section. The contents of proposed subsection (a) are now located at adopted subsection (b)(1). The comments on the various paragraphs of proposed subsection (a) are discussed below under the headers corresponding with their locations as proposed.

The new provisions added by the commission are designed to better recognize the commission's current efforts to improve and modernize the available methods of filing information with the commission. It is a practical reality that each new method of filing will have different features and capabilities, and inflexible rule language would prevent this necessary progress. Flexibility, however, must be balanced with clear process descriptions and meaningful standards, such as ensuring the transparency of public information. Accordingly, the commission adds a provision of the rule to explicitly enable the establishment of alternative filing methods and to establish the process by which filing procedures and standards may be created for such an alternative filing method. Simultaneously, the commission deletes all references to the commission filing system in the adopted rule and clarifies that there are items to be filed that are to be posted on the commission's Interchange and there are items to be filed using an alternative method.

To facilitate the development of new filing methods, the commission clarifies that commission staff is authorized to develop new filing instructions within the policy parameters established in subsection (b)(2) of the adopted rule.

Proposed §22.71(a) - Scope

Proposed §22.71(a) provides the list of items that must be filed using the commission filing system.

The commission modifies proposed §22.71(a) to recognize two separate methods for filing documents with the commission: those documents that must be filed for posting on the commission's Interchange and those documents that must be filed using an alternative method, such as through an internet portal or using an internet-based application, by adding the phrase "unless otherwise requested by the presiding officer or an employee of the commission." This language is added to allow for ad hoc exchanges of information between presiding officers and employees of the commission with other individuals without requiring a formal filing. For example, if a presiding officer requests that a party email a paralegal a copy of a document or a rulemaking team requests a copy of comments in a different file format. The commission redesignates proposed §22.71(a) as adopted §22.71(b) for organizational purposes.

TPPA recommended adding "open meeting presentations" to the list of items that must be filed with the commission under proposed §22.71(a) to codify current commission practice and ensure the continuation of this practice.

Commission response

The commission agrees with TPPA's recommendation and adds adopted (b)(1)(G).

Proposed §22.71(a)(3) - Filing of registrations, certifications, or reports

Proposed §22.71(a)(3) requires "[r]egistrations, certifications, or reports required by statute or rule to be submitted to the commission with an associated control number and for which no alternative means of submission, such as a database, have been provided by the commission" to be filed with the commission using the commission filing system.

TPPA recommended the reference to "any Commission database" in proposed §22.71(a)(3) be clarified with specific reference to which database the provision applies to.

Commission response

The commission declines to implement TPPA's suggestion because it is moot. Because the commission modifies this provision to apply to filings that will be posted to the Interchange, reference to other filing platforms is no longer appropriate. Any report that must be filed using an alternative filing method under adopted §22.71(b)(2) will be subject to the specific filing requirements and standards associated with that specific method.

The commission makes corresponding edits by removing references to control numbers and alternative methods of submission and redesignates proposed §22.71(a)(3) as adopted §22.71(b)(1)(C).

Proposed §22.71(a)(5) - Filing of maps, geographic information system (GIS) data, and other material

Proposed §22.71(a)(5) requires "[m]aps, geographic information system (GIS) data, or other visual information such as charts, photographs, or illustrations" to be filed with the commission using the commission filing system.

TPPA requested clarification on whether the requirement to file maps, GIS data, or other visual information only applies to information that relates to a proceeding for which a control number has been assigned.

Commission response

The commission revises the provision to specify that it relates "to any commission proceeding". This, in essence, implements TPPA's recommended change. The commission redesignates proposed §22.71(a)(5) as adopted §22.71(b)(1)(E) for organizational purposes.

Proposed §22.71(a)(7) - Filing of other materials with no alternative means of submission

Proposed §22.71(a)(7) requires "[a]ny other item required to be filed by statute or commission rule for which no alternative means of submission, such as a database, have been provided by the commission" to be filed with the commission using the commission filing system.

TPPA recommended the deletion of proposed §22.71(a)(7), which requires the commission filing system be used for the filing of items for which no alternative means of submission

exists but are otherwise required by law to be filed, because it is redundant of proposed §22.71(a)(3), which requires the commission filing system be used for the filing of registrations, certifications or reports that are required by law for which no alternative means of submission exists.

Commission response

The commission disagrees with TPPA's assertion that there may be overlap between several of the categories of items required to be filed. Each type of item to be filed in the proposed rule and in the adopted rule are unique categories to themselves. Therefore, the commission declines to modify the proposed rule as recommended by TPPA. However, the commission redesignates proposed §22.71(a)(7) as adopted §22.71(b)(1)(J) and clarifies that this category also applies to filings required by commission order.

Proposed §22.71(b) - Definition of "commission filing system"

Proposed §22.71(b) defines the term "commission filing system as "the electronic filing system maintained for the archiving and organization of items and materials received by the commission."

The commission deletes proposed §22.71(b) from the adopted rule and restructures the adopted rule to create two distinct filing methods: one for documents that are filed to be posted to the commission's Interchange and the other for documents to be filed using an alternative filing method. For clarity, the Interchange is a commission-run website through which the public can access documents filed either electronically or physically with the commission. To file items electronically for posting on the Interchange, the public uses the Interchange Filer, an internet application found on the commission's website. To file items physically for posting on the Interchange, the public uses the commission's Central Records office.

TPPA recommended adding a definition for "filer" or "filing party" to §22.71(b) that would include commission staff. TPPA also recommended distinguishing between the terms "commission staff and "employee of the Commission" if there is a distinction. If there is no distinction between the terms, TPPA recommended utilizing a single term.

Commission response

The commission declines to introduce additional defined terms because it is unnecessary. The commission agrees with TPPA's suggestion to clarify terms and modifies the usage of "commission staff" and "employee of the commission" throughout the rule to reflect that, for purposes of this section, the former is a collective noun describing functions of the staff of the commission generally (maintaining lists on the commission's website) and the latter is used in reference to individual members of the staff (signing a non-disclosure form to access confidential data). This usage pattern is adopted in this rule to distinguish the terms use in this rule from being conflated with its usage in other contexts to refer to "Commission Staff," the party representing the public interest on behalf of the commission in proceedings with a tariff or an assigned docket control number. This is largely an operational rule, and the term is used in an operational manner.

Adopted §22.71(b)(2) - Internet applications and portals

The commission adds adopted §22.71(b)(2) to describe distinctly a second method for filing documents with the commission. The commission recognizes that, as technologies evolve, alternative filings methods may provide the commission, the public, and regulated communities with more efficient means to collect and process information the commission requires to exercise its authorities. An example of an alternative filing method is the commission's new Compliance Reporting Portal, which was launched on July 15, 2025 to provide an efficient vehicle for the collection and analysis of data related to monthly transmission construction progress reports required under §25.83, relating to Transmission Construction Reports. In the adopted rule, the commission enables the development of these alternative filing methods and directs commission staff to propose for the commission's consideration filing instructions and procedures for each new alternative filing method created.

Proposed §22.71(c) - Filing methods and procedure

Proposed §22.71(c) establishes the form and manner in which filings may be filed and posted by the commission filing system.

The commission modifies proposed §22.71(c) to remove references to the commission filing system and add a paragraph that each item filed in accordance with §22.71 will serve as the agency's official copy of record. In addition, the commission modifies the proposed rule to clarify that any item to be posted to the Interchange may be filed using the Interchange Filer, the commission's internet application used to post files to the Interchange, or by delivering a physical copy to Central Records unless a commission rule, statute, or an order from a presiding officer instructs otherwise.

TAWC recommended the rule be revised to mandate electronic filing for all documents except for Highly Sensitive Protected Material (HSPM) which should be physically filed.

Commission response

The commission declines to implement the recommended change. Requiring electronic filing of all documents except for HSPM is contrary to the public interest and commission practice. The capability to physically file documents with the commission may be advantageous to some filers, such as individual consumers or pro se litigants. In the interest of maximizing public participation and accessibility, the commission maintains the capability to file physical copies of documents.

TPPA requested clarification as to whether a commission-prescribed form is required when requesting a control number for new projects.

Commission response

There is no external commission-prescribed form for requesting a control number.

Proposed §22.71(c)(2) - Posting of filings

Proposed §22.71(c)(2) requires "all items required to be filed with the commission using the commission filing system, including confidential filings" to be posted on the commission filing system "[u]nless otherwise required by commission rule, statute, or ordered by the presiding officer."

TAWC noted that the method for posting physical filings on the commission filing system is ambiguous in proposed § 22.71(c)(2). TAWC emphasized that HSPM should not be posted on the commission filing system "in any form."

Commission response

The commission disagrees with TAWC and declines to implement the recommended change. All documents covered by adopted §22.71(b)(1) will be posted to the Interchange. Confi-

dential filings, including those that contain HSPM, are subject to access and content limitations under adopted §22.71(j).

SPS requested clarification as to whether proposed §22.71(c)(2) means that the contents of a confidential filing will be posted on the commission filing system, or only a record indicating a confidential filing was made. SPS emphasized such clarification would ensure that confidential information is not publicly posted. SPS further stated that the public disclosure of confidential information would be inconsistent with current commission practice and the commission's standard protective order. SPS provided draft language consistent with its recommendation.

Commission response

The contents of a confidential filing will not be publicly accessible except to those who meet the criteria enumerated under adopted §22.71(j)(6). The Interchange will display that a confidential filing has been made but the confidential material will not be publicly posted.

Proposed §§22.71(d), 22.71(d)(1) and 22.71(d)(2) - Special filing requirements

Proposed §22.71(d) and §22.71(d)(1) establish specific filing requirements for certain types of documents or other materials filed with the commission. Proposed §22.71(d)(2) requires both the electronic filing of the items specified under §22.71(d)(2)(A) and (B) and the filing of two physical copies of those items.

TAWC commented that the requirements to provide physical copies for certain types of proceedings under §22.71(d) would be costly, unnecessary, and undercut the benefits of electronic filing. TAWC recommended that water and sewer utility applications should be excluded from any requirement to file physical copies with the commission. TAWC alternatively recommended that §22.71(d)(2)(B) be revised to identify whether the requirement applies to water and sewer utility sale, transfer, and merger (STM) applications.

Commission response

The commission disagrees with TAWC and declines to implement the recommended change. The specific filing requirements for the items listed under §22.71(d) were carefully considered in response to the specific qualities of those items and the attendant issues that accompany them. For example, the physical copy filing requirement for applications for new or amended certificates of convenience and necessity (CCNs) under §22.71(d)(2)(B) was added because those applications are generally voluminous (i.e. hundreds of pages). Physical copies of such applications are generally useful for commissioner offices and the different divisions that review and process those cases. It is appropriate for applicants, not the commission, to bear the costs to print and organize applications appropriately.

In response to TAWC's concerns about STM applications, those proceedings almost always necessitate a CCN amendment. In practice, §22.71(d)(2)(B) may require the filing of the entire STM application, including the CCN amendment, physically, if the two actions are inseparable. It is at the utility's discretion to separate the STM portion of the application from the CCN portion of the application to the extent possible if the utility does not want to file both physically.

Proposed §22.71(d)(1)(A) - Filing requirements for letters of credit

Proposed §22.71(d)(1)(A) requires a copy of an original letter of credit to be filed electronically, unless otherwise required by commission staff or the presiding officer. The provision also authorizes an "employee of the commission or a presiding officer may require the original or one or more copies of the original letter of credit to be physically filed."

TPPA and TEAM recommended that the option to file a physical letter of credit with the commission should be retained. TPPA noted that §22.71(d)(1)(A), which pertains to copies of letters of credit, should be preserved as "original letters of credit cannot be reproduced" by commission staff. TEAM recommended that the option to file a physical letter of credit should be maintained in proposed §22.71(d)(1)(A) because the commission has historically required retail electric providers to file physical copies of letters of credit in Project 37919. Specifically, TEAM explained that the commission, as the beneficiary of letters of credit, has historically required retail electric providers to file physical copies of letters of credit. TEAM noted that §25.107(f), relating to Certification and Obligations of Retail Electric Providers (REPs) for original letters of credit to be "provided in a manner established by the commission" and does expressly preclude the provision of physical copies. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to preserve generally the physical filing option for letters of credit. Transitioning to electronic-only filing of letters of credit will facilitate more efficient work by the commission. Currently, the process for presentation (i.e., drawing), amending, and cancelling physical letters of credit is onerous and time intensive. These efforts can be streamlined through the usage of electronic letters of credit. The commission revises proposed §22.71(d)(1)(A) to require irrevocable stand-by letters of credit provided in accordance with §25.107, relating to Certification and Obligations of Retail Electric Providers (REPs), and filed with the commission to be original letters of credit that are filed electronically using the Interchange Filer. The commission further requires such original letters of credit to provide some means of authentication to prove the letter of credit is an original, such as an electronic signature. The commission establishes a phase-in date of March 5, 2027 for retail electric providers that have physical letters of credit on file with the commission to transition to electronically filed original letters of credit.

The commission also adds new §22.71(d)(1)(B) to account for letters of credit filed in accordance with §25.510 of this title, relating to Texas Energy Fund In-ERCOT Generation Loan Program, to exempt those letters of credit from being filed on the Interchange and instead require filing with the commission "in a form and manner specified by the executive director or his or her designee."

Proposed §22.71(d)(1)(B)(ii) and §22.71(d)(2)(A) and (B) - Physical filing requirements for maps and certain proceedings.

Proposed §22.71(d)(1)(B)(ii) requires "an applicant initiating a CCN proceeding under §25.101, relating to Certification Criteria to provide six physical copies of any maps filed electronically." The provision further establishes that the requirement for six physical copies for maps is in addition to the two physical copies required under §22.72(d)(2), as applicable. Proposed §22.71(d)(2)(A) and (B) respectively require the electronic filing plus two physical copies of "[a]pplications and notices of intent in electric base rate proceedings" and "[a]pplications for new or amended electric, water, or sewer certificates of convenience and necessity, including any maps."

Oncor recommended the provisions in proposed §22.71(d)(1) and (d)(2) concerning the physical filings of certain documents be revised for clarity. Specifically, Oncor recommended proposed §22.71(d)(1)(B)(ii), which requires an applicant initiating a CCN proceeding under §25.101, relating to Certification Criteria to provide six physical copies of any maps filed electronically, be deleted and proposed §22.71(d)(2)(B), which requires the additional filing of two physical copies of maps, to be revised to require eight physical copies of maps. Oncor commented that, as written, the two requirements may be redundant and cause confusion. Oncor alternatively recommended that if proposed §22.7(d)(1)(B)(ii) and proposed §22.71(d)(2)(B) are not consolidated, then the provisions be clarified as to whether the set of six physical copies required under proposed §22.7(d)(1)(B)(ii) be filed together with, or separately from, the set of two physical copies required under proposed §22.71(d)(2)(B). Oncor further recommended the phrase "physically filed" in proposed §22.71(d)(2) should be replaced with the phrase "provided to Central Records" for consistency with proposed §22.71(d)(1)(B)(ii) and to prevent duplicates from being filed in the proceeding. Oncor also requested clarity as to whether the filer is required to provide the physical copies required under proposed §22.71(d)(2) on the same date the electronic filing is made. Oncor expressed a preference for providing such physical copies as soon as is reasonably practicable after the electronic filing is made. Oncor emphasized the complexities that filing physical copies of CCN cases would entail and accordingly recommended that, if proposed §22.71(d)(1)(B)(ii) were to be retained, the timeframe for the physical filing of CCN documents be expanded to when reasonably practicable after electronic filing. Oncor provided draft language consistent with its recommendations.

Commission response

The commission agrees with Oncor and implements the recommended changes. Specifically, the commission moves the physical document requirements of proposed §22.71(d)(1)(B)(ii) into adopted §22.71(d)(2)(C) and makes further clarifying revisions indicating that physical copies of the documents listed under §22.71(d)(2) may be provided "as soon as reasonably practicable following the electronic filing" with an appropriate identifying cover letter identifying the applicable control number.

Proposed §22.71(d)(1)(B)(iii) and §22.71(d)(3) - Additional physical copies of maps and other filings, required by an employee of the commission or a presiding officer

Proposed §22.71(d)(1)(B)(iii) and §22.71(d)(3) authorize an employee of the commission or a presiding officer to require additional physical copies of maps or other filings, respectively.

TPPA recommended the deletion of proposed §22.71(d)(1)(B)(iii) and (d)(3), which variously authorize commission staff to request additional physical copies of a filing..

TPPA explained that the provisions would be unnecessarily burdensome for both commission staff and filing parties, and that commission staff could print the documents from the commission filing system.

Commission response

The commission disagrees with TPPA and declines to implement the recommended change for the stated reason. The rationale for requiring physical copies of certain documents from filers is to conserve commission staff time and the taxpayer-funded resources of the commission. Maps and the applications listed under §22.71(d)(2) are frequently printed out for commission review, but in some instances the nature, size, or organization of a document may make this impracticable. It is appropriate for the filer, not the public, to bear these costs. However, proposed §22.71(d)(1)(B)(iii) is redundant with the broader requirement stated under proposed §22.71(d)(3). Accordingly, the commission deletes §22.71(d)(1)(B)(iii).

Proposed §22.71(d)(2)(A) - Physical filing of copies of applications and notices of intent in electric base rate proceedings.

CenterPoint recommended deleting the requirement to file two physical copies of rate case applications under §22.71(d)(2)(A). CenterPoint explained that there is little benefit to imposing such a requirement and instead recommended that physical copies of rate case filings be provided "only upon request" as in proposed §22.71(d)(1)(B)(i).

Commission response

The commission disagrees with CenterPoint and declines to implement the recommended change. Requiring two physical copies (one copy for commissioner officers and one copy for commission advisors and other divisions) of applications and notices of intent in electric base rate proceedings was deemed to be the least burdensome on filers while still facilitating efficient work by the commission. Physical copies of such applications and notices are preferable because a considerable amount of staff time and resources is spent checking assertions in briefs, pleadings, and proposed orders.

Proposed §22.71(e) - Receipt by the commission and filing deadline

Proposed §22.71(e) provides that items filed with the commission will be processed by Central Records or the commission filing system.

Proposed §22.71(e)(1) - Rejection of filings by Central Records

Proposed §22.71(e)(1) authorizes Central Records to reject a filing if the filing does not contain information necessary for accurate filing, which specifically includes the criteria under §22.71(e)(1)(A)-(C).

The commission modifies §22.71(e)(1)(C) to narrow Central Records' authority to reject a confidential filing that does not meet the requirements of §22.71(j)(1)(A) or §22.71(j)(1)(F).

SPS recommended deleting the authorization for Central Records to reject a filing if the filing "does not contain information necessary for accurate filing" in proposed §22.71(e)(1). SPS emphasized that such an authorization is ambiguous, subjective, and unnecessarily broad that would create uncertainty for filers. SPS recommended that filings should be rejected only for the three specific reasons specified in §22.71(e)(1)(A)-(B) to promote certainty. SPS provided draft language consistent with its recommendation.

Commission response

The commission agrees with SPS and implements the recommended change which would make the criteria for which Central Records may reject a filing exhaustive. However, the commission adds two new criteria for which Central Records may reject a filing. Specifically, the commission adds new §22.71(e)(1)(D), which authorizes Central Records to reject a filing that "may pose a risk to the commission, its employees, or the commission electronic system (e.g. suspicious packages, spam, suspected

viruses or malware)". This prohibition is generally derived from Chapter 11 of the Texas Civil Practices and Remedies Code. The commission also adds new §22.71(e)(1)(E), which authorizes Central Records to reject external hard drives or other external storage devices for digital media that are prohibited by Central Records under §22.72(b)(2). This prohibition is to minimize the risk of cybersecurity breaches or the usage of external storage devices for digital media that have already been expressly disallowed by Central Records.

SPS requested that §22.71(e)(1) be revised to clarify how the rejection of a filing may impact the original filing date and time. Specifically, SPS recommended that the rejection of a timely filing should not result in the filing being deemed no longer timely if it is re-filed after the filing deadline. SPS also recommended that §22.71(e)(1) be revised to indicate whether a filer has the opportunity to cure an issue that results in the rejection of a filing. SPS emphasized that such clarifications are necessary for filers to manage compliance risks, given the potential significant consequences of missing filing deadlines for what may otherwise be curable oversights.

Commission response

The commission declines to implement the recommended change. A filing that Central Records has rejected and is later re-filed will not be backdated to the original date and time of the initial filing that was rejected. The risk of a late filing is borne by the filer if it files documents close to a deadline. Such risks include technical glitches, loss of connection, and rejection of a filing by Central Records. To the extent a subsequently re-filed item is late and extenuating circumstances exist, a filer can include an explanation in the filing and seek leave from the presiding officer- or commission staff, when appropriate - or otherwise request an exception from the presiding officer.

Proposed §22.71(e)(1)(B) - Rejection of filing lacking minimally necessary identifying information

Proposed §22.71(e)(1)(B) authorizes Central Records to reject a filing if the filing does not contain minimally necessary identifying information such as the control number or the filer's complete contact information.

TAWC and TEAM recommended that proposed §22.71(e)(1)(B) be revised to clarify what is meant by the phrase "minimally necessary identifying information" and the filer's "complete contact information" in the context of when Central Records may reject a filing. TAWC recommended enumerating what this phrase means, such as the filer's name, address, phone number, and e-mail address.

Commission response

The commission declines to implement the recommended change. "Complete contact information" is the filing party's valid contact information as it relates to the specific filing. Stated differently, what "complete contact information" includes may vary between filings (e.g., a pleading filed in a contested case, an application or petition, rulemaking comments, etc.). In the context of filings generally, "complete contact information" means sufficient information for Central Records to contact the filer plus any additional information required by applicable law, rule, or order.

Proposed §22.71(e)(2)-(4) - Processing and date-stamping of electronic and physical filings

Proposed §22.71(e)(2) describes the filing process for physical filings by Central Records. Proposed §22.71(e)(3) describes the filing process for electronic filings by the commission filing system. Proposed §22.71(e)(4) provides that an item date-stamped before at 5:00:00 p.m. on a working day will be deemed filed on that day and a filing date-stamped after that time on a working day will be deemed filed on the next working day. The provision also establishes that an "item date-stamped at any time on a day that is not a working day will be deemed filed on the next working day."

TPPA, TEAM, and SPS commented that the time period for deeming an item as filed is ambiguous and recommended the procedure be clarified. TPPA and SPS argued that the new processes and timelines for when an item is deemed filed introduced by proposed §22.71(e)(2)-(4) should be revised to conform to existing policy where a physical filing is deemed filed upon delivery to Central Records and an electronic filing is deemed filed upon submission to the commission filing system. TPPA and SPS emphasized that it is critically important for filers to know the timeframe for an item to be deemed filed to ensure that commission deadlines are met. TPPA explained that, currently, an item is deemed filed when it is presented to Central Records, however, under the proposed rule, an item is deemed filed when processed by Central Records. As a point of comparison, TPPA noted that under proposed §22.71(h)(3) physical filings, confidential filings, and requests for new control numbers may not be "processed" by Central Records until the next working day. TPPA noted that the timeline for such processing is "undefined and unclear," and that the existing commission practice, by comparison, is more reliable and certain for filers. TPPA alternatively recommended that if the processes in proposed §22.71(e)(2)-(4) are retained, Central Records be required to "expeditiously" date stamp filings and assign control numbers to ensure filers can reliably meet commission filing deadlines. SPS noted that, as proposed, the rule does not sufficiently distinguish between a filing being processed by Central Records and a filing that is potentially deficient and requires correction. TEAM generally supported revisions that minimize ambiguity surrounding when an electronic filing is deemed filed and endorsed a straightforward process for a party to defend against allegations of a late filing."

Commission response

The commission revises the physical filing process described under §22.71(e)(2) for clarity. Specifically, the commission revises the provision to state "[u]pon receipt of an item by physical filing, Central Records will date stamp the item, post the item on the Interchange in the control number specified by the filer, and assign the item an item number in accordance with the order the filing was received." The commission also makes conforming edits to the electronic filing process described under §22.71(e)(3): "[u]pon receipt of an item by electronic filing, the Interchange Filer will process and date stamp the item, post the item in the control number specified by the filer, and assign the item an item number in accordance with the order the filing was received."

With regards to the general concern as to the timely date-stamping of items, whether filed electronically or physically, the commission reminds stakeholders of the difference between the commission's receipt of an item to be filed and the actual filing of the item. Typically, the time difference between these two actions is measured in a few minutes, if not seconds, for both electronic and physical filing. However, lengthier delays may occur in the event that numerous filers attempt to file voluminous

items simultaneously. For example, if several filers attempt to physically file hundreds of pages at 4:45 p.m., a queue will be formed outside of the Central Records office. The filers towards the back of the queue risk not having their material filed (i.e., date-stamped) until after 5:00 p.m. that working day. The same can be said for the Interchange Filer or any alternative method of filing with the commission (in which case the queue is virtual, but the same principle applies. The new rule language merely restates current commission practice for date-stamping items, but more accurately and explicitly details that process for each method of filing.

In response to SPS' comment concerning the appropriate level of distinction between processing a filing and deficient filings, the aforementioned revisions to §22.71(e)(2) and (e)(3) should address this concern. As stated previously, if a filing is rejected by Central Records for the criteria specified under §22.71(e)(1), the re-filed filing is not backdated to the time of the original filing.

Proposed §22.71(e)(3) - Electronic filing process

CenterPoint and AEP recommended that proposed §22.71(e)(3) be revised to clarify that the written receipt that is automatically created by the commission's electronic filing system serves as a date stamp for an electronic filing. CenterPoint explained this would clarify what timely filing means in the context of electronic filings and addresses any issues that may arise surrounding delays between the actual time of filing and the appearance of the filing on the commission filing system. CenterPoint provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change. The e-mailed receipt of filing is not the "date stamp" identifying the time when a filing is deemed to be filed; the receipt only includes the date stamp which will always precede the time the receipt is issued. The clarifying revisions to §22.71(e)(3) made previously should address commenter concerns. Additionally, if the circumstances merit, the filer may elect to provide the e-mailed receipt of filing as support for a petition for a good cause exception.

TAWC and SPS recommended proposed §22.71(e)(3) be clarified to identify when an item is deemed filed if the commission filing system malfunctions or is otherwise unavailable. Specifically, TAWC recommended the provision be revised to state that, in such an event, Central Records to "date stamp the electronic filing with a date stamp matching the date and time on the E-filing Receipt generated by the Commission's filing system" or, if the commission filing system does not otherwise generate a filing receipt, authorizing the filing party to submit an affidavit that attests to the date and time the filing was made.

Commission response

The commission declines to modify the rule to require Central Records to use the date on the filing receipt as the filing date in the instance that the Interchange, Interchange Filer, or an alternative filing method of filing with the commission malfunctions or are otherwise unavailable. The commission encourages filers to not wait until the last minute to make filings to avoid this scenario. However, §22.5(b), relating to Suspension of Rules and Commission-Prescribed Forms, provides presiding officers with discretion to make exceptions to procedural rules for good cause. Additionally, in many proceedings that are not contested cases, the relevant administrator with discretion over a requirement (e.g., commission staff for rulemaking deadlines) may be contacted with information concerning a malfunction leading to the inability of a filer to make a timely filing.

Proposed §22.71(e)(4) - Date stamping of items

Vistra, TAWC, TCPA recommended the filing deadline in proposed §22.71(e)(4) be extended from 5:00 p.m. to midnight. CenterPoint opposed Vistra, TAWC, and TCPA's recommendation and expressed a preference for the 5:00 deadline in the proposed rule. LCRA generally recommended the filing deadlines be revised and clarified given their importance to parties in commission proceedings. TAWC remarked that the deadline should be extended because of the 24/7 availability of electronic filing as highlighted by proposed §22.71(g)(3). Vistra commented that the commission has historically exempted certain projects that are not "proceedings" as defined by §22.2(35), relating to Definitions, and accordingly could be filed prior to midnight on the due date. Vistra noted that this could be accomplished by distinguishing deadlines for contested case dockets from deadlines for projects. Vistra explained that such a distinction would enable parties in contested case dockets to rely on clear deadlines established by the docket's procedural schedule while not confusing participants in other commission projects that may be unfamiliar with commission filing requirements. Vistra also noted that extending the filing deadline from 5:00 p.m. to midnight would also diminish the chance of one party receiving a "prejudicial advantage" over another. Vistra provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change. A uniform, default filing deadline of 5:00 p.m. is being considered across Chapter 22 as part of the Chapter 22 rule review under Project 56574. Moreover, different deadlines for electronic filings and physical filings would be difficult to implement. Additionally, some parts of the commission's electronic systems, such as the Interchange Filer, may be scheduled for downtime after 5:00 p.m. on working days. A midnight filing deadline would interfere with this maintenance schedule.

Oncor did not take a position on whether the commission should extend the filing deadline to midnight, but noted that if the change is implemented, it is essential to clarify whether the revised deadline conflicts with the 3:00 p.m. deadline for service of request for information under §22.144(b)(2). Oncor emphasized that, given the volume of RFIs that may be served on utilities in certain proceedings such as rate cases, it is of critical importance that the RFI filing deadline not be impacted by any extension of the filing deadline. Oncor noted that this clarification is of particular importance in light of its other recommendation concerning whether the physical filing requirements for certain documents such as maps in the proposed rule must be provided contemporaneously with the physical filing or may be provided within a reasonable time period.

Oncor and CenterPoint requested clarification as to whether the 5:00 p.m. filing deadline in proposed §22.71(e)(4) includes responses to discovery. Oncor further requested clarification as to whether the 5:00 p.m. filing deadline in proposed §22.71(e)(4) is compatible with or otherwise modifies the 3:00 p.m. deadline for requests for information in §22.144(b)(2), relating to Requests for Information and Requests for Admission of Facts. LCRA generally supported clarifying the proposed filing deadlines given their importance to parties in commission proceedings.

Commission response

The 5:00 p.m. filing deadline under §22.71(e)(4) extends to discovery responses. The commission has proposed conforming revisions in the Chapter 22 rule review under Project 56574 (i.e., Projects 58400, 58401, and 58402) to align with the new 5:00 p.m. filing deadline in §22.71. Specifically, the deadline for requests for information under §22.144(b)(2), relating to Requests for Information and Requests for Admission of Facts has been proposed to be revised to 5:00 P.M under Project 58401. The deadline for filing requests for oral argument under §22.262(d)(3), relating to commission action after a proposal for decision has similarly been proposed to be revised to 5:00 p.m. under Project 58402. However, the commission clarifies that a presiding officer or commission staff, if the matter is related to a non-contested case proceeding, can set a specific filing deadline different from the standard established under §22.71(e)(4).

TPPA recommended that proposed §22.71(e)(4) be revised to clarify that the 5:00 p.m. filing deadline is measured in Central Time to reduce ambiguity.

Commission response

The commission agrees with TPPA and revises §22.71(e)(4) to state that the 5:00 p.m. filing deadline is measured in Central Prevailing Time.

Proposed §22.71(e)(5) - Responsibility of filer for delays, disruption, or interruption of filing

TAWC, SPS, and TPPA recommended that proposed §22.71(e)(5), which holds filers responsible for any delay, disruption, or interruption associated with filing a document with the commission, should be deleted from the rule. TEAM generally endorsed additional specificity regarding filings that were otherwise timely submitted, but experienced a processing delay due to connectivity issues due to an issue with the commission filing system to reduce ambiguity. TAWC and SPS commented that the provision is overly broad and unfair to filers, as it effectively holds filers responsible for any instance where the commission filing system is unavailable through no fault of the filer. TAWC recommended the provision be revised to state that filers are not responsible for "'any delay, disruption, or interruption' of the Commission's filing system that is on the Commission's side of the interface such that all filings made in a specific period were affected."

Commission response

It is appropriate that the burden of timely filing rests with the filer, because the filer is in the best position to prevent filing errors. Filers can promote better outcomes by filing in advanced of a deadlines, just as filers could previously mail in filing early to protect against postal delays. As previously stated, §22.5(b) provides for good cause exceptions to the commission's procedural rules. In many proceedings that are not contested cases, the same may be requested from commission staff or the presiding officer.

SPS, TPPA, and AEP further requested that, if the provision is retained and filers are held accountable for filing interruptions or delays associated with the commission filing system, filers be provided advance notification of planned downtime for the commission filing system.

Commission response

The commission declines to implement the recommended change because it is unnecessary. Any planned downtime is always scheduled after 5:00 p.m. on working days. In the event there is an issue with the commission's electronic systems during business hours, the current practice is to post a notice on the commission's website.

TPPA, LCRA, and TEAM recommended proposed §22.71(e) be revised to provide the option for a filer to request a good cause exception for delays of a filing caused by third parties or other external factors beyond the filer's control. TPPA noted that proposed §22.71(g)(3) identifies several instances where the commission filing system may be unavailable that are outside of the control of filers. TPPA commented that such instances of unavailability should accordingly not be the responsibility of filers. In the same vein, TPPA recommended clarifying that delays or interruptions associated with "internet or electronic signals" be restricted only to delays or interruptions experienced by the filer, not disruptions or outages of the commission filing system itself. LCRA provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended changes because it is unnecessary. The risk of late filing is borne by the filer. As stated previously, §22.5(b) serves as a good cause exception for late filings in contested cases. In many proceedings that are not contested cases, the same may be requested from commission staff or the presiding officer.

New §22.71(e)(6) - Exception to late filing due to unavailability of commission filing system

TEAM, TCPA, TPPA, and AEP recommended a new provision stating that any loss of connectivity on the commission side of the commission filing system will not result in legal consequences, such as missing a filing deadline, for a party that submits a filing while the commission filing system is unavailable. Specifically, TEAM recommended addressing this issue by exempting such instances through the addition of new §22.71(e)(6). TEAM explained that a filing submitted during such a period of unavailability could result in a timely-submitted filing being date stamp at the time the commission filing system was restored, rather than the time the document was actually filed. TAWC provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the new provision because it is unnecessary. As stated previously, §22.5(b) serves as a good cause exception to procedural rules. In many proceedings that are not contested cases, the same may be requested from commission staff or the presiding officer.

Proposed §22.71(g) - Availability of Central Records

Proposed §22.71(g) establishes the availability of Central Records for physical filings, the office hours of Central Records, and the availability of the commission filing system.

The commission restructures proposed §22.71(g) into §22.71(g)(1) which relates to availability for physical filings and §22.71(g)(2) which relates to availability for electronic filings. Specifically, proposed §22.71(g)(2)(A) and (B) are moved to adopted §22.71(g)(1)(A) and (B) and relabeled "Regular business hours" and "Supplemental business hours for commission employees", respectively. Proposed §22.71(g)(3) is renumbered as adopted §22.71(g)(2) and relabeled "Electronic filing".

Proposed §§22.71(g)(2) and §22.71(g)(2)(A) - Office Hours of Central Records

Proposed §22.71(g)(2) provides the office hours of Central Records. Specifically, proposed §22.71(g)(2)(A) provides that "[t]he office hours of Central Records are from 9:00 a.m. to 12:00 noon and 1:00 p.m. to 5:00 p.m., Monday through Friday, on working days, except on open meeting days, the working day immediately preceding an open meeting day, and emergencies or days with inclement weather." Proposed §22.71(g)(2)(B) provides that Central Records will be will be open from 8:00 a.m. to 5:00 p.m. on open meeting days and the day prior to open meeting days: The provision also limits the availability of physical filing on those days only to "commissioners, commission counsel, and the commission employees in the Office of Policy and Docket Management (OPDM)" between the hours of 8:00 A.M and 9:00 a.m. and 12 noon to 1:00 p.m..

Proposed §22.71(g)(2)(A) - Normal Office Hours of Central Records

TAWC and TPPA requested clarification on the standard for closure of Central Records as indicated by the phrase "days with inclement weather" in proposed §22.71(g)(2). TAWC and TPPA commented that more specific language tied to an identifiable and objective benchmark, such as a severe weather alert for Travis County announced by the Office of the Governor, would provide more clarity for parties seeking to file physically.

Commission response

The commission revises proposed §22.71(g)(1)(A) to replace the phrase "emergencies or days with inclement weather" with "in the case of an emergency or inclement weather." The commission declines to tie the closure of Central Records to an identifiable or objective benchmark such as severe weather alerts issued by Travis County or the Office of the Governor as there may be instances in which the commission is not closed but staff are either sent home early or directed to telework. The rule appropriately recognizes and prioritizes the safety of Commission Central Records personnel over precision in this context.

TPPA and TEAM recommended that the new Central Records office hours in proposed §22.71(g)(2)(A) and (B) not be implemented. Specifically, TPPA recommended the existing Central Records office hours of "9:00 a.m. to 5:00 p.m. Monday through Thursday, and from 9:00 a.m. to noon and 1:00 p.m. to 5:00 p.m. on Fridays" be retained. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change. The proposed office hours reflect the actual availability of Central Records personnel. Specifically, the revised office hours are to account for a lunch break. Moreover, the availability of Central Records is only relevant for physical submissions which are made far more infrequently than electronic filings, even with the requirements under §22.71(d). The specific restrictions on physical filings under proposed §22.71(g)(2)(B) that are redesignated under adopted §22.71(g)(1)(B), are important for commission advising in preparing for Open Meetings.

Proposed §22.71(g)(3) - Availability of commission filing system

Proposed §22.71(g)(3) establishes that the commission filing system "will be available for electronic filing 24 hours a day, seven days a week, unless taken down for maintenance, emergency, loss of connectivity, or as otherwise determined by Central Records."

SPS, TEAM, and AEP recommended that advance notification of planned downtime for the commission filing system should be required, particularly if filers are made responsible for delays in a filing associated with such downtime. SPS emphasized that providing advance notification regarding the unavailability of the commission filing system would minimize disruptions for all parties to commission proceedings and provide certainty for filers when planning to meet commission deadlines. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change because it is unnecessary. Any planned maintenance occurs after 5:00 p.m. on working days, which aligns with the process for date stamping of filings under §22.71(e)(4).

TPPA recommended that the phrase "or as otherwise determined by Central Records," as it relates to the criteria where the commission filing system may be taken offline, be deleted because it is unnecessarily ambiguous. TPPA asserted that the criteria for rendering the commission filing system unavailable should be explicit and specific so as to not risk a filer's ability to meet filing deadlines and for consistency with other exceptions in the rule.

Commission response

The commission disagrees with TPPA and declines to implement the recommended change. The proposed revision would eliminate all discretion from Central Records in the context of taking the Interchange Filer offline if necessary to ensure the proper functioning of the Interchange Filer (e.g., due to a cybersecurity threat, a systemic issue with processing filings, etc.). The criteria for taking the Interchange Filer offline under adopted §22.71(g)(2) are fairly limited and specific; and Central Records should not be unnecessarily constrained by having to wait and determine if a future undefined event meets one of those criteria.

New §22.71(g)(4) - Availability of commission filing system and computation of time

TAWC and TEAM requested clarification as to whether the days in which the commission filing system is unavailable under proposed §22.71(g)(3) will not interfere with the methodology the commission uses for counting days under §22.4, relating to Computation of Time. TEAM recommended new §22.71(g)(4) be added to the rule to indicate that the computation of time under §22.4 is not modified by the availability of the commission filing system under proposed §22.71(g)(3). TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement TEAM's recommended change because it is unnecessary. In terms of the interaction between adopted §22.71(g)(2) and §22.4, the day the Interchange Filer may be offline and unavailable is not necessarily the same as a day the commission is not open for business. It is possible that such dates may overlap, but the general availability of the Interchange Filer under adopted §22.71(g)(2) does not affect the computation of time under §22.4.

Proposed §22.71(h) and §22.71(h)(1)-(4) - Availability of items filed with the commission.

Proposed §22.71(h) establishes the availability of items filed with the commission electronically or physically, certain qualifications for physical filings, and the process for voiding a filing. Proposed §22.71(h)(1) provides that an electronic filing will be available for

access once accepted and processed by the commission filing system," and once processed, "a written receipt will be automatically generated and electronically sent to the filing party identifying the date and time the filing was accepted by the commission's filing system." Proposed §22.71(h)(2) provides that a physical filing "will be available for access on the commission filing system once processed by Central Records." Proposed §22.71(h)(3) establishes that a "physical filing, request for a new control number, or an item designated as confidential might not be processed or appear on the commission filing system until the next working day after the filing is processed by Central Records." Proposed §22.71(h)(4) establishes that, for electronic filings, "when the item becomes available on the commission filing system, [an] email notification will be sent to the filing party. If the item does not appear on the commission filing system, the filer is responsible for notifying Central Records to correct the filing."

SPS recommended that proposed §22.71(h)(1) be revised to require Central Records to notify a filer of a rejected filing, how the filer will be notified, and a time period for Central Records to issue such a notification. SPS stated that these changes would assist filers in timely rectifying any filing deficiencies.

Commission response

The commission generally agrees with SPS and adds new §22.71(h)(5) that states "[i]f a filing is rejected in accordance with subsection (e) of this section, Central Records will make reasonable efforts to notify the filer of the rejection."

TEAM and SPS recommended that proposed §22.71(h)(1)-(4) be revised to address inconsistencies with current commission practice. Specifically, TEAM and SPS commented that the provisions concerning the availability of electronic filings under proposed §22.71(h)(1)-(4) do not align with the two-step email process currently used by the commission for electronic filing where a notification of receipt followed by a notification of filing is issued to the filer. TEAM maintained that the current practice of issuing notification of filing should be preserved, even if the notification of receipt is no longer issued in the future. TEAM provided draft language consistent with its recommendation.

Commission response

The commission revises proposed §22.71(h)(1) to indicate that an electronic filing "will be available for access on the Interchange once accepted and posted by the Interchange Filer" and that "[o]nce a filing is posted and accessible on the Interchange" a written receipt will be automatically generated and electronically sent to the filer. The commission also revises §22.71(h)(3) by deleting the reference to the appearance of a filing on the commission filing system as it is superfluous of the process stated in previous provisions and given that the term is being omitted from the rule.

To clarify, there is a two-step e-mail notification process associated with the Interchange Filer, the first e-mail is a courtesy notification indicating that the commission has received the item to be filed, and the second e-mail- referenced in both proposed §22.71(h)(1) and (h)(4)- is the substantive notification indicating that the item has been accepted and date stamped (i.e. filed).

Proposed §22.71(h)(3) - Qualifications on the appearance of physical filings

Entergy, TEAM, and TAWC recommended that proposed §22.71(h)(3) be revised to explicitly state that a filed item designated as confidential or as highly sensitive protected material that is timely filed but is not processed by the commission filing system or does not otherwise appear on the commission filing system until the next working day would not be considered late. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change because it is unnecessary. The date stamping of filings is addressed under §22.71(e)(2)-(4). In contrast, adopted §22.71(h) only concerns the availability of documents on the Interchange. Stated differently, the appearance of an item on the Interchange under adopted §22.71(h) has no effect on when an item is date stamped (i.e., filed), which is governed by adopted §22.71(e). In the example provided by commenters, the physical filing designated as confidential would be considered timely filed if the physical filing is date stamped that day.

Proposed §22.71(h)(4) - E-mail notifications for electronic filings and notification of Central Records for filings that do not appear on the commission filing system.

TAWC and SPS requested clarification as to whether the email notification regarding the processing and availability of a filing referenced by proposed §22.71(h)(4) is a separate notification from the filing receipt referenced under proposed §22.71(h)(1) because, as proposed, the provisions are unclear as to whether there is a distinction.

Commission response

As stated previously, the two-step notification process for filing made on the Interchange is as follows: the first e-mail is a courtesy notification indicating that the commission has received the item to be filed, and the second e-mail is the substantive notification indicates that the item has been accepted and date stamped (i.e. filed). The e-mail referenced under proposed §22.71(h)(1) and §22.71(h)(4) is the second, substantive e-mail notification. For clarity, the commission deletes the first sentence in §22.71(h)(4) referencing the e-mail notification for electronic filings so that the reference to the substantive e-mail notification remains only under §22.71(h)(1).

TPPA recommended that proposed §22.71(h)(4) be revised to specify a timeline for when a filing will appear on the commission filing system. TPPA noted that such a revision is necessary to inform filers as to whether a filing is still being processed or whether the party must contact Central Records to correct a deficiency in the filing.

Commission response

The commission declines to implement the recommended change. Prescribing a timeline of availability for the appearance of a filing on the Interchange would be burdensome on Central Records and commission staff and provide little benefit. The timeline for a filing to appear on the Interchange depends on whether the filing was performed electronically or physically, the size of the filing, and whether other filers submitted voluminous filings at the same time. As stated previously, the accessibility (i.e., storage and posting) of a filing under §22.71(h) is unrelated to when a filing is date stamped and therefore deemed filed under §22.71(e)(2)-(4).

Proposed §22.71(h)(5) and §22.71(h)(5)(A) - Void filing procedure

Proposed §22.71(h)(5) establishes the procedures for voiding a filing with the commission. Proposed §22.71(h)(5)(A) requires a

void filing request to "identify the filing with enough precision for Central Records to identify the correct filing."

TAWC recommended that proposed §22.71(h)(5) be revised to include further specificity on the procedure for voiding a filing than what is currently provided in proposed §22.71(h)(5)(A). TAWC noted that the phrase "with enough precision for Central Records to identify the correct filing" in the context of identifying the correct filing for purposes of voiding is too vague. TAWC remarked that current commission E-Filing instructions, which are more specific than the proposed language, should be incorporated into proposed §22.71(h). TAWC further recommended that §22.71(h) should be revised to make explicit that the voiding instructions also apply to confidential filings under proposed §22.71(j).

Commission response

The commission generally agrees with TAWC and revises §22.71(h)(6) (previously §22.71(h)(5)) to state that the procedure under that paragraph is the manner in which a filer may request a filing be voided and Central Records will void and remove the item only if the each of the enumerated procedures is satisfied. The commission also adds new §22.71(h)(6)(A)(i) and (ii) to clarify the steps a filer must follow to request an item be voided. The commission declines to further clarify that the void filing request process under §22.71(h)(6) applies to confidential filings, as the provision expressly includes reference to confidential filings under §22.71(j).

Proposed §§22.71(i) and §22.71(i)(1) - Filing deadlines for open meeting documents addressed to the commissioners

Proposed §22.71(i) and §22.71(i)(1) establish the filing deadline for open meeting documents addressed to the commissioners and the authorized exemptions to that deadline. Specifically, §22.71(i)(1) requires "all documents addressed to the commissioners and concerning an item that has been placed on an agenda for an open meeting must be filed no later than seven days prior to the open meeting at which the matter will be considered" unless exempted under §22.71(i)(2). The provision further establishes that late documents will be considered untimely and that commissioners may review untimely filed documents at their discretion.

TPPA recommended proposed §22.71(i) be revised to establish a formal process for requesting exceptions to the deadline to file documents at least seven days prior to a commission Open Meeting in proposed §22.71(i)(1). TPPA remarked that this deadline-exception process could be based on ERCOT's procedures for expediting urgent revision requests. TPPA explained that the process could authorize a filer to request late-filed matters be considered at the Open Meeting at the discretion of the commissioners, provided that sufficient justification is included by the filing party. TPPA commented that the inclusion of such a process would provide transparency and organization to the commissioner's broad discretion to review untimely filings in proposed §22.71(i)(1).

Commission response

The commission declines to implement the recommended change. The requirement to file documents at least seven days prior to an open meeting reflects the practical reality of what is required of the commissioners. For the commissioners, this preparation often includes reviewing documents and receiving briefings on several dozen dockets and projects. This requirement is broad by design, because whether the commissioners have the bandwidth to review additional filings is highly circumstantial and up to the discretion of each commissioner. Documents addressed to the commissioners that are filed late will not be addressed by the commission at the Open Meeting unless the commission decides otherwise. This is reflected by the provision in §22.71(i)(1) that commissioners can review untimely filed documents at their discretion or the deadline exemption under §22.71(i)(2)(A) for documents requested by the commission.

The commission does not institute a formal exception process, as requested by TPPA, because such a process is impracticable. If the exception request is made with fewer than seven days before the open meeting, there is not an opportunity for the commissioner to resolve the request in a uniform manner, resulting in the same outcome as the current system: the commissioners will make individual decisions about whether to review the untimely filed content or not. In either case, the commission is not prevented from taking action based upon such a filing. Further, an exception request framework to allow filers to request an exception more than seven days before the open meeting is unnecessary, because §22.5 already permits the commission to grant good cause exceptions.

TPPA recommended the deadline for open meeting documents addressed to the commissioners should be modified from seven days to five working days. TPPA expressed concern that the seven day filing deadline for Open Meeting documents addressed to the commissioners may impact project-related filings such as responses to ERCOT revision requests and filings from commission staff. TPPA explained that stakeholders sometimes file comments within five working days of a commission Open Meeting where ERCOT Protocol revision requests are concerned.

Commission response

The commission declines to modify the seven-day requirement to a five working day requirement. In most cases five working days and seven calendar days are equivalent. However, in instances where a holiday falls within the seven-day period, TPPA's recommendation would require filers to post earlier than under the seven-day deadline, making this requirement more burdensome to comply with.

Proposed §22.71(i)(2) - Exceptions to filing deadline for documents addressed to commissioners

Proposed §22.71(i)(2) establishes the two exceptions to the seven day filing deadline under §22.71 for documents addressed to commissioners.

Vistra, TCPA, and TPPA recommended a general good cause exception be included in proposed §22.71(i)(2) for the deadline to file documents at least seven days prior filing to a commission Open Meeting under proposed §22.71(i)(1). Vistra indicated that the proposed language omits the general good cause exception present in existing §22.71(i)(2). Vistra noted that preserving such an exception would allow for responsive filings related to questions from commissioners or other relevant parties. Vistra further remarked that, in some instances, commissioners may not specifically request additional information but in the context of the open meeting discussion, suggests further information is warranted. Vistra commented that preserving a general good cause exception would also allow for parties to correct filings that have erroneous information but were otherwise timely filed. Vistra stated that a good cause exception would also diminish perverse incentives to hold back filings until the last moment to

gain a "tactical advantage" in Open Meeting matters. Vistra provided draft language consistent with their recommendation.

Commission response

The commission declines to implement the recommended change because it is unnecessary. The exception from existing §22.71(i)(2)(C) has been translated into the last sentence of §22.71(i)(1) which provides that "[t]he commissioners may review untimely filed documents at their discretion." Moreover, the good cause exception to procedural rules under §22.5(b) covers an exception to any rule under Chapter 22, including §22.71.

Proposed §22.71(i)(2)(A) - Commissioner-requested document exception

Proposed §22.71(i)(2)(A) exempts documents specifically requested by one or more commissioners from the seven day filing deadline specified under §22.71(i)(1) if the request occurs at a time that makes it impossible for the filer to meet the deadline.

TEC and TPPA recommended the commission-requested document exception to the seven-day Open Meeting filing deadline under proposed §22.71(i)(2)(A) also extend to documents requested from commission staff. TEC explained that including commission staff in the exception would in turn help reduce the likelihood burdensome deadlines are imposed on other filers due to the lack of time available to commission staff. However, TEC remarked that any new exemption for commission staff-requested documents should be used sparingly.

Commission response

The commission agrees with TEC that it is sometimes appropriate for filers to file with fewer than seven days prior to an open meeting at the request of commission staff and also agrees this situation should be the rare exception. Accordingly, the commission modifies the rule language to also allow the executive director or his or her designee to request filings with fewer than seven days before the open meeting at which the filing will be considered.

Proposed §22.71(i)(2)(B) - Negotiation exception

Proposed §22.71(i)(2)(B) exempts documents related to party negotiations where such negotiations necessitate the late filing of materials reporting on the negotiation.

TPPA requested clarification as to whether revision requests for ERCOT Protocols qualify for the negotiation-related exception under proposed §22.71(i)(2)(B) to the deadline to file documents at least seven days prior filing to a commission Open Meeting under proposed §22.71(i)(1). TPPA further recommended that if revision requests do qualify for the exception, the term "party" should be replaced with "persons" since the term party is a defined term under §22.2(30). TPPA explained that the term "party" would only include applicants, complainants, respondents, intervenors, and Commission Staff, and as a result exclude many stakeholders involved with ERCOT Protocol revision requests. TPPA further requested clarification as to whether the filing deadlines in proposed §22.71(i) apply to commission staff. TPPA recommended that such deadlines should explicitly include commission staff to ensure fairness to all persons or parties that participate in matters considered at a commission Open Meeting.

Commission response

Responses to ERCOT revision requests do not qualify for the negotiation-related exemption under §22.71(i)(2)(B). That exemption is related to settlements in contested cases. Additionally, the seven-day filing deadline under §22.71(i)(1) applies to all filers, including commission staff. The commission declines to implement any revisions to §22.71(i)(1) as it is expressly stated that the provision applies to "all documents" addressed to the commissioners and concerning an item on the Open Meeting agenda.

The commission also declines to modify the rule to explicitly state that the seven-day rule applies to commission staff, because it is unnecessary. The rule applies to all filings addressed to the commissioners, including those filed by commission staff.

Proposed §22.71(j) - Confidential material filed with the commission

Proposed §22.71(j) establishes that "[a]n item filed in a commission proceeding is public and available for viewing by the public unless the item is designated as confidential in accordance with this subsection." The provision also specifies that, "[t]o designate an item as confidential, a party must comply with the requirements of this subsection, unless otherwise ordered by the presiding officer."

TAWC and Entergy recommended the rule be revised to address HSPM to reflect the commission's Standard Protective Order. TAWC commented that proposed §22.71(j) would "significantly expand the steps needed for…filers to designate and file [confidential] documents." TAWC also recommended that proposed §22.71(j) include a section dedicated to HSPM due to its importance and frequent use. TAWC noted that HSPM is not addressed by the proposed rules and that HSPM should be afforded heightened protections to prevent nondisclosure. Entergy maintained that all provisions in the rule that refer to confidential material should be revised to address HSPM. Entergy recommended all instances of the term "confidential material" in proposed §22.71(j) be revised to also refer to "highly sensitive protected material" for consistency with the two designations included in the commission's Standard Protective Order.

Commission response

The commission declines to implement the recommended change. The categories of "protected material" and "highly sensitive protected material" are only relevant categories if a protective order has been issued in a proceeding (generally a contested case). In contrast, the requirements of §22.71(j) establish the generally applicable standards for confidential filings, not just confidential filings made in accordance with a protective order. Accordingly, any specific protective order is therefore based on the requirements of §22.71(j). However, the heightened protections afforded to HSPM under a protective order are not diminished by the term not appearing in §22.71. To the extent any HSPM requirements are not complied with, the commission may enforce the protective order in the same manner as the commission enforces a rule. If any changes to the commission protective order are necessary, the commission will revise the template after §22.71 and §22.72 are adopted.

TEAM and TCPA recommended that the confidential filing requirements under proposed §22.71(j) should be revised to differentiate between the different types or commission projects and dockets, such as contested cases and rulemakings. TEAM specifically recommended that the redaction requirements under proposed §22.71(j)(2)(A) only apply to confidential documents filed in contested case proceedings. TEAM commented that, at present, the uniform requirements for confidential filing would substantially increase administrative costs associated with mak-

ing such filings and may be duplicative of requirements in the commission's Standard Protective Order.

Commission response

The commission declines to implement the recommended change. The commission's existing rule applies to filings made in both contested case and non-contested case proceedings, like rulemakings or projects. Adopted §22.71(j) maintains this framework because the commission recognizes the need to balance public transparency with development of a complete record in all its various proceedings.

Proposed §22.71(j)(1) - Electronic and physical filing of confidential information

Proposed §22.71(j)(1) provides that electronically and physically filed items may be designated as confidential in the manner described by §22.71(j).

The commission deletes proposed §22.71(j)(1) because it is largely redundant with §22.71(j). The commission modifies (j) to state explicitly that an item that is filed electronically or physically is available for viewing by the public unless it is designated as confidential in accordance with the subsection. The remaining paragraphs under subsection (j) are renumbered accordingly.

Proposed §22.71(j)(2) and §22.71(j)(3) - Confidential filing requirements and challenge of confidential designation

Proposed §22.71(j)(2) establishes the requirements for filing material designated as confidential with the commission. The provision includes the two-step filing requirements for redacted and unredacted confidential materials, the associated confidential filing memorandum, the authorization for Central Records to reject filings that do not meet the confidential filing requirements, requirements for redactions, specific confidential filing requirements for physical and electronically filed documents. Proposed §22.71(j)(3) authorizes the challenge of a confidential designation of any filing by any party via motion or by the presiding officer via order. The provision also requires such a challenge to "specifically indicate the basis of the challenge and the portions of the filing that should not be confidential" and establishes the procedure for if such a challenge is successful.

SPS, TEAM, and Oncor noted that the commission's Standard Protective Order and the proposed confidential filing memorandum have similar requirements and could lead to filers submitting duplicative information. SPS recommended that the commission Standard Protective Order be revised to incorporate the changes to confidential filing processes in proposed §22.71(j)(2) to avoid conflicts between the Standard Protective Order and the proposed rule. SPS stated that certain provisions in the Standard Protective Order, such as "Procedures for Submission of Protected Material" substantially overlap with the physical filing requirements of the proposed rule. SPS further noted that if the Standard Protective Order and proposed rule are not reconciled, it may lead to redundant and duplicative activities from filers. For example, certain provisions of the protective order, such as "Procedures for Designation of Protected Material" and "Procedures to Contest Disclosure or Change in Designation" contains procedures very similar to the proposed confidential filing memorandum under proposed §22.71(j)(2) and confidentiality challenge mechanism under proposed §22.71(j)(3). Similarly, TEAM commented that certain confidential filing provisions, such as the confidentiality challenge, are unnecessary given that the commission's Standard Protective Order already provides a substantially similar procedure for the presiding officer that is well-established and been historically used without issue.

Commission response

The commission declines to implement the recommended change because it is unnecessary. To the extent any part of the two-step filing process described under §22.71(j) overlaps with the requirements of a protective order, duplicative action is not necessary. However, a filer must comply with any additional requirements specified by a protective order that has been issued in a proceeding. To address this, the commission revises the confidential filing memorandum to account for protected material and highly sensitive protected material (or neither if a protective order has not been issued in the proceeding). As stated previously, if any changes to the commission protective order are necessary, the commission will revise the template after §22.71 and §22.72 are adopted. Section §22.71 establishes the requirements for confidential filings with which any protective order issued in a specific proceeding must comply.

Oncor and AEP recommended that the commission's Standard Protective Order and the proposed confidential filing memorandum should be revised to accommodate proposed §22.71(j)(2)(A)(i). Specifically, Oncor and AEP recommended that the requirement to file statements of confidentiality should be taken out of the commission's Standard Protective Order and inserted into the proposed confidential filing memorandum. Oncor commented that it would be more efficient for parties to provide relevant information related to a confidential filing, such as Public Information Act exemptions, in one location. Oncor provided draft language consistent with its recommendation. In contrast, TEAM opposed revising the commission's Standard Protective Order to accommodate the rule revisions and instead endorsed revising the proposed language to eliminate any overlap with the procedures in the Standard Protective Order and harmonize the requirements of each. TEAM noted that the procedures in the commission Standard Protective Order have historically been effective in commission proceedings and therefore do not need to change.

Commission response

The commission declines to revise the confidential filing memorandum in the manner recommended by Oncor and AEP. The requirements of §22.71(j) are generally applicable to all proceedings. Stated differently, any protective order issued in a specific proceeding must conform with the rule, not the rule with the protective order. Any confidentiality requirements that are specific to a protective order should not be translated to §22.71 or the confidential filing memorandum because a protective order is not issued in all contested case proceedings and are not generally issued in proceedings outside of contested cases, such as projects. As stated previously, if any changes to the commission protective order are necessary, the commission will revise the template after §22.71 and §22.72 are adopted.

Proposed §22.71(j)(2)(A), 22.71(j)(2)(A)(i), and 22.71(j)(2)(A)(ii) - Two-step confidential filing process

Proposed §22.71(j)(2)(A) requires a filer submitting an item designated as confidential to separately file the materials specified by proposed §22.71(j)(2)(A)(i) and proposed §22.71(j)(2)(A)(ii), as well as comply with any individual protective order governing the access and handling of confidential materials. Proposed §22.71(j)(2)(A)(i) requires the filing of a fully completed confidential filing memorandum as specified under §22.71(j)(2)(D) and (E) accompanied by a redacted copy of the original item for pub-

lic filing. Proposed §22.71(j)(2)(A)(ii) requires the filing of an unredacted copy of the original item for confidential filing.

TAWC primarily recommended that the commission eliminate the requirement for redacted copies be filed for public viewing under proposed §22.71(j)(2)(A)(i). TAWC noted that this requirement does not exist in the current rule, which is primarily oriented around physical filings. TAWC alternatively recommended that proposed §22.71(j)(2)(A)(i) be revised to clarify that redacted copies for public availability are not required if the entire document is confidential or HSPM. Similar to TAWC's alternative recommendation, Oncor recommended proposed §22.71(j)(2)(A)(i) be revised to authorize parties to omit fully redacted pages that only contain confidential material from confidential filings. Oncor explained that, given the wide scope and volume of confidentially filed material, it would be more efficient to allow the removal of fully redacted pages in their entirety. TEAM recommended that the rule provide discretion where significant time and expense would be involved with providing a filing that is almost wholly redacted and therefore be of limited benefit.

Commission response

The commission declines to implement TAWC's recommendation to not require redacted copies to be filed for public viewing and Oncor's recommended change to omit redacted pages. The purpose of requiring a redacted copy filed non-confidentially with the confidential filing memorandum under adopted §22.71(j)(1)(A)(i) is to ensure that the general public is able to view, to the extent possible, the non-confidential filing portions of a document that is otherwise being filed confidentially. Open government and public access necessitate the public being able to see the confidential memo with the additional context of the redacted portions of the document.

To address commenter's concerns, adopted §22.71(j)(1)(C) provides for a list of exclusions to the redaction requirement. Specifically, the revised provision authorizes a redacted copy of the document to be replaced with a cover letter describing the filing for letters of credit. For documents filed in Microsoft Excel format, the revised provision establishes a requirement to file a redacted copy of the Excel document in a non-native format and the cover letter or, if the Excel sheet would exceed 50 pages, just the cover letter. This list reflects the types of documents where the difficulty of complying with the redaction requirement is not commensurate with the benefit of providing a redacted copy of the filing.

TPPA, TCPA, and Vistra recommended that either the confidential filing memorandum requirement or redacted copy filing requirement under §22.71(j)(2)(A)(i) be deleted from the provision because requiring both is unnecessarily burdensome for filers. TPPA commented that one of the requirements by itself is sufficient to provide transparency to the public regarding the purpose and nature of confidential filings made by parties. TPPA noted that requiring both elements would only create duplicative work for filers with little additional benefit. TCPA commented that the memo requirement for confidential information submitted outside of a contested case context is unnecessary and burdensome.

Commission response

The commission declines to implement the recommended change. The confidential memorandum and the public-facing redacted document fulfill two different purposes. The former is for the filer to provide justification as to why the filed material should be treated confidentially, and the second is to ensure the right of the public to access to all aspects of a document filed with the commission that are not confidential. The confidential memo is beneficial to both Central Records (for administrative purposes) and the presiding officer (for substantive purposes) in identifying the material being redacted because the confidential memo requires an explanation of why the material is being filed confidentially. Therefore, both documents must be filed together in a non-confidential manner.

Entergy and CenterPoint recommended that the requirement to submit a redacted version of confidential or HSPM should be revised to exclude discovery response attachments, workpapers, or native Excel files due to the inherent difficulty and potential cost and time commitment it would take to redact those items. Entergy also noted that the requirement to submit a redacted version of confidential or HSPM currently exists for certain documents such as pleadings or exhibits. TEAM generally recommended that any additional requirements concerning the form and content of a confidential filing, such as the provision of redacted copies, account for different types of documents and information.

Commission response

As stated previously, adopted §22.71(j)(1)(C) provides for a list of exclusions to the redaction requirement. This list reflects the types of documents where the difficulty of complying with the redaction requirement is not commensurate with the benefit of providing a redacted copy of the filing.

Proposed §22.71(j)(2)(B) and §22.71(j)(2)(C) - Rejection of confidential filing by Central Records and minimum redaction requirement

Proposed §22.71(j)(2)(B) authorizes Central Records to reject a confidential filing that does not include the documents described under proposed §22.71(j)(2)(A). The provision also establishes that Central Records will notify the filer of the rejection through electronic mail if reasonably practical and that "it is the filer's responsibility to check the control number to verify that its confidential filing was accepted and to contact Central Records for any necessary corrections." Proposed §22.71(j)(2)(C) requires "a redacted copy of a confidential filing must be redacted only to the minimum extent necessary to ensure confidentiality."

TEAM recommended deleting the authorization for Central Records to reject filings in the manner specified by proposed §22.71(j)(2)(B) and (C). TEAM expressed concern that, reading §22.71(j)(2)(B) and (C) together would effectively authorize Central Records to determine "whether a confidential filing has been redacted 'only to the minimum extent necessary to ensure confidentiality.'" TEAM noted that Central Records lacks the necessary expertise to review confidential documents in this manner, therefore it is neither realistic nor fair to authorize Central Records to perform this review. TEAM emphasized that in some situations, the majority or entirety of a document may be confidential, rendering the practice of providing a redacted document burdensome and costly. TEAM and TCPA maintained that the current process for confidentiality designations under the commission's Standard Protective Order have been working without issue and currently effectuate the provisions regarding confidentiality challenges. Therefore, TEAM recommended not adopting the requirements surrounding the confidential filing memorandum and instead retaining the processes currently in the commission's Standard Protective Order. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended changes. Central Records' review of a confidential document is clerical in nature, not substantive. That is, Central Records is not evaluating a filer's justification for confidential filing in the confidential memo or the contents of the filing. The authorization for Central Records to reject a confidential filing under §22.71(e)(1)(C) for not complying with the requirements of §22.71(j) is further limited by adopted §22.71(j)(1)(B). Specifically, §22.71(j)(1)(B) only authorizes Central Records to reject a filing to ensure a confidential filing follows the two-step process under §22.71(j)(1)(A) and to ensure a physical filing is delivered in the appropriate envelope under §22.71(j)(1)(F)(iii). Conversely, the authorization for Central Records to reject a filing under §22.71(j)(1)(B) is not connected to the general requirement under §22.71(j)(1)(C) for redactions to be only to the minimum extent necessary to ensure confidentiality. Stated differently, Central Records will not be reviewing confidential filings to ensure they comply with §22.71(j)(1)(C) or for substance. The commission clarifies §22.71(e)(1)(C) accordingly.

In response to TEAM's recommendation to retain only the processes in the commission's standard protective order, the requirements of §22.71(j), including the confidential filing memorandum, are generally applicable to all proceedings. This is because a protective order is not issued in all contested case proceedings and are not generally issued in proceedings outside of contested cases, such as projects.

TPPA and SPS recommended the phrase "if reasonably practicable" in proposed §22.71(j)(2)(B) be replaced with "unless no email address was provided with the item" for clarity. Specifically, TPPA noted that the proposed revisions would provide a more objective standard for when a filer can expect a filing rejection notification from Central Records. Consistent with its recommendation for §22.71(h)(4), TPPA requested the rule include a specific timeline for when a filing should appear on the commission filing system to provide certainty for filers. TPPA commented that such a timeline would provide a clear indication to filers as to whether a filing is still being processed or whether contacting Central Records to resolve a filing issue or rejection is necessary.

Commission response

The commission agrees with TPPA that filers that provide accurate email addresses can reasonably expect to receive notice of rejected filings. However, in some instances, e-mail is not a prerequisite to filing (physical filings and some portals or applications), and erroneous e-mail addresses are sometimes provided.

Implementing TPPA's recommended language would be unnecessarily limiting on Central Records' ability to follow-up, whereas "if reasonably practicable" provides more flexibility in the event a fake or incorrectly transcribed e-mail is provided. If such an erroneous e-mail is provided, the rule should not require Central Records to perform what it cannot actually do. For physical filings, Central Records will administratively review the document to determine whether it should be rejected under §22.71(e)(1) and, if an e-mail is provided. notify the filer by e-mail if the filing is rejected. If an e-mail is not provided, then Central Records will attempt to call the filer. If no phone number is included, Central Records will return the filing by mail with an explanation of the rejection.

New §22.71(j)(2)(B) - Exceptions to redaction requirement

Oncor and AEP recommended that the redaction requirement under proposed §22.71(j)(2)(A)(i) be revised to exempt Excel documents due to certain limitations with that file format through the addition of new §22.71(j)(2)(B). Oncor and AEP explained that Excel filings may have linked cells, formulas, and other advanced functions that could generate hundreds or thousands of pages of output and therefore be impractical to redact. For potential alternatives, Oncor and AEP recommended either requiring a filing party to submit a statement summarizing the contents of the Excel filing, require the public filing of the confidential Excel filing that only shows the column and row headers, or require the filing party to publicly file a PDF copy of the confidential Excel documents with all confidential cells redacted. Oncor expressed a preference for the first alternative where a statement summarizing the content of the confidential Excel file would be publicly filed. Oncor stated that this option would permit the public to view the information on the commission filing system and provide relevant information regarding the confidential data. Oncor provided draft language consistent with its recommendations.

Commission response

As stated previously, adopted §22.71(j)(1)(C) provides for a list of exclusions to the redaction requirement. This list reflects the types of documents where the difficulty of complying with the redaction requirement is not commensurate with the benefit of providing a redacted copy of the filing.

Proposed §22.71(j)(2)(D) and §22.71(j)(2)(F) - Minimum information for confidential filing memorandum and confidential filing requirements for physical filings

Proposed §22.71(j)(2)(D) prescribes the criteria that must be included in a confidential memorandum to be deemed fully completed. Proposed §22.71(j)(2)(F) prescribes the requirements to designate an item filed physically as confidential using a confidential envelope that must be delivered to Central Records. The provision further specifies that the requirements are additional to the requirements of §22.71(j)(2)(A)-(E) and that "the confidential envelope must not include non-confidential documents unless directly related to and essential for clarity of the confidential document."

TEAM, TPPA, and AEP recommended that the confidential filing memorandum under proposed §22.71(j)(2)(D) be modified to exempt routine regulatory filings such as the Retail Performance Report submitted by retail electric providers. Specifically, TEAM contended that, in such proceedings, parties to the proceeding should not be required to complete and submit a confidential filing memorandum "because they are citing to information designated confidential by another party." TEAM alternatively recommended an abridged confidential filing memorandum be created for such instances which would simply reference the fact that the information was designated confidential by another party and identify the filer. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change. The two-step filing process described by adopted §22.71(j)(1)(A) is applicable to all confidential filings made with the commission.

Proposed §22.71(j)(2)(D)(v) - Additional information required by protective order or presiding officer (confidential filing memo)

Proposed §22.71(j)(2)(D)(v) requires a confidential filing memorandum to include "[a]ny additional information required by the protective order in effect in the applicable proceeding or that may

otherwise be required by the presiding officer via written order" to be deemed fully completed.

CenterPoint requested clarification as to whether the language referencing "any additional information required by the protective order in effect in the applicable proceeding" under proposed §22.71(j)(2)(D)(v) means that the written statement of confidentiality currently required under the commission's Standard Protective Order could be included in the confidential filing memorandum. CenterPoint recommended that, as an alternative, the confidential filing memorandum not apply to proceedings with a protective order in effect, such as contested cases. CenterPoint noted that, for such proceedings, the written statement of confidentiality currently required under the commission's Standard Protective Order should be deemed sufficient by itself. CenterPoint maintained that the confidential filing memorandum should only be required for commission proceedings without a protective order.

Commission response

If there is a protective order issued in a proceeding, a filer seeking to designate material as confidential must comply with both the requirements of §22.71(j) and the protective order. The requirements of §22.71(j), including the confidential filing memorandum, are generally applicable to all proceedings. Any confidentiality requirements that are specific to a protective order should not be translated to §22.71 or the confidential filing memorandum because a protective order is not issued in all contested case proceedings and are not generally issued in proceedings outside of contested cases, such as projects.

Proposed §22.71(j)(2)(G) - Confidential filing requirements for electronic filings

Proposed §22.71(j)(2)(g) requires a filer seeking to designate an electronically filed item as confidential must do so in the manner provided by the commission filing system. The provision further specifies that the requirements are additional to the requirements of §22.71(j)(2)(A)-(E).

CenterPoint recommended that the procedure for indicating how electronically filed items are designated as confidential under proposed §22.71(j)(2)(G) be clarified because it is ambiguous. CenterPoint noted that, comparatively, the procedure for designating physically filed items as confidential under proposed §22.71(j)(2)(F) is clear.

Commission response

The commission modifies the rule to provide more detail on the process for designating electronic filings as confidential. As noted above, the commission deletes the term "commission filing system" throughout the adopted rule. In this instance, that term is replaced with Interchange Filer, which is the commission's internet application used to post electronic items to the Interchange. In addition, the commission adds, by way of example, that a filer would select a checkbox on the Interchange Filer to indicate that an electronic filing should be designated confidential.

Proposed §22.71(j)(3) - Challenge of confidentiality designation

Proposed §22.71(j)(3) authorizes the confidential designation to be challenged "by any party via motion or by the presiding officer via order." The provision also requires "[a] challenge to a confidential designation must specifically indicate the basis of the challenge and the portions of the filing that should not be confidential."

LCRA, TCPA, AEP, and SPS recommended that challenges to designations of confidentiality under proposed §22.71(j)(3) be limited to contested cases. LCRA maintained that, in contested case matters, such challenges would be restricted only to parties admitted to the proceeding. In contrast, in other commission proceedings such as rulemakings, the proposed language would effectively allow anyone to challenge the confidentiality designation made by any other participant. LCRA noted that such a broad requirement would be unfair and unnecessary, as it would allow direct competitors an unrestricted capability to challenge any confidential filing. LCRA provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change for the reasons espoused by the commenters. However, the commission clarifies that the provisions under adopted §22.71(j)(2) apply to proceedings with an assigned tariff or docket control number and adds new §22.71(j)(3) to provide separate provisions for challenges to confidentially filed information in other commission proceedings, such as projects or rulemakings. Subsequent paragraphs under subsection (j) are renumbered accordingly.

TPPA recommended that because the phrases "party" and "parties" are defined terms under §22.2(30) and §22.102 "that would not necessarily include all persons who may challenge a claim of confidentiality," the terms should be replaced with the term "any person" in proposed §22.71(j)(3). SPS disagreed with TPPA's recommendation to replace the terms "party" and "parties" with the term "any person." SPS explained that the terms appropriately limit challenges to confidentiality designations to contested cases where the entity is either an original party to the case or has been admitted as an intervenor. SPS noted that replacing the terms as TPPA recommended would introduce unnecessary complexity into these proceedings by allowing non-parties to challenge confidentiality designations. SPS averred that the process established in the proposed rule "adequately addresses the ability to challenge confidential designations" and is merely a codification of a pre-existing process that has historically been available, not a new process altogether. SPS acknowledged TPPA's general concern that confidential material may be filed outside of the contested case context, but stated it is unclear what types of projects should be subject to an unrestricted ability for any person to challenge confidentiality.

Commission response

The commission revises the proposed rule such that adopted §22.71(j)(2) applies only to filings in proceedings with an assigned tariff or docket control number. The commission agrees with SPS that limiting the ability to contest a confidentiality designation to parties to these types of proceedings strikes the right balance and avoids adding unnecessary complexity to those proceedings.

To address confidentiality designations in projects and other commission proceedings, the commission adds new §22.71(j)(3). This new paragraph allows the executive director or a designee to request, in writing, that a filer void a confidential filing and non-confidentially re-file all or part of the item. The new paragraph requires the written request to provide the basis for the request and provide a deadline for response. If the filer does not agree to the request, the filer must issue a response and carries the burden of showing the item should remain filed confidentially. After considering the response, the executive

director or his or her designee will notify the filer if the filing may remain filed confidentially, stating the basis for the decision. If the executive director or his or her designee determines the filing cannot remain filed confidentially, the filer must void the filing and may re-file the item in accordance with §22.71(j) and the determination of the executive director or his or her designee.

TPPA recommended that proposed §22.71(j)(3) be revised to require the presiding officer to specifically identify any and all information in a filing that should not be treated as confidential. TPPA explained that such a change would help prevent parties from confidentially re-filing substantially similar documents without properly correcting the underlying deficiencies.

Commission response

The commission declines to implement the recommended change because it is unnecessary. For proceedings with assigned tariff or docket control numbers, the order issued by the presiding officer will address what confidential material should not be treated as confidential and therefore must be re-filed publicly. Additionally, under new §22.71(j)(3) for other commission proceedings, the written memorandum or, if applicable, the subsequent determination from the executive director or his or her designee will perform the same function.

TPPA further recommended that confidential filings that have been deemed to be not confidential by the presiding officer and subsequently voided "should not impact the outcome of the proceeding." TPPA stated that, upon the voiding of a filing, a party has the choice to re-file the information publicly, revise the filing, or omit the filing or content entirely. Accordingly, TPPA recommended that voided filings should not be included as part of the official record or otherwise influence commission decision making.

Commission response

The commission declines to implement the recommended change. In proceedings with an assigned tariff or docket control number, the commission is generally limited to the evidentiary records which is in turn limited to what the presiding officer's order says is admitted. Voided filings are not considered by the commission in the evidentiary record. Other filings that are not voided, to the extent they are not admitted into the evidentiary record, are not considered by the commission. In other commission proceedings, there is no ex parte prohibition, and participants in such proceedings can (and frequently do) contact the decisionmakers directly with questions, comments, and concerns. The decisionmaker in such proceedings, whether it be the commissioners, an administrative law judge, or commission staff, can consider individual facts and the public interest as a whole. Therefore, it is not appropriate to limit consideration of voided filings in these other types of commission proceedings.

TPPA requested clarification as to how confidential items that have been deemed to not be confidential by the presiding officer and subsequently voided would affect filing deadlines. Specifically, whether an instruction to void a filing would "constitute a missed deadline."

Commission response

As with any filing, an item refiled non-confidentially following an improper confidential filing will be timestamped at the time of filing. It is the responsibility of filers to ensure that improper confidentiality designations do not result in missed filing deadlines. However, the presiding officer has authority to grant exceptions to procedural rules for good cause, and may use this discretion to determine whether the initial filing can remain to allow the proceeding to continue while the filing is being re-filed, if deadlines needs to be extended to permit the refiling, or if there is good cause supporting a different outcome. Similarly, in a commission project, commission staff has the authority to extend deadlines, if it is appropriate to do so. Further, in all cases, if there is a discrepancy, the redacted version of the initial confidential filing may be used as evidence of a prior timely filing.

Proposed §22.71(j)(3)(A) - Burden of proof and response to motion challenging confidentiality designation

Proposed §22.71(j)(3)(A) requires, in the event of challenge of confidentiality designation, the filing party to bear the burden of proof to show that the item should remain confidential. The provision requires a filing party to "respond to a motion challenging the confidentiality of a filing within five days of the motion, or within the time period specified by the presiding officer."

TEC recommended that proposed §22.71(j)(3)(A) be revised to place the burden of proof on the party challenging a confidentiality designation, rather than on the party requesting a document be filed confidentially. TEC stated that the default position should be to assume that information designated as confidential is in fact confidential until demonstrated otherwise. TEC provided redlines consistent with its recommendation.

Commission response

The commission declines to modify the rule to shift the burden of whether a filing should be permitted to be filed confidentially to the party challenging a confidentiality designation. The commission regulates critical industries, and it serves the public interest to do so as transparently as possible. Further, this should not be a difficult burden to meet for information that merits confidential filing, especially if the filer has already provided its justification for why information should be treated confidentially using the required memorandum.

TPPA recommended the deadline for responding to a motion challenging the confidentiality of a filing be revised to "'five working days' to avoid confusion."

Commission response

The commission agrees with TPPA and implements the recommended change.

Proposed §22.71(j)(3)(C) and new (j)(3)(D) - Order from presiding officer regarding inappropriate confidentiality designation

TEC recommended that proposed §22.71(j)(3)(C) be revised and split into new §22.71(j)(3)(D). Specifically, TEC recommended that on a finding by the presiding officer that a confidential filing be made public, "the order should be accompanied by an automatic stay and appeal, unless waived by the filing party." TEC emphasized that making a confidential document public would represent an "immediate and potentially irreparable" harm. Accordingly, TEC commented that such documents should remain confidential until the commission renders a final determination, unless waived by the filer. TEC provided redlines consistent with its recommendation.

Commission response

The commission declines to implement the recommended change because it is unnecessary. In the event the presiding officer issues an order requiring a document to be re-filed, there is not any automatic release of filed information in accordance with that order on the part of the order. The rule appropriately

puts the responsibility on the filer to refile the document publicly or not, and to pursue any other appropriate legal remedies with regards to the order.

Entergy recommended that the procedure for voiding a confidential filing under proposed §22.71(j)(3)(C) be abridged to only require the re-filing of an item publicly, rather than also require the filer to submit a request to Central Records to void the confidential version. Entergy contended that this truncated procedure would be more administratively efficient and also preserve the administrative record to include the item on the commission filing system that is referenced in the presiding officer's order.

Commission response

The commission declines to implement the recommended change. As stated previously, voided items are not considered as part of the administrative record in proceedings with an assigned tariff or docket control number. Moreover, the process for voiding a filing reflected in the rule is current commission practice and standard procedure. However, the commission modifies §22.71(j)(5) to require the party filing information deemed to be improperly labeled confidential to adhere with the rule's provisions for voiding a filing, which are found in §22.71(h)(6).

Proposed §22.71(j)(4) - Posting of confidential information on the commission filing system

Proposed §22.71(j)(4) establishes the form and manner in which a document designated as confidential will be posted to the commission filing system.

Proposed §22.71(j)(4)(B) - Posting of unredacted item confidentially

Proposed §22.71(j)(4)(B) establishes that an unredacted version of the filed item that has been designated as confidential will be posted confidentially on the commission filing system and will only be accessible by the persons listed under §22.71(j)(6).

SPS requested clarity as to what the term "posting" means in the context of "posting of confidential material on the commission filing system under proposed §22.71(j)(4)(B)." SPS expressed concern over the requirements to file an unredacted version of a confidential filing under proposed §22.71(j)(2)(A)(ii) in conjunction with proposed §22.71(j)(4)(B) and indicated that such language should not increase the risk of disclosing confidentially filed material. If the risk of disclosure is increased by such language, SPS recommended that the commission consider alternative procedures for handling and processing confidential materials, such as through virtual data rooms or remote servers. SPS noted its current practice of "storing unredacted, sensitive documents in secure folders" within its proprietary software "iManage" where access is limited to intervenors that have signed a protective order.

Commission response

In response to SPS request for clarity, the rule language is unambiguous and reflects current practice: an item on the Interchange is created to demonstrate to the public that a confidential filing has been made. The contents of that item are only available pursuant to the restrictions described in this paragraph and adopted paragraph (j)(6).

Proposed §22.71(j)(6) - Access to confidential information

Proposed §22.71(j)(6) limits access to confidential material to the persons that meet the criteria of §22.71(j)(6)(A)-(C). The provision further establishes that disclosure of confidential information is subject to the ex parte requirements of the subtitle (Title 16, Part 2 of the Texas Administrative Code).

Proposed §22.71(j)(6)(A) and (B) - Posting of unredacted item confidentially

Proposed §22.71(j)(6)(A) authorizes a commissioner, a commission employee in OPDM, or an employee in a commissioner's office to access confidential filings in any proceedings if the confidential access form is completed, signed, and submitted to Central Records. The provision also limits disclosure of the confidential material by those persons only to another commissioner or other employee in OPDM or a commissioner's office that has completed, signed, and submitted the confidential access form to Central Records and only if such disclosure does not violate the Texas Open Meetings Act. Proposed §22.71(j)(6)(B) generally authorizes a commission employee in Central Records or Information Technology to access confidential filing "for clerical and administrative tasks necessary to ensure the proper maintenance and functioning of the commission filing system including the correction or removal of filings or actions otherwise directed by the presiding officer in a specific proceeding."

TEAM recommended deleting proposed §22.71(j)(6)(A) and (B) "because the Commission employees referenced in these subparagraphs and the Commissioners themselves are not parties to a proceeding."

Commission response

The commission declines to implement the recommended change because it is impracticable. General access to confidential filings by the commissioners under §22.71(j)(6)(A) is essential as they are the decisionmakers and adjudicators for proceedings before the commission. General access to confidential filings by Central Records and Information Technology under §22.71(j)(6)(B) is also necessary for clerical and administrative tasks, and maintenance, respectively.

Entergy recommended that proposed §22.71(j)(6)(B) be revised to require commission employees in Central Records and Information Technology be required to "to comply with the requirements for maintaining confidentiality set out in the Employee Statement Regarding Non-Disclosure of Confidential Information" as is required for all other commission employees under proposed §22.71(j)(6)(A). Entergy commented that such a change is necessary to ensure that confidential material is appropriately protected.

Commission response

The commission declines to implement the recommended change because it is unnecessary. The confidential access form described by §22.71(j)(6)(A) is not the same as the internal nondisclosure agreement signed by Central Records for their access to confidential material. Information Technology does not sign a nondisclosure agreement because the employees in that division do not directly access or handle confidential material. Moreover, Penal Code §39.06 prohibits the disclosure of official information and Texas Government Code §552.352 prohibits the disclosure of information designated as confidential under that chapter.

Proposed §22.71(j)(6)(C) - Protective order certification for specific proceedings

Proposed §22.71(j)(6)(C) requires that a party to a proceeding not covered by proposed §22.71(j)(6)(A) or (B) must "complete,

sign, and file in the proceeding a protective order certification" to access confidential filings filed with the commission in a specific proceeding. The provision further requires the certification to "comply with the protective order entered by the presiding officer in that proceeding" and provides that the certification is no longer valid "after the commission's plenary jurisdiction over the proceeding has expired."

TAWC recommended that proposed §22.71(j)(6)(C) be revised to align with the current version of the commission's Standard Protective Order and accordingly restrict access to HSPM to specific persons and entities, such as commission staff, the Texas OAG, OPUC, and representatives of other parties that are authorized to view such material. TAWC also noted that HSPM is not referenced whatsoever under proposed §22.71(j) and that proposed §22.71(j)(6)(C) could be interpreted to provide "open access of HSPM to anyone without restriction in contravention of the current Commission PO." TAWC emphasized its opposition to providing such expansive access to HSPM due to the inherently increased risk of improper distribution of such material.

Commission response

The commission declines to revise §22.71(j) and the confidential filing memorandum in the manner recommended by TAWC. As stated previously, the requirements of §22.71(j) are generally applicable to all proceedings. Any confidentiality requirements that are specific to a protective order should not be translated to §22.71 or the confidential filing memorandum because a protective order is not issued in all contested case proceedings and are not generally issued in proceedings outside of contested cases, such as projects. If any changes to the commission protective order are necessary, the commission will revise the template after §22.71 and §22.72 are adopted.

TEAM recommended that the commission not adopt the new procedures for designating confidential material under proposed §22.71(j), including the confidential access requirements under proposed §22.71(j)(6)(C). TEAM emphasized that the commission Standard Protective Order should remain the sole authority for establishing such procedures and access to confidential materials. In the context of proposed §22.71(j)(6)(C), TEAM noted that in the current rule, access to confidential material is primarily oriented around paper filings, which require the deliberate act of copying and sharing to disseminate. TEAM explained that the current paradigm of electronic filings increases the risk of losing track of which documents contain confidential material and therefore inadvertently providing access to such material. Specifically, TEAM recommended that confidential information not be shared unless the person requesting access has signed a protective order certification, is a party to the docket where the confidential material was filed, or is otherwise an employee of the commission.

Commission response

The commission disagrees with TEAM and declines to implement the recommended change for the previously stated reasons. The confidential filing requirements are generally applicable to all filings made with the commission. Access to confidential materials is expressly limited to the categories specified under proposed §22.71(j)(6)(A)-(D). Under proposed §22.71(j)(6)(C), confidential access in a proceeding with an assigned tariff or docket control number is limited to a party that has filed a protective order certification form that has been approved by the presiding officer. Any additional requirements are specified by the protective order applicable to the proceeding. Similarly, under proposed §22.71(j)(6)(D), access to confidential material for proceedings without a tariff or docket control number such as a project must be requested from the executive director or their designee by a commission employee.

TEAM recommended that the commission delete the words "not covered by subparagraph (A) or (B) of this paragraph" with reference to parties to a proceeding that must complete a protective order certification to access confidential filings in that proceeding. TEAM reasoned that the individuals who are granted access to confidential information under subparagraphs (A) and (B) are not "parties," making the qualifier unnecessary.

Commission Response:

The commission agrees with TEAM and modifies the rule accordingly. Commissioners, their staffs, commission employees in OPDM, and administrative staff in Central Records and IT are not parties to commission proceedings. The commission makes this edit to avoid the impression that commission staff who are parties to a proceeding with an assigned tariff or docket control number can sign a confidential access form and gain access to all confidential materials stored in the specific project where the confidential material is filed on the Interchange.

New §22.71(j)(6)(D)

The commission adds new paragraph (j)(6)(D) to describe the process by which an employee of the commission can access confidential information filed in a proceeding without an assigned tariff or docket control number, such as a project or rulemaking. The process requires the executive director or his or her designee to authorize the release of the confidential information to the employee provided that the employee requires access to the information in performance of his or her official duties.

Proposed §22.71(j)(7) - Public information

Proposed §22.71(j)(7) provides that designation of a document as confidential in a commission proceeding is not determinative of whether that document would be subject to disclosure under the Texas Public Information Act, the Texas Open Meetings Act, or other applicable law.

TAWC requested clarification as to whether proposed §22.71(j)(7) would authorize the commission to release confidential documents or HSPM in response to an open records request. TAWC requested that the commission identify whether it would oppose such requests or at least seek an opinion from the Texas Office of the Attorney General (OAG) before the release of such material. TAWC emphasized the need for certainty among filers that such confidential material or HSPM will either not be released, or at least not filed before an OAG decision is issued.

Commission response

In the event described by TAWC, the commission would seek an opinion from the OAG and provide the filing party notice and an opportunity to provide a rationale as to why the highly sensitive protected material should not be released. However, the Public Information Act (PIA) process is applicable to all existing commission rules, including the adopted version of §22.71 and §22.72. Stated differently, the requirements of §22.71 or a confidential designation of material in a commission proceeding does not affect the PIA process.

Similar to TAWC, TEAM recommended proposed §22.71(j)(7) be revised to require the commission notify a third party if the commission believes that material designated as confidential and

contains private or proprietary information is responsive to a public information request. TEAM provided draft language consistent with its recommendation. Vistra cautioned against implementing TEAM's approach for proposed §22.71(j)(7) on the basis that the addition is redundant given the pre-existing notice requirements of the Public Information Act (PIA) and that the notice requirements of the PIA exceed those proposed by TEAM. Vistra stated that TEAM's proposed addition is therefore unnecessary and risks confusing the commission's broader obligations to protect confidential information. Moreover, Vistra emphasized that the commission should "consider the most efficient and universal means of conveying the Commission's obligations under the PIA rather than specifying them in a single rule reference."

Commission response

The commission declines to implement the recommended change because PIA requirements are already provided for by other law. The PIA process is already covered by Texas Government Code Chapter 552. The commission agrees with Vistra that including separate, related provisions in this rule would risk confusing the commission's pre-existing obligations under existing law.

Proposed §22.72 - Formal Requisites of Pleadings and Documents to be Filed with the Commission

Proposed §22.72 establishes the recommended and mandatory formatting and filing standards for documents required to be filed with the commission under §22.71.

The commission retitles §22.72 "Form Standards for Documents Filed with the Commission" to clarify that the rule applies generally to form and format standards rather than the processes a stakeholder must follow to file a document with the commission.

SOAH recommended that proposed §22.72 be revised to "include certain minimum requirements that would promote greater interoperability and efficiency with SOAH" and prepare commission electronic case records for judicial review. Specifically, SOAH recommended that the rule incorporate certain requirements from the Texas Rules of Civil Procedure (TRCP) such as Rules 21 and 21c, the technology standards of the Texas Judicial Committee on Information Technology, and SOAH's administrative rules concerning filing. SOAH also recommended that the commission's electronic filing standards be amended to be "capable of exchanging documents in accordance with the Electronic Court Filing Version 5.0 (ECF 5.0) service specification.

SOAH commented that it has adopted "eFile Texas" as an electronic filing and case management system that has significantly increased the efficiencies associated with those systems. SOAH noted, however, that it is "unable to leverage the benefits of these technologies with respect to its PUCT caseload because of the incompatible systems and filings requirements of the PUCT." SOAH stated that the commission is "currently the only Texas state agency that follows its own, incompatible electronic filing requirements." SOAH emphasized the need for compatibility of filing requirements because SOAH is the state agency responsible for conducting the commission's administrative hearings under PURA §14.053(a).

SOAH recommended proposed §22.72 include ten minimum requirements for electronic submissions, which included: (1) formatting filings for interoperability with an electronic filing service provider certified by the Texas Office of Court Administration (i.e., eFile Texas); (2) requiring filings to include the e-mail address of the attorney representative or unrepresented party that files the document on the face of the document; (3) establishing specific electronic signature requirements that include either an "/s/" followed by the filer's name, a graphic or scan of the signature, or a digital signature; (4) requiring filings to be in a text-searchable PDF in 8½ x 11 format; (5) requiring documents to be direct conversions into PDF format rather than be scanned to the greatest extent possible, be legible, and have a dots-per-inch resolution of 300 or greater; (6) requiring filings to not be locked, password protected, encrypted or have any security features that would restrict use or accessibility; (7) requiring documents to be in a single PDF document with bookmarks as necessary to separate content; (8) requiring separate filing submissions to avoid confusion in the administrative record by prohibiting the combination of multiple motions that request different types of relief or action, and properly identifying and separately filing exhibits; (9) requiring audio and video filings to be submitted in a common, non-proprietary file format such as .mp4, .wmv, .avi, or .mpeg that does not require specific equipment or software for review; and (10) requiring exhibits to be numbered sequentially and, if combined into a single PDF, to be bookmarked, and also requiring documents with multiple pages to be paginated.

TCPA, AEP, Oncor, Vistra, TNMP, LCRA, CenterPoint, and TEAM opposed SOAH's recommendation for the commission to transition to eFile Texas and ECF 5.0. However, CenterPoint generally supported conforming the commission's formatting standards to those used by SOAH given the frequency in which contested cases are referred to SOAH and the fact that filings in such cases must be made at both the commission and at SOAH.

TCPA and Vistra disagreed with SOAH's assertion that it has primary jurisdiction over contested cases filed with the commission because the commission may retain jurisdiction over such cases. Vistra commented that PURA §14.053 authorizes SOAH to hear a contested case originating at the commission if the commission does not hear the case. Accordingly, the commission "has primary legal responsibility for its contested cases." Vistra recommended that, if the commission implements any of SOAHs recommendations, those changes be implemented in an easy to understand and accessible manner.

TCPA and Vistra commented that the commission has historically had its own procedural rules for filing documents that have been well understood by stakeholders. In contrast, adopting the new standards proposed by SOAH would be confusing and unnecessarily burdensome. Specifically, TCPA noted that eFile Texas requires registration and login information and also requires additional information when opening a new docket.

TCPA, AEP, Oncor, Vistra, and LCRA indicated that these processes would be difficult and unfamiliar for parties, including pro se parties and the public, and would therefore discourage valuable public participation. AEP and Oncor remarked that the eFile Texas processes may be particularly challenging for participants in certain proceedings related to CCNs, rulemakings, and customer complaints where stakeholders may submit physical documents by mail with handwritten materials or may be unable to use electronic mail. AEP, Vistra, and LCRA emphasized the importance of public participation in commission proceedings and recommended the commission not adopt any requirements that would diminish that capability.

Oncor noted that it is the commission itself, not SOAH, that is a party to an appeal and therefore responsible for delivering the administrative record to the court. Accordingly, Oncor asserted

that it is not clear why changing the commission's filing requirements to be compatible with eFile Texas is justified, regardless of whether the proceeding has been referred to SOAH.

Oncor commented that the TRCP should not universally apply to commission proceedings, including those proceedings referred to SOAH. Oncor explained that, because the commission's procedural rules under Chapter 22 include proceedings referred to SOAH, there is an insufficient need and justification to impose eFile Texas or other requirements used by Texas courts on commission filings.

TNMP recommended that any formatting requirements be clearly identified in proposed §22.72. TNMP commented that it is unclear from SOAH's comments what specific requirements should be incorporated into the commission rules for interoperability with "an electronic filing service provider certified by the Office of Court Administration" or "how parties should access and interpret the third-party materials" referred to in SOAH's comments.

TNMP and TEAM noted issues with SOAH's more specific formatting recommendations. Specifically, TNMP and TEAM stated that requiring universal PDF usage would be incompatible with the frequent submission of large and complex documents in their native format, such as Microsoft Excel sheets, and that this recommendation should therefore be rejected as unworkable. Moreover, TNMP and TEAM indicated that requiring PDF conversion and bookmarking of all documents for separate content would be "burdensome or inapplicable" when applied to all documents filed on the commission filing system, such as discovery. TNMP generally recommended the commission consider whether the filing and formatting requirements listed by SOAH are appropriate for commission proceedings in the contested case context and beyond. Similarly to TNMP, TEAM noted that universal application of SOAH's formatting requirements is unnecessary given that there are certain proceedings before the commission that are not referred to SOAH for an evidentiary hearing and are instead eligible for administrative approval, such as certifications or registrations. Moreover, TEAM commented that there are other cases that are referred to SOAH but end in a settlement which minimizes the likelihood of appeal.

LCRA commented that SOAH's recommendations would represent a significant burden to parties involved in proceedings before the commission. LCRA noted that, while the TRCP filing requirements may apply to SOAH filings in certain instances, such as for discovery under 1 TAC § 155.251(c), and may be considered by administrative law judges when interpreting SOAH rules under 1 TAC § 155.3(g), the TRCP filing requirements do not directly apply to SOAH filings. LCRA stated that the commission's revisions to §22.71 and §22.72 will improve the processing of commission dockets by SOAH and that there is no compelling reason for the commission to attempt to further align its filing and formatting requirements with those of SOAH.

LCRA further indicated that, currently, SOAH's own rules do not apply to commission proceedings and referred to 1 TAC §155.101(b) which exempts both the commission's and the Texas Commission on Environmental Quality's cases from SOAH filing requirements.

TEAM commented that SOAH does not list which Texas state agencies utilize their own filing system like the commission. TEAM remarked that to the extent that SOAH's proposals would necessitate changes or upgrades to the commission's current filing system, SOAH's recommendations amount "to an unfunded mandate on the Commission that has not been approved by the Texas Legislature."

Commission response

The commission agrees with the various reasons provided by commenters as to the disadvantages of adopting SOAH's recommendations and accordingly declines to modify the proposed rule. SOAH's recommendations would amount to a complete overhaul of the commission's filing procedures for little commensurate benefit. The commission notes that a significant majority of commission proceedings are handled in-house by the commission's own administrative law judges or policy staff and are never referred to SOAH. Moreover, the commission has committed extensive resources to developing the commission's Interchange and is diligently working on expanding its capabilities.

Proposed §22.72(a) - Applicability

Proposed §22.72(a) specifies that this section applies to all items required to be filed with the commission under §22.71.

The commission modifies this subsection to clarify that the adopted rule applies only to items required to be filed with the commission under adopted §22.71(b)(1) to differentiate any form or format standards for filings made under an alternative filing method described in adopted §22.71(b)(2).

The commission also makes uniform modifications throughout the rule by replacing the terms "party" with "filer" and replacing the term "requirement" with "standard" for clarity and consistency. The standards of this section apply, and the existing version of this rule have always applied, to all individuals who file items with the commission. This clarity edit prevents any confusion by using the term "filer" consistent with its use in §22.71, and the term "party" consistent with how it is defined in §22.2, relating to Definitions. This is not a substantive change, because the context and specific language of existing and proposed §22.72 clearly indicated that the use of "party" in those versions of this rule was not consistent with its definition in §22.2.

Proposed §22.72(b) - Definition

Proposed §22.72(b) defines the term "commission filing system" as the electronic filing system maintained for the archiving and organization of items and materials received by the commission.

The commission deletes proposed §22.72(b) to maintain consistency with adopted §22.71 and renumbers subsequent subsections accordingly.

Proposed §22.72(c)(2) - Formatting of filed documents

Proposed §22.72(c)(2) provides that all items should be formatted for 8.5 x 11-inch paper except for any log, graph, map, drawing, or chart submitted as part of a filing if such content cannot be formatted legibly on 8.5 x 11-inch paper.

The commission deletes proposed §22.72(c)(2) because it is redundant with proposed §22.72(d)(1)(A). In addition, the commission modifies proposed §22.72(d)(1)(A) to remove suggestive form standards and replaces it with a requirement that filers format items in a manner that renders the information legible and generally accessible. This change allows for the rule to serve as a requirement while still providing for a preferred formatting standard.

Proposed §22.72(c)(3) - Electronic material submitted on an external storage device for digital media

Proposed §22.72(c)(3) establishes the requirements for "electronic material submitted on an external storage device for digital media (such as a CD, DVD, or USB)."

Proposed §22.72(c)(3)(A) - Prohibition on external storage devices unless approved by Central Records

Proposed §22.72(c)(3)(A) prohibits a party from "submitting electronic material on an external storage device for digital media, unless the request is authorized by Central Records in writing" under §22.72(c)(3)(B).

TEAM recommended the external storage device for digital media requirements under proposed §22.71(c)(3)(A) be revised to account for individual file size limits when submitting a filing using the commission filing system. Specifically, TEAM recommended the provision authorize the usage of external storage devices for digital media without approval by Central Records if the file size exceeds 599 MB. TEAM commented that the commission filing system currently has a limit of "255 individual files per filing and a total file size limitation of 200 megabytes (MB)." TEAM noted that this change would minimize the need to break very large filing into multiple parts under 200 MB each. TEAM provided draft language consistent with its recommendation.

Commission response

The commission declines to implement the recommended change. The proposed language provides the flexibility necessary for Central Records and Information Technology to review external storage devices for digital media given the changing nature of technology. Due to cybersecurity concerns, Central Records must have the authority and discretion to accept or reject external storage devices for digital media to ensure the protection of the commission's digital assets and infrastructure. The commission is in the process of developing an authorized list of external storage devices for digital media and the attendant procedures for handling and managing such devices, including the filings received through them. An authorization for an unspecified category of external storage devices without review by Central Records is a cybersecurity risk.

However, the commission expands the exception to this prohibition to include authorization provided by a presiding officer in a proceeding or by the commission itself. This expansion renders proposed §22.72(c)(3)(C) redundant; therefore, the commission deletes that provision and renumbers proposed §22.72(c)(3)(D) as adopted §22.72(b)(2)(C).

Proposed §22.72(c)(3)(B) and proposed §22.72(c)(3)(B)(i)

Proposed §22.72(c)(3)(B) establishes the procedure for filing an external storage device for digital media. Proposed §22.72(c)(3)(B)(i) requires a filer to demonstrate to Central Records via written correspondence that the material is unique and not ordinarily capable of being electronically or physically filed on the commission filing system. The provision also establishes that "Central Records will review the written correspondence and make a determination regarding the request within a reasonable time period."

TPPA recommended that proposed §22.72(c)(3)(B)(i) be revised to provide a more definite time period for Central Records to make a determination on and respond to requests from filers to submit items using an external storage device for digital media. TPPA stated that a clear deadline as opposed to "a reasonable time period" would provide certainty to filers in submitting timely filings and promote more effective planning among filers.

Commission response

The commission declines to implement the recommended change. A filer must request permission from Central Records before using an external storage device for digital media. Central Records routinely has to consult Information Technology to determine what the Interchange Filer can or cannot accept. The time this process takes is dependent on the content of the storage device, the type of digital media that is delivered to the commission, the volume or size of the filing, and other external factors affecting processing. Any timeframe included in the rule would be unnecessary and arbitrary, because it may or may not provide meaningful guidance on how long a particular inquiry will take. Central Records will process these requests as efficiently as possible. Central Records is also currently working with Information Technology to develop a list of acceptable external storage devices for digital media.

Proposed §22.72(d) - Format and filing standards

Proposed §22.72(d) establishes the permissive and mandatory format and filing standards for items filed at the commission.

The commission redesignates proposed §22.72(d) as adopted §22.72(c) adds new subsection (c)(3) to consolidate the format and filing standards for physical filings previously contained in proposed §22.71(i).

TPPA recommended that proposed §22.72(d) be updated to accommodate filings made in commission databases to ensure the commission's formatting and file standards are applied correctly. TPPA commented that some of the formatting and file standards under proposed §22.72(d), such as the spacing and margin requirements under proposed §22.72(d)(1)(A) and the 12-point font requirements under proposed §22.72(d)(1)(C), may be incompatible with documents submitted through a commission database.

Commission response

The commission declines to implement the recommended change because it is unnecessary. As stated previously, the commission modifies proposed §22.72(a) to clarify that the standards in the entire section apply to filings required to be made under adopted §22.71(b)(1); therefore, formatting standards for items using alternative filing methods are no longer appropriate.

Proposed §22.72(d)(1) - General standards

Proposed §22.72(d)(1) establishes recommended general standards for all filings.

The commission revises proposed §22.72(d)(1)(A)-(C) to remove suggestive format and filing standards. Instead, the commission requires filed items to be formatted in a manner that renders them legible and generally accessible. Filed items must meet the prescribed format standards unless doing so would render the content of the item illegible or if the native format of the file uses another generally acceptable structure or format.

Proposed §22.72(d)(1)(C) - Legible font and 12-point type

Proposed §22.72(d)(1)(C) provides that a filing should be "printed or formatted in a legible font and not less than 12-point type."

Oncor and AEP recommended that Excel files that are too large to view on 8.5 x 11-inch paper in 12-point font be either exempt from the 12-point font requirement under proposed §22.71(d)(1)(C) or be subject to a different font size requirement, such as 8-point font. Oncor noted that in some cases it is

impracticable to accommodate a 12-point font in an Excel document and may not increase legibility when viewed in a single window. Oncor and AEP further noted that Excel documents filed with the commission may have a significant amount of data that would make the 12-point font requirement difficult to accommodate. Oncor provided draft language consistent with its recommendation.

Similarly, TPPA recommended that proposed §22.71(d)(1)(C) be revised to allow for font sizes as small as 10-point font, as is the case in the current rule, as opposed to the 12-point font required in the proposed rule. TPPA remarked that preserving the 10-point font minimum would provide greater flexibility for filers when formatting lengthy or technical documents while preserving legibility.

Commission response

The commission declines to implement the recommended changes because they are unnecessary. The commission's modification to proposed §22.72(d)(1) acknowledges that some items may not be legible or generally accessible if they are formatted to the proposed standards. Therefore, filers must format all items to be filed in a manner that renders them legible and generally accessible.

Proposed §22.72(d)(2) - Mandatory general standards

Proposed §22.72(d)(2) establishes mandatory general standards that are applicable to all filings.

The commission modifies §22.72(d)(2) to except filings made by a presiding officer, the Office of Policy and Docket Management (OPDM), and the Rules and Projects division (RAP) from subparagraphs (A) and (B) of this paragraph (described below). Filings made by these entities are generally either orders, proposed orders, memos, or otherwise administrative in nature, making these requirements inapplicable or unnecessary.

Proposed §22.72(d)(2)(A) - Non-native figures

Proposed §22.72(d)(2)(A) requires any non-native figure, illustration, or object submitted with a filing must be filed as a referenced attachment in its native format.

Proposed §22.72(d)(2)(B) - Table of contents

Proposed §22.72(d)(2)(B) provides that an item with "five or more headings or five or more subheadings must have a table of contents that lists the major sections of the item, the page number for the start of each major section, and identifiers for each major section of the item." The provision exempts discovery responses from the table of content requirement.

Vistra recommended that proposed §22.71(d)(2)(A) and (B) be revised to be more limited in applicability and not count against any page limit restrictions. Specifically, Vistra recommended that proposed §22.72(d)(2)(A) should either be made optional or otherwise exclude "objects embedded in-line with the text of a filing vs. a non-native object filed with a filing and intended as a separate attachment." Vistra indicated that requiring each chart or graph included in a document as a separate referenced attachment in its native format may clutter the record with several files rather than provide helpful information.

Vistra further recommended that documents should not be required to be filed in their native format. Vistra noted that native files may have proprietary and confidential information that should not be publicly disclosed. Vistra commented the presiding officer would still be able to require documents to be filed in their native format, but that the requirement should not be the standard for all filings. Vistra stated that, if the concern with non-native objects is legibility, the proposed rule already has alternatives, such as the authorization for Central Records to reject illegible filings in proposed §22.71(e)(1). Vistra maintained that requiring non-native figures to be filed in their native format is an unnecessary administrative burden that could risk the disclosure of confidential material and may discourage the use of visual aids in filings, which would accordingly diminish the informational value of the record. Vistra provided draft language consistent with its recommendations.

Commission response

The commission declines to implement the recommended changes because they are impracticable. The native-format standard is intended to ensure that any information included in a filing can be reviewed appropriately (i.e., ensuring that Excel formulas and other data is preserved). Regarding non-native embedded items, if a filer does not provide a separate filing for an embedded item, it risks appearing as a blank page indicating that the reader should refer to the .zip file on the Interchange. Whether an item or embedded figure is filed in its native format is also dependent on how the item or embedded figure is created. For instance, a graph created in Microsoft Word that is embedded in a Microsoft Word document filed with the commission is technically filed in its native format. Moreover, creating rule language to address this specific issue regarding embedded figures is liable to create other issues for the application of formatting standards. If there are confidentiality concerns, such items with non-native embedded material may be filed confidentially.

Vistra recommended that the format and filing standards under proposed §22.72(d)(2)(A) and (B) should be limited to contested case proceedings. Vistra explained that the stylistic requirements of the provision are more beneficial for organization as opposed to other commission matters such as rulemakings and projects that rely on more editorial flexibility.

Commission response

The commission determines that the formatting standards for items required to be filed under adopted §22.71(b)(1) should be uniform across all commission proceedings that utilize the Interchange and accordingly declines to implement the recommended change.

Vistra further recommended that, if the commission preserves the requirements of §22.72(d)(2)(A) and (B), any non-native figures included as attachments or tables of contents should not be counted against the page limit requirements under proposed §22.72(g). Vistra provided draft language consistent with its recommendations.

Commission response

The commission declines to implement the recommended change because it is unnecessary. Adopted §22.72(f) provides that the commission, commission counsel, and a presiding officer may consider factors such as which party has the burden of proof and the extent of opposition to a party's position when establishing page limits for filings in a proceeding.

However, the commission does modify the rule to exempt items filed in rulemaking projects from the table of content requirements. The structure of section-by-section analysis that is preferred in rulemaking comments would make a table of contents requirement unwieldy. Further, the commission typically requires

an executive summary on filings in rulemaking projects, which is a more suitable requirement for that type of filing. However, to the extent that a table of contents would be helpful in reviewing long filings in rulemaking projects, the commission encourages its use.

TEAM and TPPA recommended the table of contents requirement under proposed §22.72(d)(2)(B) to be revised to be based on the number of pages in the filing, rather than on the number of headings or subheadings. TEAM noted that some documents may contain five headings yet still be shorter than ten pages. TEAM specifically recommended the threshold for including a table of contents be whether the filing has ten or more pages. TEAM provide draft language consistent with its recommendation. TPPA recommended modeling the provision after a similar page-based table of content requirement in §22.205, relating to Briefs. TPPA specifically recommended a 20-page minimum table of content requirement for non-briefs to ensure that the table of content is applied in a useful manner.

Commission response

The commission agrees with TEAM and TPPA and modifies the proposed rule to require an item that has ten or more pages and has multiple headings or subheadings to have a table of contents.

Proposed §22.72(d)(2)(C) - Consecutive numbering

Proposed §22.72(d)(2)(C) requires all pages of a filing, starting with the first page of the table of contents to be consecutively numbered through the last page of the document, including any attachments.

Oncor recommended the consecutive numbering requirement under proposed §22.72(d)(2)(C) to be revised to exempt CCN applications as it would be burdensome for utilities. Oncor noted that while pagination can be applied across file types that are included in a filing (i.e., PDFs, power points, etc.), applying pagination to CCN applications would present serious difficulties for utilities. Oncor explained that this is because the environmental assessments that are generally included in CCN applications are finalized significantly earlier than any other part of the application and would therefore have separate numbering. Oncor also commented that consecutive pagination is further complicated in CCN applications by the size and formatting requirements associated with large maps. Oncor accordingly indicated that, in conjunction with the other attendant requirements for CCN applications, such as for notices and maps, CCN filings and the requisite environmental assessments should be exempted from the consecutive pagination requirement. As an alternative, Oncor recommended that the consecutive pagination requirement apply to the CCN pleading but not to the CCN application's attachments and exhibits. Oncor provided draft language consistent with its recommendation. Similar to Oncor, TEAM recommended revising proposed §22.72(d)(2)(C) to only require consecutive pagination if an item is ten pages or longer, including attachments. TEAM provided draft language consistent with its recommendation.

Commission response

The commission agrees in part with Oncor's recommendation. The commission retains the requirement that a filer must consecutively number the pages of all filings. However, the commission exempts from this requirement any attachment or exhibit to an application for electric, water, or wastewater certificate of convenience and necessity. The changes are adopted as §22.72(c)(1)(B).

Proposed §22.72(d)(2)(E) - Redaction of personally sensitive information

Proposed §22.72(d)(2)(E) requires sensitive personal information of the filer or any other person, such as social security numbers, driver license numbers, or financial records, including account numbers, to be redacted from a filing.

TPPA requested clarification on the requirement to redact personal information under proposed §22.72(d)(2)(E) as it could be interpreted to imply that a separate unredacted version of the filing must be submitted with the public-facing redacted version required under proposed §22.71(j)(2)(A)(i).

Commission response

Adopted §22.72(c)(2)(D) (formerly §22.72(d)(2)(E)) does not create a redaction requirement that is additional to the one provided in §22.71. For clarity, the commission revises the term "financial information" to more specifically refer to "account numbers" and qualifies the redaction requirement to "sensitive personal information of the filer or any other person that is not required for the disposition of the case…" (emphasis added).

Proposed §22.72(e) - Citation form

Proposed §22.72(e) provides that an item filed with the commission should comply with the commission's Citation and Style Guide. The provision further provides that citations to law or other legal authority in an item filed with the commission should comply with Texas Rules of Form: The Greenbook (for Texas authorities), The Bluebook: A Uniform System of Citation (for all other authorities).

TPPA recommended that the reference to the "PUCT Citation Guide" under proposed §22.72(e) should be updated to refer to the "Citation and Style Guide for the Public Utility Commission of Texas" which is the actual title of the document.

Commission response

The commission agrees with TPPA and implements the recommended change. The commission further modifies proposed §22.72(e) to replace the phrase "should comply" with the phrase "must substantially comply" as it is more appropriate language for a rule requirement.

Proposed §22.72(f) - Signature and other requirements

Proposed §22.72(f) establishes general requirements concerning signatures, contact information, the date of signature, and certificates of service.

Proposed §22.72(f)(3) - Date of signature and certificate of service

Proposed §22.72(f)(3) requires a filing to include the date the document was signed and the date the document was served on all the parties to the proceeding. The proceeding also requires evidence of service to be presented in accordance with §22.74 of this title, relating to Service of Pleadings and Documents.

TEAM recommended that the reference to §22.74, relating to Service of Pleadings and Documents, under proposed §22.72(f)(3) be simplified to explicitly reference a certificate of service rather than evidence of service. TEAM noted that §22.74 distinguishes between evidence of service and a certificate of service. TEAM provided draft language consistent with its recommendation.

TPPA recommended that the requirement to provide the date a document is served under §22.72(f)(3) be revised to be "as applicable" given the prevalence of filings and parties in commission proceedings and projects where service on other parties is not necessary or expected. TPPA provided draft language consistent with its recommendation.

Commission response

The commission generally agrees with TEAM and TPPA and modifies the rule to require the inclusion of "the date the document as signed and, if a proceeding involves parties, a certificate of service in accordance with §22.74…" (emphasis added).

Proposed §22.72(i) - Physical filing standards

Proposed §22.72(i) establishes filing requirements for physically filed items other than maps.

The commission deletes the proposed subsection because it is made redundant with the modifications made to adopted §22.72(c). Proposed §22.72(j) is renumbered accordingly.

SUBCHAPTER E. PLEADINGS AND OTHER DOCUMENTS

16 TAC §22.71, §22.72

The repeals are adopted under the following provisions of the Public Utility Regulatory Act (PURA) and Chapter 13 of the Texas Water Code: PURA §§14.002 and 14.052 and the Texas Water Code 13.041(b) which provide the commission with the authority to adopt and enforce rules reasonably required in the exercise of its powers and jurisdiction, including rules of practice and procedure before the commission.

Cross reference to statutes: Public Utility Regulatory Act §§14.002 and 14.052, and Texas Water Code § 13.041(b).

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 20, 2025.

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Andrea Gonzalez
Rules Coordinator
Public Utility Commission of Texas
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Proposal publication date: May 23, 2025
For further information, please call: (512) 936-7244

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16 TAC §22.71, §22.72

The new sections are adopted under the following provisions of the Public Utility Regulatory Act (PURA) and Chapter 13 of the Texas Water Code: PURA §§14.002 and 14.052 and the Texas Water Code 13.041(b) which provide the commission with the authority to adopt and enforce rules reasonably required in the exercise of its powers and jurisdiction, including rules of practice and procedure before the commission.

Cross reference to statutes: Public Utility Regulatory Act §§14.002 and 14.052, and Texas Water Code § 13.041(b).

§22.71. Commission Filing Requirements and Procedures.

(a) Purpose. This section establishes requirements for the submission of items to the commission and for use of such items as the agency's copy of record.

(b) Methods of filing. The method of filing an item is dependent on the nature of the item.

(1) Interchange. The following items must be filed for posting to the commission's Interchange, which can be accessed on the commission's website, unless otherwise ordered by the commission or requested by the presiding officer or an employee of the commission:

(A) Pleadings;

(B) All documents relating to a rulemaking;

(C) Registrations, certifications, or reports required by statute or rule to be filed with the commission;

(D) Letters, memoranda, or other documents relating to any commission proceeding;

(E) Maps, geographic information system (GIS) data, or other visual information such as charts, photographs, or illustrations relating to any commission proceeding;

(F) Any document included as part of the record in all matters or commission proceedings, including protective orders and protective order certifications;

(G) Any document presented to the commission during an open meeting if that document is not already included as part of the record in a contested case proceeding; and

(H) Any other item required to be filed by statute, commission rule, or commission order for which an alternative method of submission is not specified.

(2) Internet applications and portals. The commission may establish an alternative method, such as an internet application or portal, for electronic filing of specific types of content, such as routine reporting requirements. For each alternative method of filing, commission staff must propose filing instructions for the commission's consideration that address:

(A) the items to which the alternative method applies;

(B) the process for accessing the alternative method, such as establishing an account and password, and entering required information;

(C) which data formats are acceptable or required by the method;

(D) the process, if any, for designating data elements as confidential, which must recognize the public's right to transparent and accessible information;

(E) the process to view data submitted using the alternative method;

(F) whether and how a confirmation of data entry will be provided;

(G) the process to void or remove a filing;

(H) the process by which commission staff will maintain the instructions;

(I) contact information to receive technical assistance with a filing; and

(J) any other information necessary to successfully use the alternative method.

(c) Interchange filing methods and procedures.

(1) Unless otherwise required by commission rule, statute, or ordered by the presiding officer, any item required to be filed with the commission, including confidential filings, may be filed electronically. An item listed in (b)(1) of this section may be filed electronically using the Interchange Filer or filed physically for posting on the Interchange by delivering the item to Central Records unless the commission requires the item to be filed using an alternative method described in (b)(2) of this section.

(2) Unless otherwise required by commission rule, statute, or ordered by the presiding officer, each item filed with the commission using the Interchange Filer, including confidential filings, will be posted on the Interchange.

(3) Each item submitted in accordance with this section will serve as the agency's official copy of record, including electronic copies of physical filings posted on the Interchange by Central Records.

(d) Special filing requirements.

(1) Notwithstanding any other provision of this title, the following types of items must be filed in the manner specified below:

(A) Retail electric provider letters of credit. An irrevocable stand-by letter of credit provided in accordance with §25.107 (relating to Certification and Obligations of Retail Electric Providers (REPs)) of this title must be an original letter of credit and must be filed electronically using the Interchange Filer. The original letter of credit must contain a verifiable electronic signature or other means of authentication acceptable to the commission. A retail electric provider with a physical letter of credit on file with the commission on the effective date of this section must file an original letter of credit electronically on or before March 5, 2027.

(B) Texas energy fund letters of credit. A letter of credit required by §25.510 of this title, (relating to Texas Energy Fund In-ERCOT Generation Loan Program) is not required to be filed using the Interchange Filer and must be filed in a form and manner specified by the executive director or his or her designee.

(C) Maps. A map must be filed in its original scale (i.e., an original document that has not been scanned, reduced, or enlarged).

(i) A map that is filed electronically must be filed in PDF format.

(ii) A filer must provide one or more additional copies of a filed map to Central Records at the request of an employee of the commission or a presiding officer and notify Central Records of the name of the requesting employee or presiding officer.

(D) GIS data. GIS data used to create maps under subparagraph (C) of this paragraph must be electronically filed in its native format and be capable of being used and analyzed by commission staff. GIS data includes any additional information, materials, or documents required for accurate interpretation of a map.

(2) Physical copies required. The following types of items must be electronically filed, and the filer must also provide a number of physical copies to Central Records as prescribed below as soon as reasonably practicable following the electronic filing, along with a cover letter identifying the control number assigned to the commission proceeding:

(A) Two physical copies of applications and notices of intent in electric base rate proceedings;

(B) Two physical copies of applications, which include any required maps, for new or amended electric, water, or sewer certificates of convenience and necessity; and

(C) Six additional physical copies of any maps contained in applications for new or amended electric, water, or sewer certificates of convenience and necessity.

(3) An employee of the commission or a presiding officer may require a filer to provide physical copies of a filing.

(e) Receipt by the commission and filing deadline. Items filed either electronically or physically with the commission for posting on the Interchange will be processed in accordance with this subsection.

(1) Central Records may reject a filing if the filing:

(A) is blank, illegible, or missing pages in whole or in part;

(B) does not contain minimally necessary identifying information such as the control number or the filer's complete contact information;

(C) is designated as confidential but does not include the documents described in subsection (j)(1)(A) or (j)(1)(F) of this section;

(D) may pose a risk to the commission, its employees, or the commission's electronic systems (e.g. suspicious packages, spam, suspected viruses or malware); or

(E) is submitted as an external hard drive or other external storage device for digital media that is not approved by Central Records under §22.72(b)(2) of this title.

(2) Upon receipt of an item by physical filing, Central Records will date stamp the item, post the item on the Interchange in the control number specified by the filer, and assign the item an item number in accordance with the order the filing was received.

(3) Upon receipt of an item by electronic filing, the Interchange Filer will process and date stamp the item, post the item in the control number specified by the filer, and assign the item an item number in accordance with the order the filing was received.

(4) An item date-stamped before or at 5:00:00 p.m. Central Prevailing Time on a working day will be deemed filed on that day. An item date-stamped after 5:00:00 p.m. Central Prevailing Time on a working day will be deemed filed on the next working day. An item date-stamped at any time on a day that is not a working day will be deemed filed on the next working day. This paragraph does not preclude a presiding officer or, if a project, commission staff, from setting a specific filing deadline or determining an item filed by that deadline is timely filed.

(5) The filer is responsible for any delay, disruption, or interruption of mail, courier service, Internet, or electronic signals.

(f) No filing fee. No filing fee is required to file an item with the commission.

(g) Availability of filing methods.

(1) Physical filings. An item may be physically filed only during hours when Central Records is open.

(A) Regular business hours. Central Records is open from 9:00 a.m. to 12:00 p.m. and 1:00 p.m. to 5:00 p.m., Monday through Friday, on working days, except in the case of an emergency or inclement weather.

(B) Supplemental business hours for commission employees. On open meeting days and the working day immediately preceding an open meeting day, Central Records will be open to commission employees from 8:00 a.m. to 9:00 a.m. and 12 p.m. to 1:00 p.m. Commission staff acting as a party in a commission proceeding with a tariff or docket control number may not make a physical filing in that proceeding during these supplemental hours.

(2) Electronic filing. Electronic filing, including use of the Interchange Filer, is available 24 hours a day, seven days a week, unless taken down for maintenance, emergency, loss of connectivity, or as otherwise determined to be necessary by Central Records.

(h) Availability of items filed with the commission for posting on the Interchange.

(1) An electronic filing will be available for access on the Interchange once accepted and posted by the Interchange Filer. Once a filing is posted and accessible on the Interchange, a written receipt will be automatically generated and electronically sent to the filer identifying the date and time the filing was accepted for posting.

(2) A physical filing will be available for access on the Interchange once processed by Central Records.

(3) A physical filing, request for a new control number, or an item designated as confidential may be processed the next working day after the filing is received by Central Records.

(4) If the item does not appear on the Interchange, the filer is responsible for notifying Central Records.

(5) If a filing is rejected in accordance with subsection (e) of this section, Central Records will make reasonable efforts to notify the filer of the rejection.

(6) Voiding a filing. A filer may request that a filing posted on the Interchange, including a confidential filing under subsection (j) of this section, be voided. Central Records will remove the voided item from the Interchange only if the conditions in paragraphs (A) through (C) are met. The filer may re-file the item in accordance with this section.

(A) Unless otherwise instructed by a presiding officer or an employee of the commission, a filer seeking to void a filing must:

(i) file the request in the Interchange in the relevant control number and identifying the relevant item number, as applicable; and

(ii) Notify Central Records in writing, via email if possible, that such a request has been filed.

(B) The request and notice to Central Records must identify the filing with enough precision for Central Records to identify the correct filing.

(C) An item must only be voided by the filer that originally filed that item or by that filer's authorized representative.

(i) Filing deadlines for open meeting documents addressed to the commissioners.

(1) Except as provided in paragraph (2) of this subsection, all documents addressed to the commissioners and concerning an item that has been placed on an agenda for an open meeting must be filed no later than seven days prior to the open meeting at which the matter will be considered. Documents that are not timely filed will be considered untimely. The commissioners may review untimely filed documents at their discretion.

(2) The deadline established in paragraph (1) of this subsection does not apply if:

(A) The documents have been specifically requested by one or more of the commissioners or the executive director or his or her designee at a time that makes it impossible for the filer to meet the deadlines under paragraph (1) of this subsection; or

(B) The parties are negotiating and such negotiation requires the late filing of materials reporting on the negotiation.

(j) Confidential material filed with the commission for posting on the Interchange. An item filed either electronically or physically for posting on the Interchange is public and available for viewing by the public unless the item is designated as confidential in accordance with this subsection. To designate an item as confidential, a filer must comply with the requirements of this subsection, unless otherwise ordered by the presiding officer.

(1) Confidential-filing requirements.

(A) To designate an item as confidential, a filer must file the following documents as two separate filings, and, if applicable, comply with any individual protective order governing the access and handling of confidential materials that is applicable to the proceeding:

(i) a fully completed confidential-filing memorandum as specified in subparagraphs (D) and (E) of this paragraph, accompanied by a redacted copy of the original item, filed non-confidentially; and

(ii) an unredacted copy of the original item, filed confidentially.

(B) Central Records may reject a confidential filing that does not include the documents described under subparagraph (A) of this paragraph. Central Records will notify the filer of the rejection through electronic mail if reasonably practicable. It is the filer's responsibility to check the Interchange to verify that a confidential filing was accepted.

(C) A redacted copy of a confidential filing. A redacted copy of a confidential filing must not redact more content than is required to prevent confidential information from being publicly posted. The following exceptions apply:

(i) A cover letter that describes the content of the filing may be filed in lieu of a redacted copy if the confidential filing is a letter of credit.

(ii) If the formatting, size, or content of a confidential filing in Microsoft Excel format (i.e. .xls/.xlsx) makes the filing of a redacted copy of the item in native format impracticable, the filer may:

(I) file a redacted copy of the item in a non-native format accompanied by a cover letter that describes any nonconfidential information that is rendered unavailable to the public due to the non-native format; or

(II) if the non-native format copy of the item exceeds 50 pages, file a cover letter that describes the content of the filing in lieu of filing a redacted copy.

(D) To be deemed fully completed, a confidential-filing memorandum under subparagraph (E) of this paragraph must:

(i) Plainly state the reasons for the confidential designation;

(ii) Plainly state the legal support for the confidential designation, if applicable;

(iii) Identify the specific pages or portions of pages of the filing that are confidential and have been redacted;

(iv) Provide any identifying information required by the confidential-filing memorandum in subparagraph (E) of this paragraph regarding the filer, the proceeding (such as the control number), or confidential filing.

(v) Provide any additional information required by a protective order in effect in the applicable proceeding or that may otherwise be required by the presiding officer via written order; and

(vi) Include an acknowledgement that the confidential status of the filing is subject to revocation.

(E) Confidential-filing memorandum.
Figure: 16 TAC §22.71(j)(1)(E)

(F) Physical filing. In addition to the requirements of subparagraphs (A) through (E) of this paragraph, a filer must also comply with the requirements of this subparagraph to designate a physically filed item filed as confidential. The filer must deliver the confidential item to Central Records in a sealed and labeled envelope (the confidential envelope). The confidential envelope must not include non-confidential documents unless directly related to and essential for clarity of the confidential document.

(i) All physically filed confidential material must be provided in a 10 x 13-inch manila clasp envelope. Larger envelopes or multiple envelopes are permitted only when necessary due to the material's size or volume. If multiple envelopes are necessary, each envelope must be sequentially numbered and indicate the total number of envelopes for the filing (e.g., 1 of 3).

(ii) The completed confidential-filing memorandum required under subparagraph (E) of this paragraph must be securely taped or adhered to the front of the confidential envelope.

(iii) In addition to paragraph (2)(A) of this subsection, if the item is not submitted in a confidential envelope in accordance with this subparagraph, Central Records will reject the item. The item may be re-filed in accordance with this section.

(iv) A physical filing designated as confidential that has been rejected by Central Records will be securely destroyed after rejection.

(G) Electronic filing. In addition to the requirements of subparagraphs (A) through (E) of this paragraph, a filer must designate an item filed electronically using the Interchange Filer as confidential by indicating that the item is to be filed confidentially (e.g., selecting a checkbox provided on the Interchange Filer).

(2) Challenge of confidentiality designation in a proceeding with a tariff or docket control number. The confidential designation of any filing made in a proceeding with an assigned tariff or docket control number may be challenged by any party via motion or by the presiding officer via order. A challenge to a confidential designation must specifically indicate the basis of the challenge and the portions of the filing that should not be confidential.

(A) If a confidential designation is challenged, the filing party has the burden of showing that the item should remain confidential. The filing party must respond to a motion challenging the confidentiality of a filing within five working days of the motion, or within the time period specified by the presiding officer.

(B) If the presiding officer determines that a confidential designation under this section is appropriate, the presiding officer will issue an order and allow the filing to remain confidential on the Interchange.

(C) The presiding officer will issue an order if the presiding officer determines that a confidential designation under this section is not appropriate. After such an order is issued, the filing party must void the filing in accordance with the requirements of this section. The filing party may re-file the item in accordance with this section and the order of the presiding officer.

(3) Challenge of confidentiality designation in projects and certain other commission proceedings. This paragraph applies only to filings designated as confidential in a proceeding without a tariff or docket control number, such as a project.

(A) The executive director or his or her designee may request, in writing, that a filer void a filing and non-confidentially re-file all or part of an item designated as confidential, including the basis for the request and a response deadline.

(B) If the filer does not agree to void the filing and re-file as requested, the filer must provide the executive director or his or her designee with a written response by the response deadline. The filer has the burden of showing the item should remain confidential.

(C) After considering the response, the executive director or his or her designee will notify the filer whether the filing may remain confidentially filed, stating the basis for the decision. If the executive director or his or her designee determines that a confidential designation under this section is not appropriate, the filer must void the filing consistent with the requirements of this section. The filer may re-file the item in accordance with this section and the executive director or his or her designee's determination.

(4) Posting of confidential information on the Interchange.

(A) The completed confidential-filing memorandum required under paragraphs (1)(D) and (E) of this subsection and the redacted version of the confidential filing will be posted non-confidentially on the Interchange as a single filing.

(B) The unredacted version of the item will be posted confidentially on the Interchange and will only be accessible by the persons listed under paragraph (6) of this subsection.

(5) Confidential re-filing of voided items. The filer may re-file an item confidentially in accordance with this subsection after submitting a request to void a filing under subsection (h)(6) of this section.

(6) Access to confidential information. Access to confidential filings is limited to persons that meet the criteria of this paragraph, as applicable. Disclosure of confidential information is subject to the ex parte requirements of this subtitle:

(A) A commissioner, commission employee in OPDM, or an employee in a commissioner's office may access confidential filings in any proceeding if the commissioner or employee completes, signs, and submits to Central Records an Employee Statement Regarding Non-Disclosure of Confidential Information (the confidential access form). Once the commissioner or employee has done so, he or she may access confidential filings in any proceeding before the commission in person or electronically. A commissioner, a commission employee in OPDM, or an employee in a commissioner's office may only disclose confidential information contained in such filings to a commissioner or other employee in OPDM or a commissioner's office who has also completed, signed, and submitted to Central Records the confidential access form and only if the disclosure does not violate Texas Government Code Chapter 551 (the Texas Open Meetings Act).

(B) A commission employee in Central Records or Information Technology or the supervisor of such an employee may access all confidential filings in person or electronically for clerical and

administrative tasks necessary to ensure the proper maintenance and functioning of the commission's electronic systems, including the correction or removal of filings, the posting of physical filings electronically to the Interchange Filer, or actions otherwise directed by a presiding officer in a specific proceeding.

(C) To access confidential filings filed with the commission in a specific proceeding with an assigned tariff or docket control number, a party to the proceeding must complete, sign, and file in the proceeding a protective order certification. The certification must comply with the protective order entered by the presiding officer in that proceeding. The protective order certification is no longer valid after the commission's plenary jurisdiction over the proceeding has expired. A commission employee that requires access to confidential material in the performance of his or her duties must complete, sign, and file in the proceeding a protective order certification to access confidential filings in person or electronically.

(D) To access confidential filings filed with the commission in a proceeding without a tariff or docket control number, such as a project, a commission employee that requires access to confidential material in the performance of his or her duties must request permission from the executive director or his or her designee.

(7) Public information. Designation of a document as confidential in a commission proceeding under this subsection is not determinative of whether that document would be subject to disclosure under the Texas Public Information Act, the Texas Open Meetings Act, or other applicable law.

(8) Records retention. A document in the possession of Central Records, including documents filed confidentially, will be maintained and disposed of as required by the commission's Records Retention Schedule as approved by the Texas State Library and Archives Commission. A confidential document in the possession of parties to a proceeding must be maintained, destroyed, or returned to the providing party in the manner prescribed by any protective order adopted in that proceeding.

(9) In camera inspection. A document presented for in camera inspection solely for the purpose of obtaining a ruling on its discoverability or admissibility must not be filed as a confidential document under this paragraph but must be submitted in the manner specified under §22.144 (relating to Requests for Information and Requests for Admission of Facts).

§22.72. Form Standards for Documents Filed with the Commission.

(a) Applicability. This section applies to all items required to be filed with the commission using the Interchange Filer.

(b) Form standards.

(1) Unless otherwise authorized or required by statute, the presiding officer, or commission rules, items filed physically or electronically with the commission must include in the item or specify on a cover sheet included with the item the following information:

(A) the style and control number of the proceeding for which the item is submitted, if available;

(B) a heading identifying the nature of the item submitted and the name of the filer; and

(C) the signature of the filer or the filer's representative in accordance with subsection (e) of this section, if applicable.

(2) The following apply to any submission of electronic material submitted on an external storage device for digital media.

(A) A filer is prohibited from submitting electronic material on an external storage device for digital media, unless the request is authorized by Central Records in writing under subparagraph (B) of this paragraph, required by a presiding officer in a proceeding, or permitted by the commission.

(B) The procedure for filing an external storage device for digital media is as follows:

(i) The filer must demonstrate to Central Records via written correspondence that the material is unique and not ordinarily capable of being electronically filed using the Interchange Filer. Central Records will review the written correspondence and make a determination regarding the request within a reasonable time period.

(ii) Upon authorization by Central Records, a filer may submit one or more acceptable external storage devices for digital media to Central Records. Such devices must be physically delivered at a designated shipping or mailing commission address listed on the commission's website by mail, courier, or hand delivery to Central Records.

(C) Central Records will maintain a list of acceptable external storage devices for digital media on the commission website.

(c) Format and filing standards.

(1) The following format standards are applicable to all filings.

(A) Items must be formatted in a manner that renders the information legible and generally accessible. Items must be formatted as follows, unless doing so would render the content illegible or the native format of the file uses another generally acceptable structure or format. A filed item must:

(i) be double-spaced with left and right margins not less than one inch wide, except that any letter, tariff filing, rate filing, or proposed findings of fact, conclusions of law, and ordering paragraphs may be single-spaced;

(ii) indent and single-space any quotation which exceeds 50 words;

(iii) be printed or formatted in a legible font and not less than 12-point type; and

(iv) be formatted to print on 8.5 x 11-inch paper.

(B) All pages of a filing, starting with the first page of the table of contents, must be consecutively numbered through the last page of the document, including any attachments, except attachments and exhibits to an application for electric, water, or wastewater certificate of convenience and necessity do not need to be consecutively numbered with the rest of the application.

(2) The following general standards are applicable to all filings, except subparagraph (A) does not apply to a filing made by a presiding officer, the Office of Policy and Docket Management (OPDM), or the Rules and Projects division (RAP).

(A) Each item that is ten or more pages in length and has multiple headings or subheadings must have a table of contents that lists the major sections of the item, the page number for the start of each major section, and identifiers for each major section of the item. Discovery responses and items filed in a rulemaking are exempt from this subparagraph.

(B) If a filing contains a barcode, the barcode must be covered or redacted.

(C) If a filing contains sensitive personal information of the filer or any other person that is not required for the disposition

of the case, such as social security numbers, driver license numbers, or account numbers, that sensitive personal information must be redacted.

(3) Items, except for maps, that are filed physically must be:

(A) printed on both sides of the paper or, if it cannot be printed on both sides of the paper, every page of the copy must be single sided; and

(B) printed on 8.5 x 11-inch paper, or if the content cannot be formatted legibly on letter-size paper, be folded to a size no larger than 8.5 x 11 inches.

(4) Handwritten documents must be legible and must comply with the requirements of paragraphs (2)(B) and (2)(C) of this subsection.

(d) Citation form. An item filed with the commission must substantially comply with the commission's Citation and Style Guide for the Public Utility Commission of Texas. Any citations to law or other legal authority in an item filed with the commission must also substantially comply with the Texas Rules of Form: The Greenbook (for Texas authorities), The Bluebook: A Uniform System of Citation (for all other authorities).

(e) Signature and other standards. All filings must:

(1) be signed by the filer or the filer's authorized representative. If the person signing the pleading or document is a licensed attorney, the attorney's state of licensure and bar number must also be provided;

(2) include the contact information of the filer or authorized representative of the filer, consisting of the following:

(A) a physical mailing address;

(B) a telephone number;

(C) an email address, unless the filer or the filer's authorized representative has filed a statement under §22.106 of this title (relating to Statement of No Access).

(3) include the date the document was signed and, if a proceeding involves parties, a certificate of service in accordance with §22.74 of this title (relating to Service of Pleadings and Documents).

(f) Page limits. The commission may establish page limits for filings in any proceeding. Additionally, commission counsel or the presiding officer may establish page limits for filings in a proceeding with an assigned tariff or docket control number. In establishing page limits, the commission, commission counsel, or the presiding officer may consider such factors as which party has the burden of proof and the extent of opposition to a party's position that would need to be addressed in the document. The commission or commission staff may establish page limits for filings in projects.

(g) Electronic filing standards. An electronically filed item must comply with the requirements of this subsection. Central Records will maintain a list of preferred electronic file formats on the commission's website. This subsection does not apply to items filed by a presiding officer, OPDM, or RAP.

(1) Electronic items must be filed in the native file format used to create and edit the file.

(2) Electronic items that are filed in a portable document format (PDF) must be filed in a format that permits searches of text.

(3) Electronic filings with interactive content, such as a Microsoft Excel spreadsheet, must have active links and formulas that were used to create and manipulate the data in the filing. Links and formulas may include descriptive and technical metadata required for electronic records to maintain and retain reliability, including metadata necessary to adequately support the usability, authenticity, or integrity as well as the preservation of a record.

(4) If the filing cannot be uploaded, the filer must contact Central Records to determine an alternative means of filing.

(h) Maps and GIS data filing standards.

(1) Electronic and physical copies of maps and GIS data must be filed in accordance with §22.71 of this title.

(2) Commission staff will maintain on the commission's website:

(A) a list of acceptable file formats for maps and GIS data in accordance with subsection (g) of this section; and

(B) a procedure for filing physical maps, including oversized maps, that a filer must comply with.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 20, 2025.

TRD-202504269
Andrea Gonzalez
Rules Coordinator
Public Utility Commission of Texas
Effective date: December 10, 2025
Proposal publication date: May 23, 2025
For further information, please call: (512) 936-7244

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PART 3. TEXAS ALCOHOLIC BEVERAGE COMMISSION

CHAPTER 33. LICENSING

SUBCHAPTER E. EVENTS AT A TEMPORARY LOCATION

16 TAC §§33.72, 33.77, 33.81

The Texas Alcoholic Beverage Commission (TABC) adopts amendments to 16 TAC §33.72, relating to Term of Authorization, Annual Limitation on Authorizations; §33.77, relating to Request for Temporary Event Approval; and §33.81, relating to Purchase of Alcohol for a Temporary Event. The amendments are adopted without changes to the proposed text as published in the October 10, 2025, issue of the *Texas Register* (50 TexReg 6581). The amended rule will not be republished.

REASONED JUSTIFICATION. The proposed amendments are necessary to implement legislation. Senate Bill 1577 (89th Regular Session) amended Alcoholic Beverage Code §28.20 by authorizing a mixed beverage permit holder to temporarily sell distilled spirits at certain racing facilities. Before SB 1577 became effective, only wine and malt beverages could be sold under §28.20. The bill also expanded the types of events at which alcohol may be sold to include all types of events held at an authorized racing facility.

SUMMARY OF COMMENTS. TABC did not receive any comments on the proposed amendments.

STATUTORY AUTHORITY. TABC adopts the amendments pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §§5.31 and 28.20(g). Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Section 28.20(g) authorizes TABC to adopt rules to implement temporary events at certain racing facilities.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 18, 2025.

TRD-202504204
Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
Effective date: December 8, 2025
Proposal publication date: October 10, 2025
For further information, please call: (512) 206-3491

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CHAPTER 34. SCHEDULE OF SANCTIONS AND PENALTIES

16 TAC §34.10

The Texas Alcoholic Beverage Commission (TABC) adopt amendments to 16 TAC §34.10, relating to Sanctions for Regulatory Violations. The amendments are adopted without changes to the proposed text as published in the October 10, 2025, issue of the *Texas Register* (50 TexReg 6583). The amended rule will not be republished.

REASONED JUSTIFICATION. The amendments to §34.10 implement Senate Bill 1355 (89th Regular Session), which made it a violation of the Alcoholic Beverage Code for the holder of a wholesaler's permit to become delinquent in payments to a distiller's and rectifier's permit holder for liquor sales. SB 1355 is codified at Alcoholic Beverage Code §102.33. The adopted amendments add a new administrative violation and corresponding penalty to the existing list of violations and penalties in §34.10(g) to account for the new violation created by SB 1355. The amendments also add new §34.10(h), which establishes a base penalty of $250 for such violations, but also provides that that amount may be modified by TABC based on the totality of the circumstances.

SUMMARY OF COMMENTS. TABC did not receive any comments on the proposed amendments.

STATUTORY AUTHORITY. TABC adopts the amendments pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §§5.31, 5.362, and 102.33(e). Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Section 5.362 directs TABC to "adopt a schedule of sanctions that may be imposed on a license or permit holder" for violations of the Alcoholic Beverage Code or commission rules. Section 102.33(e) directs TABC to adopt rules to implement the credit restrictions for the sale of liquor by a distiller to a wholesaler under section 102.33.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 18, 2025.

TRD-202504208
Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
Effective date: December 8, 2025
Proposal publication date: October 10, 2025
For further information, please call: (512) 206-3491

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CHAPTER 41. AUDITING
SUBCHAPTER B. RECORDKEEPING & REPORTS

16 TAC §41.28

The Texas Alcoholic Beverage Commission (TABC) adopts new 16 TAC §41.28, relating to Passenger Transportation Permit Storage Registration. The rule is adopted without changes to the proposed text as published in the October 10, 2025, issue of the *Texas Register* (50 TexReg 6584). The rule will not be republished.

REASONED JUSTIFICATION. The proposed rule implements House Bill 4285 (89th Regular Session) by establishing registration and notice requirements for certain commercial airlines that wish to store alcoholic beverages at a location other than an airport. Prior to the passage of HB 4285, Alcoholic Beverage Code §48.03 authorized commercial airlines that hold a passenger transportation permit to store alcoholic beverages at only one type of location--an airport regularly served by the permittee. HB 4285 expanded §48.03 by also authorizing the storage of alcoholic beverages at a location within five miles of the airport that is also in the same county as the airport.

SUMMARY OF COMMENTS. TABC did not receive any comments on the proposed rule.

STATUTORY AUTHORITY. TABC adopts this rule pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §§5.31 and 48.03(b). Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Section 48.03 authorizes TABC to promulgate rules relating to the storage of alcoholic beverages by commercial airlines who hold a passenger transportation permit.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 18, 2025.

TRD-202504205

Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
Effective date: December 8, 2025
Proposal publication date: October 10, 2025
For further information, please call: (512) 206-3491

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CHAPTER 45. MARKETING PRACTICES
SUBCHAPTER D. SPECIFIC REQUIREMENTS FOR MALT BEVERAGES

16 TAC §45.40, §45.44

The Texas Alcoholic Beverage Commission (TABC) adopts amendments to 16 TAC §45.40, relating to Certificate of Registration for a Malt Beverage Product, and new 16 TAC §45.44, relating to Requirements Relating to Nonresident Brewer's Licenses. The amendments and new rule are adopted without changes to the proposed text as published in the October 10, 2025, issue of the *Texas Register* (50 TexReg 6585). The amended rule and new rule will not be republished.

REASONED JUSTIFICATION. The proposed amendments and new rule are necessary to implement House Bill 4463 (89th Regular Session), which adopted a primary American source of supply requirement for nonresident brewers who import malt beverages into Texas. This requirement was codified at Alcoholic Beverage Code §63.06. HB 4463 also amended Alcoholic Beverage Code §63.01(b) to authorize issuance of a single nonresident brewer's license to cover all the brewer's locations outside the state.

SUMMARY OF COMMENTS. TABC received one comment on the proposed amendments to §45.40(e) from Molson Coors Beverage Company. The commentor stated that the additional sworn statements required under §45.40(e)(1) - (3) are redundant to the certification requirements of the product registration application in the AIMS system and should be eliminated. The commentor also stated that removal of the sworn statement requirements aligns with the State Agency Digital Modernization provision in Government Code §2054.651.

AGENCY RESPONSE. TABC acknowledges that the application process in the AIMS system contains a statement attesting to the accuracy of the information contained in the application, including a question that the applicant is the primary American source. However, TABC disagrees that the requirements in §45.40(e) are redundant. Applications may be submitted in AIMS by a nonresident brewer's representative and the requirement in §45.40(e)(1) ensures that the agency receives the statement from the specific entity required to adhere to the primary American source requirement in Alcoholic Beverage Code §63.06. Additionally, the sworn statements required under §45.40(e)(2) and (e)(3) are not covered by submitting an application in AIMS because those statements must come from an entity or person other than the product registration applicant.

In terms of aligning the rule's requirements with Government Code §2054.651, the process already allows for documents to be submitted in a digital format, the agency has created a form adhering to the unsworn declaration requirements in Civil Practice and Remedies Code §132.001 (which "may be used in lieu of a written sworn declaration…or affidavit required…by a rule"), and proposed §45.40(f) authorizes a waiver of the sworn statements required under §45.40(e)(2) and (e)(3) for good cause shown by the applicant. For these reasons, TABC declines to make any changes to rule's text.

STATUTORY AUTHORITY. TABC adopts the amendments to §45.40 and new §45.44 pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §5.31 and under Section 5 of HB 4463. Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions of the Alcoholic Beverage Code. Section 5, HB 4463, directs TABC to, as soon as practicable, promulgate rules to implement changes in law made by the bill.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 18, 2025.

TRD-202504206
Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
Effective date: December 8, 2025
Proposal publication date: October 10, 2025
For further information, please call: (512) 206-3491

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SUBCHAPTER G. REGULATION OF CASH AND CREDIT TRANSACTIONS

16 TAC §45.132

The Texas Alcoholic Beverage Commission (TABC) adopts new 16 TAC §45.132, relating to Wholesaler Delinquent to Distiller and Rectifier. The rule is adopted without changes to the proposed text as published in the October 10, 2025, issue of the *Texas Register* (50 TexReg 6587). The rule will not be republished.

REASONED JUSTIFICATION. The new rule is necessary to implement legislation. Senate Bill 1355 (89th Regular Session) sets forth requirements for liquor sales on credit by the holder of a distiller's and rectifier's permit to a wholesaler. The bill requires TABC to adopt implementing rules, including rules regarding the submission of supporting documentation by the holder of a distiller's and rectifier's permit. The new rule implements SB 1355 by providing a framework for reporting a wholesaler's delinquent payment and by establishing a process for agency action when a delinquency is reported.

SUMMARY OF COMMENTS. TABC received one comment on the proposed rule from the Texas Distilled Spirits Association. The commentor supports the rule as proposed and "believes this rule represents a common-sense approach to upholding the integrity of the three-tier system while supporting the growth and stability of Texas distilleries."

AGENCY RESPONSE. TABC appreciates the comment and the commentor's participation in stakeholder meetings during the rule drafting process.

STATUTORY AUTHORITY. TABC adopts this rule pursuant to TABC's rulemaking authority under Texas Alcoholic Beverage Code §§5.31 and 102.33(e). Section 5.31 authorizes TABC to prescribe and publish rules necessary to carry out the provisions

of the Alcoholic Beverage Code. Section 102.33(e) directs TABC to adopt rules to implement the credit restrictions for the sale of liquor by a distiller to a wholesaler under section 102.33.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 18, 2025.

TRD-202504207
Matthew Cherry
Senior Counsel
Texas Alcoholic Beverage Commission
Effective date: December 8, 2025
Proposal publication date: October 10, 2025
For further information, please call: (512) 206-3491

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TITLE 22. EXAMINING BOARDS

PART 8. TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

CHAPTER 153. RULES RELATING TO PROVISIONS OF THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT

22 TAC §153.1, §153.15

The Texas Appraiser Licensing and Certification Board (TALCB) adopts amendments to 22 TAC §153.1, Definitions; and §153.15, Experience Required for Licensing.

The amendments are adopted without changes to the proposed text as published in the August 29, 2025, issue of the *Texas Register* (50 TexReg 5562) and will not be republished.

The amendments are made following TALCB's quadrennial rule review for this Chapter. The amendments add a definition for "Practicum Courses," and adds Practicum Courses approved by either the Appraiser Qualifications Board or TALCB as a type of experience that may be accepted to satisfy the experience requirements under Chapter 1103.

One comment was received in support of the approval and acceptance of Practicum Programs to satisfy the experience requirement. No change to the language was made as a result of this comment.

The amendments are adopted under Texas Occupations Code §1103.151, which authorizes TALCB to adopt rules related certifying or licensing an appraiser or appraiser trainee and qualifying education and experience required for certifying or licensing an appraiser or appraiser trainee that are consistent with applicable federal law and guidelines recognized by the Appraiser Qualifications Board (AQB); §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and §1103.153, which authorizes TALCB to adopt rules relating to the requirements for approval of a provider or course for qualifying or continuing education.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 17, 2025.

TRD-202504182
Kathleen Santos
General Counsel
Texas Appraiser Licensing and Certification Board
Effective date: December 7, 2025
Proposal publication date: August 29, 2025
For further information, please call: (512) 936-3088

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22 TAC §153.6

The Texas Appraiser Licensing and Certification Board (TALCB) adopts amendments to 22 TAC §153.6, Military Service Member, Veteran, or Military Spouse Applications.

The amendments are adopted without changes to the proposed text as published in the August 29, 2025, issue of the *Texas Register* (50 TexReg 5565) and will not be republished.

The amendments to §153.6 are made as a result of statutory changes enacted by the 89th Legislature in HB 5629 and SB 1818, both of which become effective September 1, 2025. Both bills modify several provisions in Chapter 55 of the Texas Occupations Code relating to occupational licensing of military service members, military veterans, and military spouses. SB 1818 requires that a state agency promptly issue either a provisional license or a license. HB 5629 modifies the language to require a state agency to issue a license to an applicant that is a military service member, veteran, or spouse and who holds a current license issued by another state that is similar in scope of practice to the license being sought and is in good standing (a defined term) with that state's licensing authority. HB 5629 also modifies the procedure for out-of-state license recognition under §55.0041, Occupations Code. Finally, HB 5629 changes the time period within which a state agency must issue the license, from 30 days to 10 business days from the filing of the application. The amendments to §153.6 are made to reflect these changes in accordance with the reciprocity process in Chapter 1103 Occupations Code.

No comments were received regarding adoption of the amendments.

The amendments are adopted under Texas Occupations Code §1103.151, which authorizes TALCB to adopt rules related to certificates and licenses that are consistent with applicable federal law and guidelines adopted by the AQB; §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the Appraiser Qualifications Board; and §1103.154, which authorizes TALCB to adopt rules relating to professional conduct. The amendments are also adopted under Texas Occupations Code, §§55.004 and 55.0041, including as amended by HB 5629, which require the issuance of licenses under certain parameters to military service members, military veterans, or military spouses.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 17, 2025.

TRD-202504184
Kathleen Santos
General Counsel
Texas Appraiser Licensing and Certification Board
Effective date: December 7, 2025
Proposal publication date: August 29, 2025
For further information, please call: (512) 936-3088

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22 TAC §153.19

The Texas Appraiser Licensing and Certification Board (TALCB) adopts amendments to 22 TAC §153.19, Licensing for Persons with Criminal History and Fitness Determination.

The amendments are adopted without changes to the proposed text as published in the August 29, 2025, issue of the *Texas Register* (50 TexReg 5567) and will not be republished.

The amendments are made as a result of statutory changes enacted by the 89th Legislature in SB 1080, which became effective on May 27, 2025. SB 1080 modified several provisions of Chapter 53 of the Texas Occupations Code relating to the revocation of an occupational license from certain license holders and the issuance of an occupational license to certain applicants with criminal convictions. Additionally, the change is made as a result of the agency's license management system project. Because of this project, users will be able to provide information to the agency through an online process, rather than by submitting a paper form. As a result, the rule language is clarified to reflect this change.

No comments were received regarding adoption of the amendments.

The amendments are adopted under Texas Occupations Code §1103.151, which authorizes TALCB to adopt rules related certifying or licensing an appraiser or appraiser trainee and qualifying education and experience required for certifying or licensing an appraiser or appraiser trainee that are consistent with applicable federal law and guidelines recognized by the Appraiser Qualifications Board (AQB); §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and §1103.154, which authorizes TALCB to adopt rules relating to professional conduct.

The statute affected by these amendments is Chapter 1103, Texas Occupations Code. No other statute, code or article is affected by the proposed amendments.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 17, 2025.

TRD-202504181
Kathleen Santos
General Counsel
Texas Appraiser Licensing and Certification Board
Effective date: December 7, 2025
Proposal publication date: August 29, 2025
For further information, please call: (512) 936-3088

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22 TAC §153.42, §153.43

The Texas Appraiser Licensing and Certification Board (TALCB) adopts new rules 22 TAC §153.42 and §153.43.

The new rules are adopted without changes to the proposed text as published in the August 29, 2025, issue of the *Texas Register* (50 TexReg 5569) and will not be republished.

New rule §153.42 outlines the requirements and approval process for Practicum Course Providers and Practicum Courses; and new rule §153.43 outlines compliance procedures and prohibited activity of Practicum Providers.

One comment was received in support of the approval and acceptance of Practicum Programs to satisfy the experience requirement. No change to the language was made as a result of this comment.

The new rules are adopted under Texas Occupations Code §1103.151, which authorizes TALCB to adopt rules related certifying or licensing an appraiser or appraiser trainee and qualifying education and experience required for certifying or licensing an appraiser or appraiser trainee that are consistent with applicable federal law and guidelines recognized by the Appraiser Qualifications Board (AQB); §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and §1103.153, which authorizes TALCB to adopt rules relating to the requirements for approval of a provider or course for qualifying or continuing education.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 17, 2025.

TRD-202504183
Kathleen Santos
General Counsel
Texas Appraiser Licensing and Certification Board
Effective date: December 7, 2025
Proposal publication date: August 29, 2025
For further information, please call: (512) 936-3088

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PART 14. TEXAS OPTOMETRY BOARD

CHAPTER 272. ADMINISTRATION

22 TAC §272.5

The Texas Optometry Board (Board) adopts amendments to 22 TAC Part 14 Chapter 272 - Administration §272.5 - Definitions. The Board adopts this rule with no changes to the proposed text

as published in the September 26, 2025, issue of the *Texas Register* (50 TexReg 6282). The adopted rule will not be republished.

EXPLANATION OF AND JUSTIFICATION FOR THE RULE

Texas Optometry Act §351.353 sets out parameters for the initial examination of a patient for whom a prescription for glasses or contacts is written. The Board finds it necessary to define what constitutes an initial visit for purposes of regulating this section of the statute especially as it relates to inspections of optometric practices under §351.1575 of the Texas Optometry Act.

This rule defines "initial visit" as the time between eye exam visits can be up to three years before the optometrist would have to comply with requirements of the statute. The three-year time between visits is generally found in insurance contracts and has become a standard in optometric practice. Additionally, the Board wants to define initial as practice specific not provider specific - as long as the subsequent provider in the same practice has access to the patient's complete patient chart from all previous visits.

COMMENTS

In addition to publication in the *Texas Register*, the Board sent an email communication to all of its licensees in early October notifying them of the proposed rule change. It received seven comments/questions on the proposal.

Three (3) comments were supportive of the rule as written. No changes necessary.

One (1) comment opposed the rule as written stating "defining a new patient as anything other than a first-time presentation to the practice will significantly increase our administrative workload with minimal corresponding benefits to patient care." The Board disagrees with this comment and declines to make changes.

Two (2) comments sought clarification for specific examples presented.

1. Medical eye visit followed by refraction visit, when would the 10 findings be required? The Board points to the statute which only requires the 10 findings on the first visit for which a contact/glasses prescription is written. If the patient first presents for a medical reason, the optometrist would not be required to complete the tests. It is only when the patient presents for a contact/spectacle prescription for the first time that the 10 tests be required - even if that visit occurs after a medical visit. The Board declines to make changes.

2. Patients from previous office followed optometrist to new practice and optometrist has access to patient records? The rule states that if the patient returns to the same provider or practice within three years of the initial visit and the provider/practice has access to the patient's complete record, the 10 tests would not be required. The Board declines to make changes.

One (1) comment questioned exam requirements as it relates to visual field/accommodation testing as it relates to the age of the patient. This comment is not relevant to the proposed rule, but has been referred to the Rules Committee for discussion.

STATUTORY AUTHORITY

This rule is adopted under the Texas Optometry Act §351.151 and §351.353. The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 19, 2025.

TRD-202504244
Janice McCoy
Executive Director
Texas Optometry Board
Effective date: December 9, 2025
Proposal publication date: September 26, 2025
For further information, please call: (512) 305-8500

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TITLE 28. INSURANCE

PART 1. TEXAS DEPARTMENT OF INSURANCE

CHAPTER 34. STATE FIRE MARSHAL

SUBCHAPTER H. STORAGE AND SALE OF FIREWORKS

28 TAC §34.811

The commissioner of insurance adopts amendments to 28 TAC §34.811, concerning the requirements for a pyrotechnic operator license. The amendments are adopted without changes to the proposed text published in the September 19, 2025, issue of the *Texas Register* (50 TexReg 6200). The section will not be republished.

REASONED JUSTIFICATION. House Bill 1899, 89th Legislature, 2025, changed the age requirement for a fireworks license in Occupations Code §2154.101(b) from 21 to 18. The Texas Department of Insurance (TDI) adopts the amendments in §34.811(g)(2) to reflect that change and also adopts additional nonsubstantive changes.

Details of the section's adopted amendments follow.

Amendments in subsection (b) replace "examinees" with "applicants" for term consistency and add "a test" after "fail" for clarity. An amendment in subsection (c) moves the word "only" to the grammatically correct place in the sentence. An amendment in subsection (f) replaces "makes application" with "applies" for plain language preferences. Amendments in subsection (g) add "who" and remove "the following," add "has not" and "is not," and remove "be" for grammatical correctness; and another amendment in the subsection replaces "18" with "21" to implement HB 1899. Amendments in subsection (h) add "intended" and "full" for clarity and consistency with the language used on the website referenced by the subsection.

The amended sections are necessary to implement HB 1899 and to make other nonsubstantive changes to conform the rule to fit current TDI style.

SUMMARY OF COMMENTS AND AGENCY RESPONSE. TDI provided an opportunity for public comment on the rule proposal for a period that ended on October 20, 2025. TDI received one comment against the proposal. There were no commenters in support of the proposal.

Commenter: An individual commented against the proposal.

Comment on §34.811

Comment. The commenter against the proposal does not believe 18-year-olds are responsible enough to be shooting pyrotechnic fireworks. The commenter believes the age should remain 21.

Agency Response. TDI declines to make the change. HB 1899 lowered the age for pyrotechnic operators from 21 to 18. TDI is bound by statute to amend the rule to lower the age.

STATUTORY AUTHORITY. The commissioner adopts the amendments to §34.811 under Occupations Code §2154.052(a) and (b) and Insurance Code §36.001.

Occupations Code §2154.052(a) provides that the commissioner administer Occupations Code Chapter 2154 through the state fire marshal. Occupations Code §2154.052(b) provides that the commissioner adopt and the state fire marshal administer rules necessary for the protection, safety, and preservation of life and property, including rules pertaining to the issuance of licenses pertaining to fireworks in the state.

Insurance Code §36.001 provides that the commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 21, 2025.

TRD-202504313
Jessica Barta
General Counsel
Texas Department of Insurance
Effective date: December 11, 2025
Proposal publication date: September 19, 2025
For further information, please call: (512) 676-6555

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TITLE 37. PUBLIC SAFETY AND CORRECTIONS

PART 1. TEXAS DEPARTMENT OF PUBLIC SAFETY

CHAPTER 4. COMMERCIAL VEHICLE REGULATIONS AND ENFORCEMENT PROCEDURES

SUBCHAPTER B. REGULATIONS GOVERNING TRANSPORTATION SAFETY

37 TAC §4.12

The Texas Department of Public Safety (the department) adopts amendments to §4.12, concerning Exemptions and Exceptions. This rule is adopted without changes to the proposed text as published in the October 17, 2025, issue of the *Texas Register* (50 TexReg 6865) and will not be republished.

The amendment removes the exception to commercial driver license holder English language proficiency requirements applicable to intrastate commerce only, so that English language proficiency requirements for commercial driver license holders under 49 C.F.R. §391.11(b)(2) will apply to both interstate and intrastate commerce.

The Texas Department of Public Safety, in accordance with Texas Transportation Code, Chapter 644, held a public hearing on Thursday, October 30, 2025, at 10:00 a.m. The purpose of the hearing was to receive comments from all interested persons regarding the adoption of proposed amendments to §4.12, concerning Exemptions and Exceptions. No comments were received at the public hearing nor were any other written comments submitted regarding the adoption of this rule.

This rule is adopted pursuant to Texas Transportation Code, §644.051, which authorizes the director to adopt rules regulating the safe transportation of hazardous materials and the safe operation of commercial motor vehicles; and authorizes the director to adopt all or part of the federal safety regulations by reference.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on November 21, 2025.

TRD-202504311
D. Phillip Adkins
General Counsel
Texas Department of Public Safety
Effective date: December 11, 2025
Proposal publication date: October 17, 2025
For further information, please call: (512) 424-5848

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REVIEW OF AGENCY RULES

This section contains notices of state agency rule review as directed by the Texas Government Code, §2001.039. Included here are proposed rule review notices, which invite public comment to specified rules under review; and adopted rule review notices, which summarize public comment received as part of the review. The complete text of an agency's rule being reviewed is available in the *Texas Administrative Code* on the Texas Secretary of State's website.

For questions about the content and subject matter of rules, please contact the state agency that is reviewing the rules. Questions about the website and printed copies of these notices may be directed to the *Texas Register* office.

Proposed Rule Reviews

Office of Consumer Credit Commissioner

Title 7, Part 5

On behalf of the Finance Commission of Texas (commission), the Office of Consumer Credit Commissioner files this notice of intention to review and consider for readoption, revision, or repeal, Texas Administrative Code, Title 7, Part 5, Chapter 83, Subchapter A, concerning Rules for Regulated Lenders.

This rule review will be conducted pursuant to Texas Government Code, §2001.039. The commission will accept written comments received on or before the 30th day after the date this notice is published in the *Texas Register* as to whether the reasons for adopting these rules continue to exist.

The Office of Consumer Credit Commissioner, which administers these rules, believes that the reasons for adopting the rules contained in this subchapter continue to exist. Any questions or written comments pertaining to this notice of intention to review should be directed to Matthew Nance, General Counsel, Office of Consumer Credit Commissioner, 2601 North Lamar Boulevard, Austin, Texas 78705, or by email to rule.comments@occc.texas.gov. Any proposed changes to the rules as a result of the review will be published in the Proposed Rules Section of the *Texas Register* and will be open for an additional public comment period prior to final adoption or repeal by the commission.

TRD-202504273
Matthew Nance
General Counsel
Office of Consumer Credit Commissioner
Filed: November 20, 2025

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Department of State Health Services

Title 25, Part 1

The Texas Health and Human Services Commission (HHSC), on behalf of the Texas Department of State Health Services (DSHS), proposes to review and consider for readoption, revision, or repeal the chapter listed below, in its entirety, contained in Title 25, Part 1, of the Texas Administrative Code:

Chapter 181, Vital Statistics

This review is conducted in accordance with the requirements of Texas Government Code §2001.039, which requires state agencies, every four years, to assess whether the initial reasons for adopting a rule continue to exist. After reviewing its rules, the agency will readopt, readopt with amendments, or repeal its rules.

Comments on the review of Chapter 181, Vital Statistics, may be submitted to HHSC Rules Coordination Office, Mail Code 4102, P.O. Box 13247, Austin, Texas 78711-3247, or by email to hhsrulescoordinationoffice@hhs.texas.gov.

When emailing comments, please indicate "Comments on Proposed Rule Review Chapter 181" in the subject line. The deadline for comments is on or before 5:00 p.m. central time on the 31st day after the date this notice is published in the *Texas Register*.

The text of the rule sections being reviewed will not be published but may be found in Title 25, Part 1, of the Texas Administrative Code or on the Secretary of State's website at State Rules and Open Meetings (www.sos.texas.gov).

TRD-202504245
Jessica Miller
Director, Rules Coordination Office
Department of State Health Services
Filed: November 19, 2025

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Adopted Rule Review

Texas Department of Agriculture

Title 4, Part 1

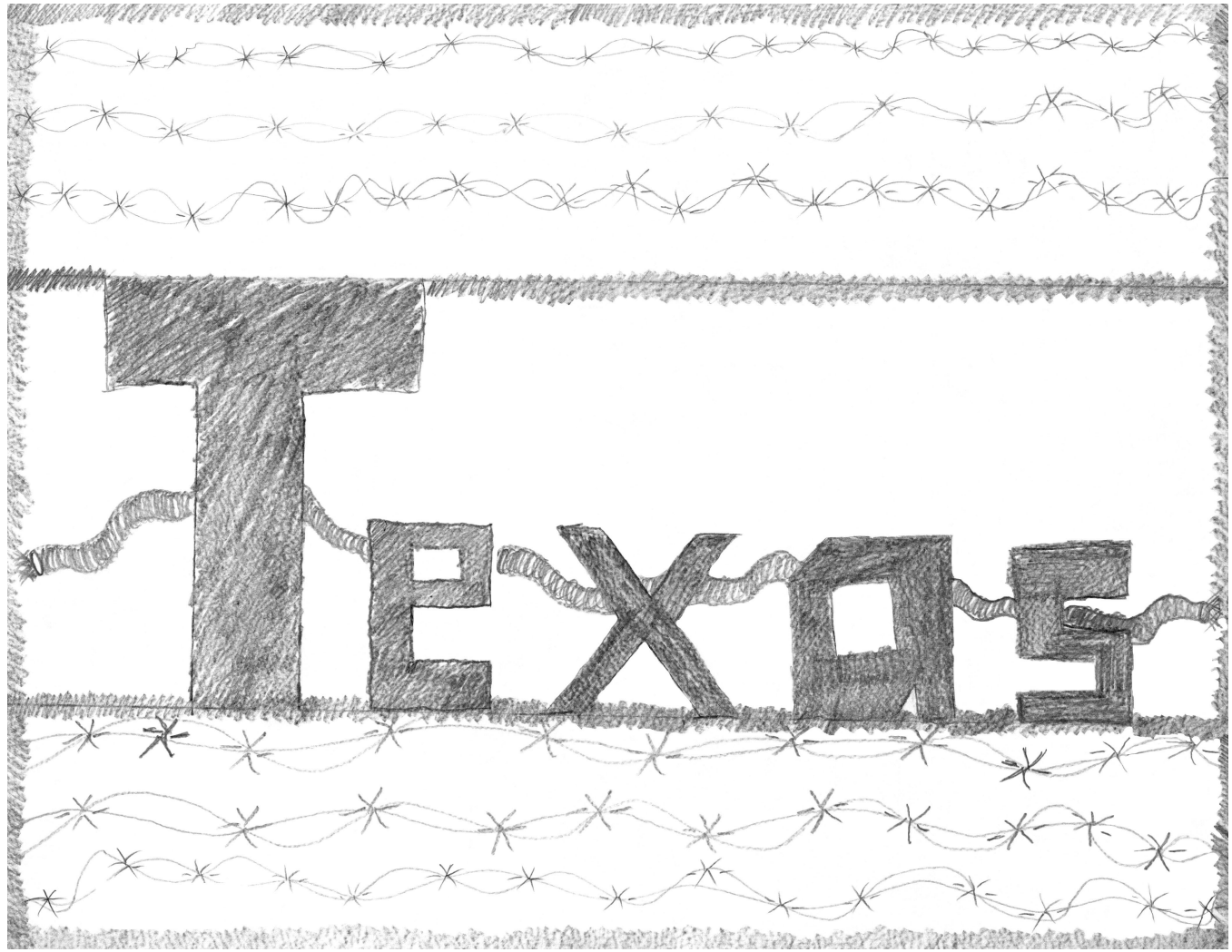
The Texas Agricultural Finance Authority (TAFA), a public authority within the Texas Department of Agriculture, has completed its review of Texas Administrative Code, Title 4, Part 1, Chapter 28. Notice of the review of these rules was published in the October 10, 2025 issue of the *Texas Register* (50 TexReg 6689).

TAFA did not receive any written comments in response to the formal notice of this rule review.

Pursuant to the statutory requirements of Texas Government Code, §2001.039, TAFA has determined the reasons for adopting the rules continue to exist. The rule review is adopted by TAFA with proposed rule amendments and proposed new rules required to conform to House Bill 43, 89th Texas Legislature, Regular Session (2025), which will be published concurrently in the Proposed Rules section of this issue of the *Texas Register*.

TRD-202504301
Susan Maldonado
General Counsel
Texas Department of Agriculture
Filed: November 21, 2025

♦ ♦ ♦


TEXAS

Graphic images included in rules are published separately in this tables and graphics section. Graphic images are arranged in this section in the following order: Title Number, Part Number, Chapter Number and Section Number.

Graphic images are indicated in the text of the emergency, proposed, and adopted rules by the following tag: the word "Figure" followed by the TAC citation, rule number, and the appropriate subsection, paragraph, subparagraph, and so on.

Figure: 16 TAC §22.71(j)(2)(E)

CONFIDENTIAL-FILING MEMORANDUM

TO: [Presiding Officer/Commission Staff/Division, if applicable]

FROM: [Submitting Party Name]

DATE: [MM/DD/YYYY]

RE: [Control Number - *Style/Title of Commission Matter*], [SOAH Docket Number, if applicable]

[Submitting Party Name] designates **[title of filing]** as **[entirely/partially]** confidential.

This filing **[concerns/consists]** of: **[brief summary/description of filing contents]**. The **[Bate stamp/sequential page number range]** of the filing consists of confidential material from **[number]** to **[number]** pages **[or non-consecutive page number ranges]**.

The following pages contain redactions for the reasons stated below:

- **[Each specific bate stamp or sequential page number range that is redacted]**
    - **[Statement of the specific reasons for designating the material as confidential, including any applicable law]**
- <REPEAT AS NEEDED>

[Any additional information required by any protective order in effect in the applicable matter]

Select the applicable box below:

[] Protected Material

[] Highly Sensitive Protected Material

[] Not Applicable (A protective order has not been issued in the proceeding)

[Submitting Party Name] acknowledges that the confidential filing status of this document may be subject to challenge by another party in the proceeding or by the presiding officer.

[Signature of party or party representative]

[Name of party/business name of party/party representative name, address, telephone number, and e-mail address]

Figure: 22 TAC §781.805

Rule	Level 1: Revocation (Admin Penalty: not less than $250; no more than $5,000 per day)	Level 2: Suspension (Admin Penalty: not less than $250; no more than $5,000 per day)	Level 3: Probated Suspension (Admin Penalty: not less than $250; no more than $5,000 per day)	Level 4: Reprimand (Administrative Penalty: not less than $250; no more than $5,000 per day)
§781.301(1)			X	
§781.301(2)				X
§781.301(3)			X	
§781.301(5)				X
§781.301(6)				X
§781.301(7)				X
§781.301(8)				X
§781.301(9)	X			
§781.301(10)		X		
§781.301(11)			X	
§781.301(12)				X
§781.301(13)				X
§781.302			X	
§781.303(1)				X
§781.303(2)				X
§781.303(3)				X
§781.303(4)			X	
§781.303(5)	X			
§781.303(6)	X			
§781.303(7)				X
§781.303(8)			X	
§781.303(9)				X
§781.304(a)				X
§781.304(b)		X		
§781.304(c)			X	
§781.304(d) and (p)				X
§781.304(e), (l), and (q)				X
§781.304(f)				X
§781.304(g)				X
§781.304(h)				X
§781.304(i)				X
§781.304(j)			X	

§781.304(m)				X
§781.304(n)			X	
§781.304(o)				X
§781.305(b) and (c)	X			
§781.305(g)(1)-(4)			X	
§781.306(a) and (b)				X
§781.307(a)				X
§781.307(b)				X
§781.307(c)			X	
§781.308		X		
§781.309(1) and (4)				X
§781.309(2)			X	
§781.309(3)				X
§781.309(5)				X
§781.309(6)				X
§781.310(a) and (b)		X		
§781.310(c) and (e)			X	
§781.310(d)				X
§781.311(b) and (g)				X
§781.311(c) and (d)				X
§781.311(e)				X
§781.311(f)(1-4)			X	
§781.312(b)				X
§781.316(a), (c), and (d)				X
§781.317(a)				X
§781.317(b)			X	
§781.320(e)			X	
§781.321(d)			X	
§781.321(ff)			X	
§781.322(f)			X	
§781.322(g)		X		
§781.322(h)(1) and (2)				X
§781.322(i)			X	
§781.402(c)			X	
§781.403(a)				X
§781.403(b)(2)				X
§781.403(c)			X	
§781.403(d)				X
§781.403(f)			X	
~~[§781.404(b)(1)]~~			~~[X]~~	

~~[§781.404(b)(7)]~~		~~[X]~~		
~~[§781.404(b)(8)(A)]~~				~~[X]~~
~~[§781.404(b)(8)(C)]~~				~~[X]~~
~~[§781.404(b)(8)(E) and (L)]~~				~~[X]~~
~~[§781.404(b)(8)(F)]~~				~~[X]~~
~~[§781.404(b)(8)(H)]~~			~~[X]~~	
~~[§781.404(b)(8)(J)]~~		~~[X]~~		
~~[§781.404(b)(8)(K)]~~				~~[X]~~
~~[§781.404(b)(8)(M)]~~		~~[X]~~		
~~[§781.404(b)(8)(N) and (O)]~~	~~[X]~~			
~~[§781.404(b)(8)(P)]~~				~~[X]~~
~~[§781.404(b)(9)(G)]~~				~~[X]~~
~~§[781.404(b)(10)(B)]~~			~~[X]~~	
§781.404(e)		X		
§781.404(f)		X		
§781.404(g)	X			
§781.404(h)		X		
§781.405(d)			X	
§781.406(b)			X	

The *Texas Register* is required by statute to publish certain documents, including applications to purchase control of state banks, notices of rate ceilings issued by the Office of Consumer Credit Commissioner, and consultant proposal requests and awards. State agencies also may publish other notices of general interest as space permits.

Texas Commission on Environmental Quality

Agreed Orders

The Texas Commission on Environmental Quality (TCEQ, agency, or commission) staff is providing an opportunity for written public comment on the listed Agreed Orders (AOs) in accordance with Texas Water Code (TWC), §7.075. TWC, §7.075 requires that before the commission may approve the AOs, the commission shall allow the public an opportunity to submit written comments on the proposed AOs. TWC, §7.075 requires that notice of the proposed orders and the opportunity to comment must be published in the *Texas Register* no later than the 30th day before the date on which the public comment period closes, which in this case is **January 9, 2026**. TWC, §7.075 also requires that the commission promptly consider any written comments received and that the commission may withdraw or withhold approval of an AO if a comment discloses facts or considerations that indicate that consent is inappropriate, improper, inadequate, or inconsistent with the requirements of the statutes and rules within the commission's jurisdiction or the commission's orders and permits issued in accordance with the commission's regulatory authority. Additional notice of changes to a proposed AO is not required to be published if those changes are made in response to written comments.

A physical copy of each proposed AO is available for public inspection at both the commission's central office, located at 12100 Park 35 Circle, Building C, 1st Floor, Austin, Texas 78753, (512) 239-2545 and at the applicable regional office listed as follows. Additionally, copies of the proposed AO can be found online by using either the Chief Clerk's eFiling System at https://www.tceq.texas.gov/goto/efilings or the TCEQ Commissioners' Integrated Database at https://www.tceq.texas.gov/goto/cid, and searching either of those databases with the proposed AO's identifying information, such as its docket number. Written comments about an AO should be sent to the enforcement coordinator designated for each AO at the commission's central office at Enforcement Division, MC 128, P.O. Box 13087, Austin, Texas 78711-3087 and must be postmarked by 5:00 p.m. on **January 9, 2026**. Written comments may also be sent to the enforcement coordinator by email to ENFCOMNT@tceq.texas.gov or by facsimile machine at (512) 239-2550. The commission enforcement coordinators are available to discuss the AOs and/or the comment procedure at the listed contact information; however, TWC, §7.075 provides that comments on the AOs shall be submitted to the commission in writing.

(1) COMPANY: City of Austin; DOCKET NUMBER: 2025-0937-AIR-E; IDENTIFIER: RN103219127; LOCATION: Cushing, Nacogdoches County; TYPE OF FACILITY: electrical generating facility; PENALTY: $7,125; ENFORCEMENT COORDINATOR: Johnnie Wu, (512) 239-2524; REGIONAL OFFICE: 12100 Park 35 Circle, Austin, Texas 78753, CENTRAL OFFICE - AUSTIN.

(2) COMPANY: City of Meadows Place; DOCKET NUMBER: 2024-0104-MWD-E; IDENTIFIER: RN102182458; LOCATION: Meadows Place, Fort Bend County; TYPE OF FACILITY: wastewater treatment facility; PENALTY: $30,950; SUPPLEMENTAL ENVIRONMENTAL PROJECT OFFSET: $24,760; ENFORCEMENT COORDINATOR: Elizabeth Vanderwerken, (512) 239-5900; REGIONAL OFFICE: 12100 Park 35 Circle, Austin, Texas 78753, CENTRAL OFFICE - AUSTIN.

(3) COMPANY: Corpus Christi Liquefaction, LLC; DOCKET NUMBER: 2025-0872-AIR-E; IDENTIFIER: RN104104716; LOCATION: Gregory, San Patricio County; TYPE OF FACILITY: liquefied natural gas terminal; PENALTY: $10,725; SUPPLEMENTAL ENVIRONMENTAL PROJECT OFFSET: $4,290; ENFORCEMENT COORDINATOR: Morgan Kopcho, (512) 239-4167; REGIONAL OFFICE: 14250 Judson Road, San Antonio, Texas 78233-4480, REGION 13 - SAN ANTONIO.

(4) COMPANY: Coterra Energy Operating Co.; DOCKET NUMBER: 2025-1266-AIR-E; IDENTIFIER: RN109958892; LOCATION: Orla, Culberson County; TYPE OF FACILITY: oil and gas compressor station; PENALTY: $2,813; ENFORCEMENT COORDINATOR: Desmond Martin, (512) 239-2814; REGIONAL OFFICE: 12100 Park 35 Circle, Austin, Texas 78753, CENTRAL OFFICE - AUSTIN.

(5) COMPANY: FUTUREWISE BUSINESS INC; DOCKET NUMBER: 2025-0132-PST-E; IDENTIFIER: RN102022555; LOCATION: Livingston, Polk County; TYPE OF FACILITY: convenience store with retail sales of gasoline; PENALTY: $3,476; ENFORCEMENT COORDINATOR: Rachel Murray, (903) 535-5149; REGIONAL OFFICE: 2916 Teague Drive, Tyler, Texas 75701-3734, REGION 05 - TYLER.

(6) COMPANY: Mackenzie Municipal Water Authority; DOCKET NUMBER: 2022-1637-MLM-E; IDENTIFIER: RN101452167; LOCATION: Silverton, Briscoe County; TYPE OF FACILITY: public water supply; PENALTY: $18,250; SUPPLEMENTAL ENVIRONMENTAL PROJECT OFFSET: $14,600; ENFORCEMENT COORDINATOR: Kadrienn Woodard, (713) 767-3602; REGIONAL OFFICE: 5425 Polk Street, Suite H, Houston, Texas 77023-1452, REGION 12 - HOUSTON.

(7) COMPANY: Northwoods Water Supply Corporation; DOCKET NUMBER: 2025-0795-MLM-E; IDENTIFIER: RN101251510; LOCATION: Cleveland, Montgomery County; TYPE OF FACILITY: public water supply; PENALTY: $1,150; ENFORCEMENT COORDINATOR: Emerson Rinewalt, (512) 239-1131; REGIONAL OFFICE: 12100 Park 35 Circle, Austin, Texas 78753, CENTRAL OFFICE - AUSTIN.

(8) COMPANY: VHS San Antonio Partners, LLC; DOCKET NUMBER: 2025-0299-PWS-E; IDENTIFIER: RN104988373; LOCATION: San Antonio, Bexar County; TYPE OF FACILITY: public water supply; PENALTY: $1,125; ENFORCEMENT COORDINATOR: Katherine McKinney, (512) 239-4619; REGIONAL OFFICE: 12100 Park 35 Circle, Austin, Texas 78753, CENTRAL OFFICE - AUSTIN.

(9) COMPANY: Webb County; DOCKET NUMBER: 2025-0861-PST-E; IDENTIFIER: RN102456092; LOCATION: Laredo, Webb County; TYPE OF FACILITY: fleet refueling facility; PENALTY: $6,986; ENFORCEMENT COORDINATOR: Eunice Adegelu, (512) 239-5082; REGIONAL OFFICE: 5425 Polk Street, Suite H, Houston, Texas 77023-1452, REGION 12 - HOUSTON.

TRD-202504256

Gitanjali Yadav
Deputy Director, Litigation Division
Texas Commission on Environmental Quality
Filed: November 20, 2025

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Notice of a Public Meeting on Proposed Remedial Action

Notice of a public meeting on January 15, 2026, concerning the proposed remedial action at the City View Road Groundwater Plume Proposed state Superfund site in Midland, Midland County, Texas (the site).

The public meeting will be held for the purpose of obtaining additional information concerning the facility and the identification of potentially responsible parties and to invite public comment concerning the proposed remedy for the site. The public meeting is not a contested case hearing under the Texas Government Code, Chapter 2001.

The executive director of the Texas Commission on Environmental Quality (TCEQ or agency) issues this public notice of the proposed remedy for the site. In accordance with Texas Health and Safety Code §361.187 and 30 Texas Administrative Code §335.349(a), a public meeting concerning TCEQ's proposed remedy for the site shall be held. This notice will be published in the Midland Reporter - Telegram and the *Texas Register* on December 5, 2025.

The public meeting will be held at 6:30 p.m. on January 15, 2026, at Midland College, 3600 N Garfield Street, Scharbauer Student Center, Carrasco Room, Midland, Texas. Public meeting information and other site information will be available on TCEQ's site webpage, prior to the meeting at

https://www.tceq.texas.gov/remediation/superfund/state/cityview.html.

The site is an approximately 107-acre groundwater plume contaminated with tetrachloroethylene (PCE) from an unknown source. The site is primarily located northeast of the intersection of Cloverdale Road aka Farm-to-Market (FM) 307 and South Fairgrounds Road, bounded by East County Road 90 to the north and Midland Trail Park to the east. A small portion of the Site extends west of South Fairground Road bounded by East New York Avenue to the north, South Webster Street to the west, and East California Avenue to the south. The majority of the site is outside the city limits. The site surface is predominantly occupied by oil field-related service companies, while a small portion of the site is occupied by some vacant land, residential properties, small businesses, and light industrial companies.

In 2003, PCE was detected in private water wells during an investigation by a local pipeline company of a release of crude oil from a pipeline in the area. TCEQ confirmed the presence of PCE in private water wells at concentrations above TCEQ's Texas Risk Reduction Program Tier 1 residential groundwater ingestion pathway. The site was proposed for listing on the state registry of Superfund sites in the April 22, 2005, issue of the *Texas Register* (30 TexReg 2439). On October 27, 2005, a public meeting was held in Midland to receive community comments on the proposal of the site for listing on the Superfund registry. The notice for this public meeting was provided in the September 16, 2005, issue of the *Texas Register* (30 TexReg 5978).

TCEQ conducted the Remedial Investigation to evaluate the nature and extent of the contamination in soil and groundwater at the site. Based on the findings of that investigation, TCEQ conducted a Focused Feasibility Study to identify and evaluate appropriate remedial alternatives. TCEQ also completed a Proposed Remedial Action Document that presents the proposed remedy and documents the process used to evaluate the proposed remedy, which is the lowest cost remedy that is technologically feasible and reliable, effectively mitigates and minimizes damage to the environment, and provides adequate protection of public health and safety and the environment.

The Remedial Investigation concluded that there is no soil contamination at the site.

Based on the extent of the groundwater contamination and the stability of the groundwater contaminant plume, the proposed remedial alternative for groundwater is to establish a Plume Management Zone (PMZ) in accordance with Texas Risk Reduction Program rules. Institutional controls filed in the county real property records will restrict exposure to groundwater within the PMZ.

All persons desiring to comment may do so prior to or at the public meeting. All comments submitted prior to the public meeting **must be received by 5:00 p.m., January 14, 2026, and should be sent in writing** to Scott Settemeyer, Project Manager, Texas Commission on Environmental Quality, Remediation Division, by mail to MC 136, P.O. Box 13087, Austin, Texas 78711-3087; by email to scott.settemeyer@tceq.texas.gov or to *superfnd@tceq.texas.gov;* or by facsimile to (512) 239-2450. The public comment period for this action will end at the close of the public meeting on January 15, 2026.

A portion of the record for this site, including documents pertinent to the proposed remedial action, are available for review during regular business hours at the Midland County Downtown Library, 301 West Missouri Avenue, Midland, Texas 79701, (432) 688-4320 or the Midland College Library, Murray Fasken Learning Resource Center, 3600 North Garfield Street, Midland, Texas 79705-6399, (432) 685-4560. Requests to obtain complete copies of TCEQ's public records concerning the site may be submitted to the Central File Room through e-mail, at cfrreq@tceq.texas.gov. TCEQ Central File Room electronic records are also accessible online, at https://www.tceq.texas.gov/agency/data/records-services. Additional files may be obtained by contacting the TCEQ project manager for the site, Scott Settemeyer, at (512) 239-3429 or email scott.settemeyer@tceq.texas.gov. Also, for additional assistance obtaining site documents, you may contact John Flores, community relations, at (800) 633-9363 or email your request to superfnd@tceq.texas.gov. Information is also available on the site's webpage, at https://www.tceq.texas.gov/remediation/superfund/state/cityview.html

Persons with disabilities who have special communication or other accommodation needs who are planning to attend the meeting should contact the agency at (800) 633-9363 or (512) 239-5674. Requests for accommodation should be made at least 14 days prior to the meeting.

For further information about the site or the public meeting, please call John Flores, community relations at (800) 633-9363.

TRD-202504255
Gitanjali Yadav
Deputy Director, Litigation Division
Texas Commission on Environmental Quality
Filed: November 20, 2025

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Notice of Opportunity to Comment on Agreed Orders of Administrative Enforcement Actions

The Texas Commission on Environmental Quality (TCEQ or commission) staff is providing an opportunity for written public comment on the listed Agreed Orders (AOs) in accordance with Texas Water Code (TWC), §7.075. TWC, §7.075, requires that before the commission may approve the AOs, the commission shall allow the public an opportunity to submit written comments on the proposed AOs. TWC, §7.075, requires that notice of the opportunity to comment must be

published in the *Texas Register* no later than the 30th day before the date on which the public comment period closes, which in this case is **January 9, 2026**. TWC, §7.075, also requires that the commission promptly consider any written comments received and that the commission may withdraw or withhold approval of an AO if a comment discloses facts or considerations that indicate that consent is inappropriate, improper, inadequate, or inconsistent with the requirements of the statutes and rules within the commission's jurisdiction or the commission's orders and permits issued in accordance with the commission's regulatory authority. Additional notice of changes to a proposed AO is not required to be published if those changes are made in response to written comments.

A physical copy of each proposed AO is available for public inspection at both the commission's central office, located at 12100 Park 35 Circle, Building A, 3rd Floor, Austin, Texas 78753, (512) 239-3400 and at the applicable regional office listed as follows. Additionally, copies of the proposed AO can be found online by using either the Chief Clerk's eFiling System at https://www.tceq.texas.gov/goto/efilings or the TCEQ Commissioners' Integrated Database at https://www.tceq.texas.gov/goto/cid, and searching either of those databases with the proposed AO's identifying information, such as its docket number. Written comments about an AO should be sent to the attorney designated for the AO at the commission's central office at P.O. Box 13087, MC 175, Austin, Texas 78711-3087 and must be **received by 5:00 p.m. on January 9, 2026**. The designated attorneys are available to discuss the AOs and/or the comment procedure at the listed phone numbers; however, TWC, §7.075, provides that comments on an AO shall be submitted to the commission in **writing**.

(1) COMPANY: Bowles Sand & Gravel, Inc.; DOCKET NUMBER: 2022-0405-WQ-E; TCEQ ID NUMBER: RN105924674; LOCATION: 200 Sandtown Road near Avalon, Ellis County; TYPE OF FACILITY: an aggregate production operation; PENALTY: $72,789; STAFF ATTORNEY: William Hogan, Litigation, MC 175, (512) 239-5918; REGIONAL OFFICE: Dallas-Fort Worth Regional Office, 2309 Gravel Drive, Fort Worth, Texas 76118-6951, (817) 588-5800.

(2) COMPANY: Clayton Clark dba All American Sand and Gravel; DOCKET NUMBER: 2023-1671-WQ-E; TCEQ ID NUMBER: RN104816673; LOCATION: 8500 South Humble Camp Road in Dickinson, Galveston County; TYPE OF FACILITY: an aggregate production operation; PENALTY: $13,500; STAFF ATTORNEY: Taylor Pack Ellis, Litigation, MC 175, (512) 239-6860; REGIONAL OFFICE: Houston Regional Office, 5425 Polk Street, Suite H, Houston, Texas 77023-1452, (713) 767-3500.

(3) COMPANY: FLEXICORE OF TEXAS, LTD.; DOCKET NUMBER: 2020-1128-WQ-E; TCEQ ID NUMBER: RN102295748; LOCATION: 8634 McHard Road near Houston, Fort Bend County; TYPE OF FACILITY: a concrete production facility; PENALTY: $43,750; STAFF ATTORNEY: David Keagle, Litigation, MC 175, (512) 239-3923; REGIONAL OFFICE: Houston Regional Office, 5425 Polk Street, Suite H, Houston, Texas 77023-1452, (713) 767-3500.

(4) COMPANY: Francisco Rojas dba Galaxy Tires; DOCKET NUMBER: 2021-1448-MSW-E; TCEQ ID NUMBER: RN111334892; LOCATION: 1620 Tantor Road in Dallas, Dallas County; TYPE OF FACILITY: a scrap tire retailer; PENALTY: $45,750; STAFF ATTORNEY: Taylor Pearson, Litigation, MC 175, (512) 239-5937; REGIONAL OFFICE: Dallas-Fort Worth Regional Office, 2309 Gravel Drive, Fort Worth, Texas 76118-6951, (817) 588-5800.

(5) COMPANY: Melissa McWhirter-Wiley; DOCKET NUMBER: 2024-0111-WQ-E; TCEQ ID NUMBER: RN111751772; LOCATION: 10374 County Road 2468 in Terrell, Hunt County; TYPE OF FACILITY: a small construction site; PENALTY: $13,125; STAFF ATTORNEY: Taylor Pearson, Litigation, MC 175, (512) 239-5937; REGIONAL OFFICE: Dallas-Fort Worth Regional Office, 2309 Gravel Drive, Fort Worth, Texas 76118-6951, (817) 588-5800.

(6) COMPANY: M. E. N. Water Supply Corporation; DOCKET NUMBER: 2024-0164-PWS-E; TCEQ ID NUMBER: RN101191278; LOCATION: 8542 South US Highway 287 near Corsicana, Navarro County; TYPE OF FACILITY: a public water system; PENALTY: $1,500; STAFF ATTORNEY: Jun Zhang, Litigation, MC 175, (512) 239-6517; REGIONAL OFFICE: Dallas-Fort Worth Regional Office, 2309 Gravel Drive, Fort Worth, Texas 76118-6951, (817) 588-5800.

(7) COMPANY: Richmond Community Estates LLC; DOCKET NUMBER: 2023-1465-MWD-E; TCEQ ID NUMBER: RN109777300; LOCATION: 5439 Farm-to-Market Road 762 in Richmond, Fort Bend County; TYPE OF FACILITY: a wastewater treatment plant; PENALTY: $6,750; STAFF ATTORNEY: Taylor Pack Ellis, Litigation, MC 175, (512) 239-6860; REGIONAL OFFICE: Houston Regional Office, 5425 Polk Street, Suite H, Houston, Texas 77023-1452, (713) 767-3500.

TRD-202504310
Gitanjali Yadav
Deputy Director, Litigation Division
Texas Commission on Environmental Quality
Filed: November 21, 2025

♦ ♦ ♦

Texas Department of Housing and Community Affairs

2026 HOME Contract for Deed Program Notice of Funding Availability

The Texas Department of Housing and Community Affairs (the Department) announces a NOFA of approximately $1,000,000 in HOME funds for single family housing programs under the Contract for Deed (CFD) set-aside. These funds will be made available to HOME Reservation System Participants with a current Reservation System Participation (RSP) Agreement. Funds will be available beginning Tuesday, December 9, 2025, at 10:00 a.m. Austin local time.

CFD provides funds for the acquisition or refinance, in combination with New Construction, of single-family housing occupied by the purchaser as shown on an executory contract for conveyance. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter D, Contract for Deed Program, §§23.40 - 23.42.

The availability and use of these funds are subject to the HOME rules including, but not limited to the following Texas Administrative Code (TAC) rules in effect at the time of contract execution, Title 10, Part 1, Chapter 1, Administration; Chapter 2, Enforcement; Chapter 20, the Single Family Programs Umbrella Rule; Chapter 21, the Minimum Energy Efficiency Requirements for Single Family Construction Activities; Chapter 23, the Single Family HOME Program, (State HOME Rules); and Tex. Gov't Code Chapter 2306. Other federal and state regulations include but are not limited to, 24 CFR Part 58 for environmental requirements, 2 CFR Part 200 for Uniform Administrative Requirements, 24 CFR §135.38 for Section 3 requirements, 24 CFR Part 5, Subpart A for fair housing, (Federal HOME Rules), the Uniform Grant and Contract Management requirements as outlined in Chapter 783 in the Texas Local Government (TxGMS). Applicants must familiarize themselves with all of the applicable state and federal rules that govern the HOME Program.

Eligible Applicants include Units of General Local Government, non-profit organizations, Public Housing Authorities, Local Mental Health Authorities, and Councils of Government.

Additional Information

The NOFA is available on the Department's website at https://www.tdhca.texas.gov/notices-funding-availability-nofas.

All Application materials are available on the Department's website at https://www.tdhca.texas.gov/home-application-materials.

For questions regarding this NOFA, please contact the Single Family and Homeless Programs Division via email at HOME@tdhca.texas.gov

TRD-202504292
Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
Filed: November 21, 2025

♦ ♦ ♦

2026 HOME Persons with Disabilities Set-Aside Notice of Funding Availability

The Texas Department of Housing and Community Affairs (the Department) announces a NOFA of approximately $2,683,889 in HOME funds for single-family housing programs under the Persons with Disabilities (PWD) set-aside under a Reservation System. These funds will be made available to HOME Reservation System Participants with a current Reservation System Participation (RSP) Agreement. Funds will be available beginning Tuesday, December 9, 2025, at 10:00 a.m. Austin local time.

The availability and use of these funds are subject to the HOME rules including, but not limited to the following Texas Administrative Code (TAC) rules in effect at the time of contract execution: Title 10, Part 1, Chapter 1, Administration; Chapter 2, Enforcement; Chapter 20, the Single Family Programs Umbrella Rule; Chapter 21, the Minimum Energy Efficiency Requirements for Single Family Construction Activities; Chapter 23, the Single Family HOME Program (State HOME Rules), and Tex. Gov't Code Chapter 2306. Other federal and state regulations include but are not limited to: 24 CFR Part 58 for environmental requirements, 2 CFR Part 200 for Uniform Administrative Requirements, 24 CFR §135.38 for Section 3 requirements, 24 CFR Part 5, Subpart A for fair housing, (Federal HOME Rules), and for units of government, the Uniform Grant and Contract Management requirements as outlined in Chapter 783 in the Texas Local Government (UGMS or TxGMS, as applicable). Applicants must familiarize themselves with all of the applicable state and federal rules that govern the HOME Program.

Eligible Activities

Homeowner Reconstruction Assistance (HRA). HRA provides funds for the rehabilitation, reconstruction, or new construction of a single-family residence owned and occupied by eligible low-income Households. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter C, Homeowner Reconstruction Assistance Program, §§23.30 - 23.32.

Tenant-Based Rental Assistance (TBRA). TBRA provides rental subsidies to eligible low-income Households. Assistance may include rental, security, and utility deposits. Specific program guidelines can be found at 10 TAC Chapter 23, Single Family HOME Program, Subchapter F, Tenant-Based Rental Assistance Program, §§23.50 - 23.52.

Eligible Applicants include Units of General Local Government, non-profit organizations, Public Housing Authorities, Local Mental Health Authorities, and Councils of Government. Funds may not be used in a Participating Jurisdiction (PJ).

Additional Information

The NOFA is available on the Department's website at https://www.tdhca.texas.gov/notices-funding-availability-nofas.

All Application materials are available on the Department's website at https://www.tdhca.texas.gov/home-applying-funding-page.

For questions regarding this NOFA, please contact the Single Family and Homeless Programs Division via email at HOME@tdhca.texas.gov.

TRD-202504293
Bobby Wilkinson
Executive Director
Texas Department of Housing and Community Affairs
Filed: November 21, 2025

♦ ♦ ♦

Texas Department of Transportation

Public Notice - Advertising in Texas Department of Transportation's Travel Literature and Texas Highways Magazine

Advertising in Texas Department of Transportation Travel Literature and *Texas Highways* magazine, both in print and in digital or online assets. The Texas Department of Transportation is authorized by Texas Transportation Code, Chapter 204 to publish literature for the purpose of advertising the highways of this state and attracting traffic thereto, and to include paid advertising in such literature. Title 43, Texas Administrative Code, §§23.15 - 23.19 describe the policies governing advertising in department travel literature and *Texas Highways* magazine, both in print and in digital or online, lists acceptable and unacceptable subjects for advertising in department travel literature and the magazine, and describes the procedures by which the department will solicit advertising.

As required by 43 TAC §23.17 the department invites any entity or individual interested in advertising in department travel literature and *Texas Highways* magazine to contact AJR Media Group, phone: (800) 383-7677, email: TexasHighways@AJRMediaGroup.com.

The department is now accepting advertising for the 2027 edition of the *Texas State Travel Guide*, scheduled to be available in January 2027. The *Texas State Travel Guide* is designed to encourage readers to explore and travel to and within the State of Texas. The guide lists cities and towns, featuring population figures and recreational travel sites for each, along with maps and 4-color photography. The guide may also include sections listing Texas lakes, state parks, state and national forests, along with hunting and fishing information. The State of Texas distributes this vacation guide to travelers in Texas and to those who request information while planning to travel in Texas.

Media kits are available on the texashighways.com website. All *Texas State Travel Guide* insertion orders, including premium space will be accepted on a first-come first-served basis. Insertion orders for an inside front cover spread and inside back cover spread will take precedence over an inside front cover and inside back cover insertion order. In most cases, larger ads will be positioned ahead of smaller ads.

The department is now accepting advertising for the 2027 edition of the *Texas Official Travel Map* scheduled to be available in January 2027.

The State of Texas distributes this map to travelers in Texas and to those who request information while planning to travel in Texas.

The department continues to accept advertising for all quarterly issues of the *Texas Highways Events Calendar*, beginning with the Spring 2026 calendar. The *Texas Highways Events Calendar* is published quarterly, corresponding with the seasons, to provide information about events happening in Texas throughout the year. The *Texas Highways Events Calendar* includes festivals, art exhibits, rodeos, indoor and outdoor music and theatre productions, concerts, nature tours, and more, depending on the season. The State of Texas distributes this quarterly calendar to travelers in Texas and to those who request information on events happening around the state.

The calendar editions list events scheduled for the following months:

Events Calendar Year & Edition		Timing of Events Listed
2026	**Spring**	March, April, May
	Summer	June, July, August
	Fall	September, October, November
2026-2027	**Winter**	December 2026, January & February 2027

TEXAS STATE TRAVEL GUIDE

Space Closing: October 2, 2024
Materials Due: October 9, 2024
First Distribution: January 2025

2025 Edition Advertising Rates

Approximate distribution for 2025: 500,000

Run of Publication	Net
Full Page	$15,269
Two Thirds (2/3) Page	$10,908
Half (1/2) Page	$9,172
One Third (1/3) Page	$5,501
One Sixth (1/6) Page	$3,469

Premium Positions	Net
Cover 2 (Inside Front)	$17,559
Cover 3 (Inside Back)	$17,254
Cover 4 (Back)	$18,323
Spread (Run of Publication)	$29,010
Inside Front Cover Spread	$31,186
Inside Back Cover Spread	$30,896

Notes
·All rates are 4-color (no black and white).
·Special placement requests will be accommodated if possible and will result in a 10% surcharge. Rates for inserts, gatefolds, multi-title frequency advertising, and other special advertising will be quoted on request.

Umbrella Plans
·Plan A: 5% discount for 1x Texas State Travel Guide, 3x Texas Highways Magazine, 2x Texas Events Calendar
·Plan B: 10% discount for 1x Texas State Travel Guide, 6x Texas Highways Magazine, 4x Texas Events Calendar
·Plan C: 10% discount for 1x Texas State Travel Guide, 12x Texas Highways Magazine, 2x Texas Events Calendar

Contracted Umbrella Plan discount applies to TexasHighways.com, Texas Highways E-newsletters, and the Official Texas State Travel Map.

Advertising Contact
For additional details and to discuss other advertising opportunities, contact an advertising representative:
AJR Media Group
Phone: 800-383-7677
Email: TexasHighways@AJRMediaGroup.com

Payment
Payment with order or net 30 from invoice date.

TEXAS HIGHWAYS EVENTS CALENDAR

Issue Date	Space Closing	Materials Due	Release Date
Winter (Dec, Jan, Feb)	Aug 15	Aug 22	Nov 1
Spring (Mar, Apr, May)	Nov 15	Nov 22	Feb 1
Summer (Jun, Jul, Aug)	Feb 15	Feb 22	May 1
Fall (Sep, Oct, Nov)	May 15	May 22	Aug 1

*If 15th falls on a Saturday, Sunday, or holiday, space close or release date moves back to preceding Friday

2024-2025 Advertising Rates (Net)

Approximate quarterly distribution: 65,000

Run of Publication	1x	2x	4x
Full Page	$2,173	$2,106	$2,037
Two Third (2/3) Page	$1,834	$1,783	$1,715
Half (1/2) Page	$1,494	$1,459	$1,392
One Third (1/3) Page	$1,086	$1,052	$984

Premium Positions	1x	2x	4x
Cover 2 (Inside Front)	$2,455	$2,379	$2,302
Cover 3 (Inside Back)	$2,369	$2,668	$2,221
Cover 4 (Back)	$2,499	$2,421	$2,343
Full Page Spread	$4,129	$4,001	$3,871
Inside Front Cover Spread	$4,397	$4,261	$4,122
Inside Back Cover Spread	$4,315	$4,181	$4,045

Notes

·All rates are 4-color (no black and white).

·Special placement requests will be accommodated if possible and will result in a 10% surcharge. Rates for inserts, gatefolds, multi-title frequency advertising, and other special advertising will be quoted on request.

Umbrella Plans

·Plan A: 5% discount for 1x Texas State Travel Guide, 3x Texas Highways Magazine, 2x Texas Events Calendar

·Plan B: 10% discount for 1x Texas State Travel Guide, 6x Texas Highways Magazine, 4x Texas Events Calendar

·Plan C: 10% discount for 1x Texas State Travel Guide, 12x Texas Highways Magazine, 2x Texas Events Calendar

Contracted Umbrella Plan discount applies to TexasHighways.com, Texas Highways E-newsletters, and the Official Texas State Travel Map.

Advertising Contact

For additional details and to discuss other advertising opportunities, contact an advertising representative:

AJR Media Group

Phone: 800-383-7677

Email: TexasHighways@AJRMediaGroup.com

Payment

Payment with order or net 30 from invoice date.

TEXAS HIGHWAYS MAGAZINE

Space Deadline: 1st of the second month preceding issue date
Materials Deadline: Seven days after space closing

When material or space closing dates fall on a Sat, Sun, or a holiday, space or materials are due the preceding workday.

2024-2025 Rate Card (Net)

284,000+ Total Readership

Run of Publication	1x	3x	6x	10x	18x
Full Page	$7,308	$6,942	$6,723	$6,504	$6,284
2/3 Page	$6,035	$5,733	$5,553	$5,371	$5,191
1/2 Page	$4,744	$4,511	$4,368	$4,226	$4,083
1/3 Page	$3,413	$3,243	$3,141	$3,038	$2,935
1/6 Page	$1,879	$1,785	$1,728	$1,672	$1,616
Spread	$13,884	$13,190	$12,774	$12,358	$11,940

Premium Positions	1x	3x	6x	12x	18x
Cover 2	$8,257	$7,844	$7,596	$7,349	$7,101
Cover 3	$7,965	$7,567	$7,327	$7,089	$6,849
Cover 4	$8,404	$7,983	$7,731	$7,479	$7,227
IFC Spread	$14,787	$14,048	$13,604	$13,157	$12,716
IBC Spread	$14,509	$13,784	$13,349	$12,904	$12,478

Notes
·Current circulation details available from advertising representative.
·All rates are 4-color (no black and white).
·Special placement requests will be accommodated if possible and will result in a 10% surcharge. Rates for inserts, gatefolds, multi-title frequency advertising, and other special advertising will be quoted on request.
·Co-op advertisements do not qualify for special placement; those with excessive photography, fonts, and copy will not be accepted.
·Back cover and inside front cover ad design must be approved by the Texas Highways Publisher.

Umbrella Plans
·Plan A: 5% discount for 1x Texas State Travel Guide, 3x Texas Highways Magazine, 2x Texas Events Calendar
·Plan B: 10% discount for 1x Texas State Travel Guide, 6x Texas Highways Magazine, 4x Texas Events Calendar
·Plan C: 10% discount for 1x Texas State Travel Guide, 12x Texas Highways Magazine, 2x Texas Events Calendar

Contracted Umbrella Plan discount applies to TexasHighways.com, Texas Highways E-newsletters, and the Official Texas State Travel Map.

Advertising Contact
For additional details and to discuss other advertising opportunities, including advertorials, contact an advertising representative:
AJR Media Group
Phone: 800-383-7677
Email: TexasHighways@AJRMediaGroup.com

Payment
Payment with order or net 30 from invoice date.

TEXAS OFFICIAL TRAVEL MAP

Space Closing: October 2, 2024
Materials Due: October 9, 2024
First Distribution: January 2025

2025 Edition Advertising Rates

Approximate annual distribution: 500,000

Run of Publication	Net
Full Panel	$15,477
Half (1/2) Panel	$7,739

Notes
·All rates are 4-color (no black and white).
·Special placement requests will be accommodated if possible and will result in a 10% surcharge. Rates for inserts, gatefolds, multi-title frequency advertising, and other special advertising will be quoted on request.

Umbrella Plans
·Plan A: 5% discount for 1x Texas State Travel Guide, 3x Texas Highways Magazine, 2x Texas Events Calendar
·Plan B: 10% discount for 1x Texas State Travel Guide, 6x Texas Highways Magazine, 4x Texas Events Calendar
·Plan C: 10% discount for 1x Texas State Travel Guide, 12x Texas Highways Magazine, 2x Texas Events Calendar

Contracted Umbrella Plan discount applies to TexasHighways.com, Texas Highways E-newsletters, and the Official Texas State Travel Map.

Advertising Contact
For additional details and to discuss other advertising opportunities, contact an advertising representative:
AJR Media Group
Phone: 800-383-7677
Email: TexasHighways@AJRMediaGroup.com

Payment
Payment with order or net 30 from invoice date.

TEXAS HIGHWAYS WEBSITE (TEXASHIGHWAYS.COM)

Space & Materials Deadline: Minimum two weeks prior to the first of the month in which the ad is intended to run

2024-2025 Advertising Rates

Approximate annual website visits: 2.1 million+

Run of Site	Net
Double Medium Rectangle (300 x 250)	$569
Double Half Page (600 x 1200)	$799

Notes
·Current web statistics are available from advertising representatives.
·Custom opportunities, such as sponsored content and social media promotions may be available upon request; please contact an advertising representative.
·Based on available inventory.
·Banners are sold in 25,000 impression increments which are scheduled to be delivered in a 30-day period. If the impressions are not delivered in 30 days, banners will run until 25,000 impressions are delivered. Limit of 6 banners in each position (18 banners total) may be purchased for each product/service in a 12-month period.

Umbrella Plans
·Plan A: 5% discount for 1x Texas State Travel Guide, 3x Texas Highways Magazine, 2x Texas Events Calendar
·Plan B: 10% discount for 1x Texas State Travel Guide, 6x Texas Highways Magazine, 4x Texas Events Calendar
·Plan C: 10% discount for 1x Texas State Travel Guide, 12x Texas Highways Magazine, 2x Texas Events Calendar

Contracted Umbrella Plan discount applies to TexasHighways.com, Texas Highways E-newsletters, and the Official Texas State Travel Map.

Advertising Contact
For additional details and to discuss other advertising opportunities, contact an advertising representative:
AJR Media Group
Phone: 800-383-7677
Email: TexasHighways@AJRMediaGroup.com

Payment
Payment with order or net 30 from invoice date.

TEXAS HIGHWAYS NEWSLETTERS

Space close: The first Monday of the preceding month of delivery
Material close: Seven days after space closing
Release dates:
Issue 1 "Scenic Route" – the first week of each month
Issue 2 "Events" - On or about the 15th of the month
Issue 3 "Behind the Issue" – the last week of the month

When material or space closing dates fall on a Sat, Sun, or a holiday, space or materials are due the preceding workday.

2024-2025 Advertising Rates

Approximate opt-in recipients per issue: 96,000+

Placement	Net
Exclusive Banner (468 x 60)	$1,840
Exclusive Sponsored Content (image & copy)	$2,156

Notes
·Current e-newsletter statistics are available from advertising representatives.
·Based on available inventory.

Umbrella Plans
·Plan A: 5% discount for 1x Texas State Travel Guide, 3x Texas Highways Magazine, 2x Texas Events Calendar
·Plan B: 10% discount for 1x Texas State Travel Guide, 6x Texas Highways Magazine, 4x Texas Events Calendar
·Plan C: 10% discount for 1x Texas State Travel Guide, 12x Texas Highways Magazine, 2x Texas Events Calendar

Contracted Umbrella Plan discount applies to TexasHighways.com, Texas Highways E-newsletters, and the Official Texas State Travel Map.

Advertising Contact
For additional details and to discuss other advertising opportunities, contact an advertising representative:
AJR Media Group
Phone: 800-383-7677
Email: TexasHighways@AJRMediaGroup.com

Payment
Payment with order or net 30 from invoice date.

The advertising due dates for the *Texas Highways Events Calendar* vary depending on the issue involved. The publication deadline for accepting advertising space in the *Texas Highways Events Calendar* is the 15th of the fourth month preceding the issue date. The deadline for accepting materials for the *Texas Highways Events Calendar* is one week after space closing. When material or space closing dates fall on a Saturday, Sunday or holiday, space and/or materials are due the preceding workday.

The department is now accepting advertising for all 2026-2027 issues of *Texas Highways* magazine. *Texas Highways* magazine is published ten times annually and designed to encourage recreational travel within the state and to tell the Texas story to readers around the world. Accordingly, the content of the magazine is focused on Texas vacation, recreational, travel, or tourism related subjects, shopping opportunities in Texas and for Texas related products, various outdoor events, sites, facilities, and services in the state, transportation modes and facilities in the state, and other sites, products, facilities, and services that are travel related or Texas-based, and that are determined by the department to be of cultural, educational, historical, or of recreational interest to *Texas Highways* readers.

The publication deadline for accepting advertising space in *Texas Highways* magazine is the 15th of the third month preceding the issue date. The deadline for accepting materials for *Texas Highways* magazine is 14 days after space closing. When material or space closing dates fall on a Saturday, Sunday or holiday, space and/or materials are due the preceding workday.

The rate card information for potential advertisers in the *Texas State Travel Guide,* the *Texas Highways Events Calendar, Texas Highways*

magazine, the *Texas Official Travel Map* and related digital assets are included in this notice. Digital assets include *TexasHighways.com* and *Texas Highways* Newsletters.

TRD-202504257
Becky Blewett
Deputy General Counsel
Texas Department of Transportation
Filed: November 20, 2025

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How to Use the Texas Register

Information Available: The sections of the *Texas Register* represent various facets of state government. Documents contained within them include:

Governor - Appointments, executive orders, and proclamations.

Attorney General - summaries of requests for opinions, opinions, and open records decisions.

Texas Ethics Commission - summaries of requests for opinions and opinions.

Emergency Rules - sections adopted by state agencies on an emergency basis.

Proposed Rules - sections proposed for adoption.

Withdrawn Rules - sections withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the Texas Register six months after the proposal publication date.

Adopted Rules - sections adopted following public comment period.

Texas Department of Insurance Exempt Filings - notices of actions taken by the Texas Department of Insurance pursuant to Chapter 5, Subchapter L of the Insurance Code.

Review of Agency Rules - notices of state agency rules review.

Tables and Graphics - graphic material from the proposed, emergency and adopted sections.

Transferred Rules - notice that the Legislature has transferred rules within the *Texas Administrative Code* from one state agency to another, or directed the Secretary of State to remove the rules of an abolished agency.

In Addition - miscellaneous information required to be published by statute or provided as a public service.

Specific explanation on the contents of each section can be found on the beginning page of the section. The division also publishes cumulative quarterly and annual indexes to aid in researching material published.

How to Cite: Material published in the *Texas Register* is referenced by citing the volume in which the document appears, the words "TexReg" and the beginning page number on which that document was published. For example, a document published on page 2402 of Volume 50 (2025) is cited as follows: 50 TexReg 2402.

In order that readers may cite material more easily, page numbers are now written as citations. Example: on page 2 in the lower-left hand corner of the page, would be written "50 TexReg 2 issue date," while on the opposite page, page 3, in the lower right-hand corner, would be written "issue date 50 TexReg 3."

How to Research: The public is invited to research rules and information of interest between 8 a.m. and 5 p.m. weekdays at the *Texas Register* office, James Earl Rudder Building, 1019 Brazos, Austin. Material can be found using *Texas Register* indexes, the *Texas Administrative Code* section numbers, or TRD number.

Both the *Texas Register* and the *Texas Administrative Code* are available online at: https://www.sos.texas.gov. The *Texas Register* is available in an .html version as well as a .pdf version through the internet. For website information, call the Texas Register at (512) 463-5561.

Texas Administrative Code

The *Texas Administrative Code (TAC*) is the compilation of all final state agency rules published in the *Texas Register*. Following its effective date, a rule is entered into the *Texas Administrative Code*. Emergency rules, which may be adopted by an agency on an interim basis, are not codified within the *TAC*.

The *TAC* volumes are arranged into Titles and Parts (using Arabic numerals). The Titles are broad subject categories into which the agencies are grouped as a matter of convenience. Each Part represents an individual state agency.

The complete *TAC* is available through the Secretary of State's website at http://www.sos.state.tx.us/tac.

The Titles of the *TAC*, and their respective Title numbers are:

1. Administration
4. Agriculture
7. Banking and Securities
10. Community Development
13. Cultural Resources
16. Economic Regulation
19. Education
22. Examining Boards
25. Health Services
28. Insurance
30. Environmental Quality
31. Natural Resources and Conservation
34. Public Finance
37. Public Safety and Corrections
40. Social Services and Assistance
43. Transportation

How to Cite: Under the *TAC* scheme, each section is designated by a *TAC* number. For example in the citation 1 TAC §91.1: 1 indicates the title under which the agency appears in the *Texas Administrative Code*; *TAC* stands for the *Texas Administrative Code*; §91.1 is the section number of the rule (91 indicates that the section is under Chapter 91 of Title 1; 1 represents the individual section within the chapter).

How to Update: To find out if a rule has changed since the publication of the current supplement to the *Texas Administrative Code*, please look at the *Index of Rules*.

The *Index of Rules* is published cumulatively in the blue-cover quarterly indexes to the *Texas Register*.

If a rule has changed during the time period covered by the table, the rule's *TAC* number will be printed with the *Texas Register* page number and a notation indicating the type of filing (emergency, proposed, withdrawn, or adopted) as shown in the following example.

TITLE 1. ADMINISTRATION
Part 4. Office of the Secretary of State
Chapter 91. Texas Register
1 TAC §91.1…….....950 *(P)*

SALES AND CUSTOMER SUPPORT

Sales - To purchase subscriptions or back issues, you may contact LexisNexis Sales at 1-800-223-1940 from 7 a.m. to 7 p.m., Central Time, Monday through Friday. Subscription cost is $1159 annually for first-class mail delivery and $783 annually for second-class mail delivery.

Customer Support - For questions concerning your subscription or account information, you may contact LexisNexis Matthew Bender Customer Support from 7 a.m. to 7 p.m., Central Time, Monday through Friday.

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