

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

1-8 COMMITTEE VOTE

|      | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-9  |     |     |        |     |
| 1-10 | X   |     |        |     |
| 1-11 | X   |     |        |     |
| 1-12 | X   |     |        |     |
| 1-13 | X   |     |        |     |
| 1-14 | X   |     |        |     |
| 1-15 | X   |     |        |     |
| 1-16 | X   |     |        |     |
| 1-17 | X   |     |        |     |
| 1-18 | X   |     |        |     |
| 1-19 | X   |     |        |     |
| 1-20 | X   |     |        |     |

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

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

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

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

1-27 ARTICLE 1. LIMITED-SCOPE REVIEWS

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

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

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

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

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

1-53 ARTICLE 2. ENTITIES GIVEN 2027 SUNSET DATE

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

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

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

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

2-5 ARTICLE 3. ENTITIES GIVEN 2031 SUNSET DATE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2-68 ARTICLE 4. ENTITIES GIVEN 2033 SUNSET DATE

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

3-1 (a) Section 801.003, Occupations Code, is amended to read as  
3-2 follows:

3-3 Sec. 801.003. APPLICATION OF SUNSET ACT. The State Board of  
3-4 Veterinary Medical Examiners is subject to Chapter 325, Government  
3-5 Code (Texas Sunset Act). Unless continued in existence as provided  
3-6 by that chapter, the board is abolished September 1, 2033 [2027].

3-7 (b) This section takes effect only if S.B. 2155 or similar  
3-8 legislation of the 89th Legislature, Regular Session, 2025,  
3-9 relating to the regulation of veterinary professionals and  
3-10 facilities by the State Board of Veterinary Medical Examiners and  
3-11 the temporary administration of the board by the Texas Department  
3-12 of Licensing and Regulation becomes law. If legislation described  
3-13 by this subsection does not become law, this section has no effect.

3-14 ARTICLE 5. ENTITIES GIVEN 2035 SUNSET DATE

3-15 SECTION 5.01. LOWER COLORADO RIVER AUTHORITY. Section  
3-16 8503.0021(a), Special District Local Laws Code, is amended to read  
3-17 as follows:

3-18 (a) The authority is subject to review under Chapter 325,  
3-19 Government Code (Texas Sunset Act), but may not be abolished under  
3-20 that chapter. The review shall not include the management of the  
3-21 generation or transmission of electricity under the wholesale  
3-22 electricity operation of the authority and the authority's  
3-23 affiliated nonprofit corporations. The review shall be conducted  
3-24 under Section 325.025, Government Code, as if the authority were a  
3-25 state agency scheduled to be abolished September 1, 2035 [2031],  
3-26 and every 12th year after that year.

3-27 ARTICLE 6. AMENDMENTS TO THE TEXAS SUNSET ACT

3-28 SECTION 6.01. SUNSET ADVISORY COMMISSION. Section  
3-29 325.003(a-1), Government Code, is amended to read as follows:

3-30 (a-1) A public member acts on behalf of the legislature when  
3-31 participating on the commission in furtherance of the legislature's  
3-32 duty to provide oversight of state [~~executive branch~~] agencies'  
3-33 implementation of legislative priorities.

3-34 SECTION 6.02. AGENCY REPORT TO COMMISSION. Section  
3-35 325.007(a), Government Code, is amended to read as follows:

3-36 (a) Before September 1 of the odd-numbered year before the  
3-37 year in which a state agency subject to this chapter is abolished or  
3-38 reviewed, the agency shall report to the commission:

3-39 (1) information regarding the application to the  
3-40 agency of the criteria in Section 325.011; and

3-41 (2) any other information that the agency considers  
3-42 appropriate or that is requested by the commission.

3-43 SECTION 6.03. REPORTING REQUIREMENTS OF AGENCY BEING  
3-44 REVIEWED. Section 325.0075, Government Code, is amended to read as  
3-45 follows:

3-46 Sec. 325.0075. REPORTING REQUIREMENTS OF AGENCY BEING  
3-47 REVIEWED. Before September 1 of the odd-numbered year before the  
3-48 year in which a state agency subject to this chapter is abolished or  
3-49 reviewed, the agency shall submit to the commission, the governor,  
3-50 the lieutenant governor, and each member of the legislature a  
3-51 report that:

3-52 (1) lists each report that the agency is required by a  
3-53 statute to prepare; and

3-54 (2) evaluates the need for each report listed in  
3-55 Subdivision (1) based on whether factors or conditions have changed  
3-56 since the date the statutory requirement to prepare the report was  
3-57 enacted.

3-58 SECTION 6.04. COMMISSION DUTIES. Section 325.008(a),  
3-59 Government Code, is amended to read as follows:

3-60 (a) Before January 1 of the year in which a state agency  
3-61 subject to this chapter and its advisory committees are abolished  
3-62 or reviewed, the commission shall:

3-63 (1) review and take action necessary to verify the  
3-64 reports submitted by the agency under Section 325.007;

3-65 (2) consult the Legislative Budget Board, the  
3-66 Governor's Budget, Policy, and Planning Division, the State  
3-67 Auditor, and the comptroller of public accounts, or their  
3-68 successors, on the application to the agency of the criteria  
3-69 provided in Section 325.011;

4-1 (3) conduct a review of the agency based on the  
4-2 criteria provided in Section 325.011 and prepare a written report;  
4-3 and

4-4 (4) review the implementation of commission  
4-5 recommendations contained in the reports presented to the  
4-6 legislature during the preceding legislative session and the  
4-7 resulting legislation.

4-8 SECTION 6.05. PUBLIC HEARINGS. Section 325.009(a),  
4-9 Government Code, is amended to read as follows:

4-10 (a) Before February 1 of the year a state agency subject to  
4-11 this chapter and its advisory committees are abolished or reviewed,  
4-12 the commission shall conduct public hearings concerning but not  
4-13 limited to the application to the agency of the criteria provided in  
4-14 Section 325.011.

4-15 SECTION 6.06. REVIEW OF CERTAIN AGENCIES. Sections  
4-16 325.0125(a) and (b), Government Code, are amended to read as  
4-17 follows:

4-18 (a) In the two-year period preceding the date scheduled for  
4-19 the abolition or review of a state agency under this chapter, the  
4-20 commission may exempt certain agencies from the requirements of  
4-21 this chapter relating to staff reports, hearings, and reviews.

4-22 (b) The commission may only exempt agencies that have been  
4-23 inactive for a period of two years preceding the date the agency is  
4-24 scheduled for abolition or review, that have been rendered inactive  
4-25 by an action of the legislature, or that the commission determines  
4-26 are unable to participate in the review due to a declared disaster.

4-27 ARTICLE 7. EFFECTIVE DATE

4-28 SECTION 7.01. EFFECTIVE DATE. This Act takes effect  
4-29 immediately if it receives a vote of two-thirds of all the members  
4-30 elected to each house, as provided by Section 39, Article III, Texas  
4-31 Constitution. If this Act does not receive the vote necessary for  
4-32 immediate effect, this Act takes effect September 1, 2025.

4-33 \* \* \* \* \*