

85TH TEXAS REGULAR LEGISLATIVE SESSION

Wrap-Up

The 85th Texas Regular Legislative Session was one of the ugliest and least productive in recent memory. Despite the odds, CPPP staff worked tirelessly with lawmakers and partners to get good bills across the finish line and block bad ones.

Lawmakers spent precious time and energy on discriminatory responses to manufactured problems, instead of focusing on the real challenges facing our state. They missed countless opportunities to adopt policies that would have made Texas healthier, better educated and more financially secure. While a few sensible policies managed to make it through, overall the session pitted Texans against their neighbors while failing to invest in a strong future for hard-working people and their families.

One of the most spectacular tragedies of the session was the failure to enact school finance reform. The House worked hard to craft a reasonable plan, but zealots in the Senate poisoned it with school vouchers and woefully inadequate funding. The promise of expanded pre-K led only to a mandate that will force schools to use existing funding to pay for pre-K, resulting in a net loss for districts.

Another casualty of the session was Texas' long-held reputation for sensible immigration policies. Immigrants and their families became the targets of fear-mongering and bias. Despite hours of testimony against the bill from law enforcement, educators, and faith leaders, the Legislature passed a "show me your papers" law that will force immigrants and mixed-status families into the shadows, threatening public safety and the Texas economy. LGBTQ Texans were the victims of other priorities driven by fear rather than facts, including the so-called bathroom bill.

Touting a "tight budget" mostly created by the Legislature's own short-sighted tax cuts and revenue diversions last session, the state continued its record of underinvesting in health care, education and other critical services. Lawmakers inexplicably left billions of dollars sitting in the Rainy Day Fund – a foolish policy choice that threatens our future prosperity. And despite the revenue shortfall, they continue to push for more tax cuts, which so far have failed to pass. The harm to Texans from state cuts to critical services is likely to be exacerbated by looming federal threats to health care, food and education programs.



At the same time the Senate was refusing to pay the state's fair share of public school funding – the real way to control property taxes – it was pushing hard to limit the ability of local governments to raise the revenue they need. That was one of many state efforts to usurp local control from Texas cities – the engines of our economy.

Though the scheme to cut revenue from local governments and the "bathroom bill" failed to pass during the regular session, Gov. Abbott added these and more bad ideas to the call for a special session scheduled to begin July 18.

There were some silver linings, and CPPP's data and advocacy helped lawmakers get good policies across the finish line. Mental health in Texas got a big boost when both houses passed bills that make coverage more accessible and equal, and bolstered programs that help people living with mental illness get the treatment they need and stay out of jail. Texans who receive surprise medical bills after visits to emergency rooms will now have better protections, and grandparents and other kinship caregivers will receive some additional financial support to help children stay with family.

In addition to the good bills that passed, CPPP helped block or reduce the harm from several terrible bills – including efforts to subsidize private school tuition through vouchers, eliminate the state's main business tax, restrict the ability of cities and counties to raise revenue, and remove a key source of financial aid for college students.

We express our deep gratitude to the many lawmakers, legislative staff, partners and supporters who persisted in the face of daunting odds to fight for hard-working Texans and their families. As lawmakers take a brief break before the special session, CPPP will continue to analyze what passed and what didn't, explain the implications for Texas, and build momentum for policies that enable Texans of all backgrounds to reach their full potential.

Ensure Health and Wellness

CPPP engaged in a two-front war during the 85th session, defending health and hunger benefits at both the state and federal levels. Under-funding of Medicaid in the budget process received strong attention and was fortunately reduced by two-thirds, and legislators extensively debated their responsibility to more adequately fund Medicaid in 2019. Texas lawmakers advanced no sweeping gains in coverage for 4.6 million uninsured, while Congress debated bills that would increase the ranks of the uninsured. Still, lawmakers achieved a surprising number of policy advances in mental health and kinship care. Support also came from across the political spectrum for consumer protections in commercial health insurance and for improved access to non-physician providers in Medicaid.



All Texans have meaningful access to affordable health care

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Protect Medicaid and CHIP from cuts • Increase funding and provider capacity for state family planning • Support expanded scope of practice and access to non-physician medical and mental health professionals 	<ul style="list-style-type: none"> • Potentially catastrophic under-funding of Medicaid in the state budget was improved during the budget-writing process, and lawmakers provided supplemental 2017 Medicaid funds. • A new law will allow advanced practice nurses to participate in Medicaid Managed Care plans. • A bad bill died that would have added limits to children and parents in the Texas Medicaid program and toughened eligibility requirements. • Family planning program budgets increased by about 10 percent, though with heavy reliance on assumed federal funds gained in 2019 from a not-yet-submitted Medicaid waiver application.
	<h3>Other Progress Made</h3>
	<ul style="list-style-type: none"> • For the first time, a bill to remove the requirement that advanced practice nurses practice under oversight of a delegating physician received a robust committee hearing with broad support.
	<h3>Missed Opportunities and New Challenges</h3>
	<ul style="list-style-type: none"> • The Senate rejected most of the House’s substantial reversals of harmful Medicaid pediatric therapy rate cuts from 2015, leaving children with special health care needs or disabilities vulnerable. • Ongoing federal efforts to repeal the Affordable Care Act, cap funding to states for Medicaid and reduce support for critical health care services threaten the Texas health care safety net.



All Texans are insured and remain insured

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Improve enrollment and renewal of Medicaid and CHIP for children and pregnant women • Prevent loss of Medicaid 1115 waiver funding • Pass a Texas solution to the Coverage Gap for working poor Texans 	<ul style="list-style-type: none"> • Advocates and providers who supported bills to improve Medicaid and CHIP eligibility agreed to pursue an interim study and/or administrative improvements to eligibility system flaws.
	<p data-bbox="505 583 971 621">Missed Opportunities and New Challenges</p> <ul style="list-style-type: none"> • A proposal to let children in the Medicaid program stay continuously enrolled for 12 months instead of six died in committee. • Lawmakers failed to approve a new pilot program which would have allowed caregivers to renew their children in Medicaid and CHIP at the same time and reduce the number of annual income verifications. • A bill to authorize local or regional health care coverage programs under future renewals of the state's 1115 Medicaid Transformation waiver died in committee. • Lawmakers failed to adopt a Texas solution for the 1 million uninsured Texans stuck in the health care "Coverage Gap." • The Legislature approved the creation of a potentially harmful temporary risk pool as a contingency for federal repeal of the Affordable Care Act, if Congress requires or allows it.



Health coverage ensures access to quality care and financial protections

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Increase protections against surprise medical billing • Enhance standards for private insurance 	<ul style="list-style-type: none"> • A new law will expand the mediation program to help consumers resolve surprise medical bills. • A bill that would have made surprise medical billing even worse did not make it out of committee. • A dangerous bill that died in committee would have allowed health insurance companies to offer plans that didn't cover essential benefits.
	<p data-bbox="505 1598 971 1635">Missed Opportunities and New Challenges</p> <ul style="list-style-type: none"> • Lawmakers failed to approve a couple of measures that would have kept surprise medical bills from damaging Texans' credit reports. • Bills to require insurance companies to more frequently update their directories of participating medical professionals did not advance.

Ensure Health and Wellness



Texans with mental illness or substance use disorders can access services in the least restrictive setting

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Endorse expanded peer support services in correctional facilities and on re-entry to the community • Ensure clear standards and enforcement of federal and state laws requiring "parity" between mental health and substance use benefits and coverage 	<ul style="list-style-type: none"> • An important new law will strengthen requirements for parity (equal treatment) between insurance benefits for mental health and substance use disorders and for physical health care for many insured Texans. • Lawmakers approved a bill to facilitate the reimbursement of peer support specialist services under Medicaid. • The budget includes millions of additional dollars for various community-based services and projects linked to new mental health legislation, including support for state hospital operations, repairs and construction. • A new law, filed in memory of Sandra Bland, will mandate county jails to direct people in a mental health crises or with substance use disorders into treatment, improve mental health training for peace officers, and raise standards for data collected on traffic stops. • A new law will temporarily suspend an adult's Medicaid benefits rather than terminate them when entering a county jail, so they can be reinstated quickly upon release.
	<p>Missed Opportunities and New Challenges</p>
	<ul style="list-style-type: none"> • Several bills that would have added specific mental health illnesses or diagnoses to required health insurance coverage did not make it out of committee, including one that would have closed coverage loopholes in insurance regulations.



All Texans have year-round access to healthy food

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Amend the Supplemental Nutrition Assistance Program (SNAP) work requirement policies to improve the program's ability to serve vulnerable populations and protect families from the loss of benefits • Defeat efforts to restrict SNAP purchases 	<ul style="list-style-type: none"> • Bills that would have made it more difficult for Texans to use their SNAP benefits (like the requirement of a photo ID) were blocked. • A proposal that would have negatively impacted the distribution of SNAP benefits died on the House floor. • A bill that would have prevented the state from offering exemptions from SNAP work requirements in areas of high unemployment was blocked.
	<p>Missed Opportunities and New Challenges</p>
	<ul style="list-style-type: none"> • The Senate approved the creation of a report identifying the schools that do not yet participate in a streamlined free breakfast and lunch program, but the bill died in the House. • A proposal to exclude certain assets like vehicles from benefit eligibility requirements died before a floor vote.



Texans are able to access existing safety net programs when needed, and benefits extend to Texans raising children of other family members

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none">• Improve benefit program access and administration• Amend Temporary Assistance for Needy Families (TANF) program to provide meaningful cash assistance to kinship families	<ul style="list-style-type: none">• A new law will provide monthly financial assistance to relatives who become caretakers of children in the Child Protective Services (CPS) system.
	<h3>Missed Opportunities and New Challenges</h3> <ul style="list-style-type: none">• A proposal died in committee that would have created a navigator program to assist benefit program access and administration for kinship caregivers.• Several bills died that would have improved access to supplemental TANF financial assistance for kinship caregivers outside of the CPS system.



Expand Economic Opportunity

The House worked hard to craft a reasonable plan for school finance reform, but it unraveled when zealots in the Senate added school vouchers and removed most of the funding. Modest increases were made in need-based financial aid and support for community colleges, but the state continued to underinvest in higher education. Fortunately, several damaging bills were blocked that would have cut funding to higher education, eliminated financial aid for Texas students and overridden local payday lending regulations. Fear-mongering tarnished Texas' long-held reputation for sensible immigration policies, and led to passage of a "show me your papers" law that will force immigrants into the shadows, threatening public safety and the Texas economy.



Texas funds its public schools to meet the needs of students and close achievement gaps between socio-economic and racial groups

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Achieve changes to the school finance system to improve equity in funding • Defeat efforts to divert limited public funding to voucher programs • Support a statewide study of the cost of providing quality education • Increase funding for the High-quality Prekindergarten grant programs • Advance policy solutions to address academic challenges faced by middle school students 	<ul style="list-style-type: none"> • Lawmakers rejected school voucher bills that would have diverted millions of dollars from public schools to subsidize private school tuition.
	<p>Other Progress Made</p> <ul style="list-style-type: none"> • Legislation to study best practices around dropout prevention and recovery, and to implement an early warning data system, passed out of the House Public Education Committee unanimously but did not make it to the House floor.
	<p>Missed Opportunities and New Challenges</p> <ul style="list-style-type: none"> • A promising bill to take the first steps toward school finance reform died after the Senate added a special education voucher provision. • Proposals stalled that would have adjusted school finance formulas to address the needs of educationally disadvantaged students and students with limited English proficiency. • A commission to study the school finance system died in Committee. • Lawmakers eliminated funding for grants to improve Pre-K quality, and required all districts to use existing funding to pay for programs, resulting in a net loss to districts.





Texas colleges become more affordable, and fewer students are dependent on loans

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Defeat efforts to reduce financial aid funding or remove tuition-funded financial aid programs • Adopt a funding policy that incentivizes closing academic achievement gaps between socio-economic and racial/ethnic groups • Increase the amount of state funds community colleges can use for improved student outcomes • All Texans have access to college savings accounts (CSAs) 	<ul style="list-style-type: none"> • The state’s primary financial aid program for 4-year institutions, TEXAS Grants, received a 10 percent increase in funding. • Several proposals to limit or eliminate specific forms of financial aid for low-income students were blocked. • Proposals to cap tuition increases, without also increasing state support for public colleges and universities, died in the House. • A proposal died in Committee that would have repealed the law that enables the top 10 percent of each graduating high school class to be automatically admitted to top Texas public universities. • The state provided a modest increase in the amount of state funds community colleges can use for improved student outcomes. • Lawmakers avoided making significant cuts to higher education institutions that were proposed at the beginning of the session. <p>Other Progress Made</p> <ul style="list-style-type: none"> • A good work study bill passed out of both chambers, but died in conference committee after a provision was added to exclude immigrant students. <p>Missed Opportunities and New Challenges</p> <ul style="list-style-type: none"> • Lawmakers did not provide the 9 percent formula increase in funding for 4-year and 2-year institutions recommended by the Texas Higher Education Coordinating Board. • After passing the House, a bill died in the Senate that would have improved financial incentives for two Texas universities implementing an accelerated baccalaureate program for adult students.



Texans have access to workforce training, education career pathways, and quality jobs

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Increase and improve the integration of higher education and workforce data • Increase support for the Accelerate Texas program, which integrates basic skills with workforce training • Expand access to retirement savings in the workplace • Increase the state minimum wage 	<ul style="list-style-type: none"> • Legislation passed to expand reporting for the current Texas work study program. <p>Missed Opportunities and New Challenges</p> <ul style="list-style-type: none"> • Lawmakers cut \$4 million from the Accelerate Texas program, which integrates basic skills with workforce training. • After voted out of the House Higher Education Committee, a bill died that would have required colleges and universities to provide applicants with employment data relating to fields of study. • A proposal to create a new Texas college work-study program died in the Senate after being voted out of both Higher Education Committees. • Proposals to expand access to retirement savings and raise the minimum wage all died in committee.

Expand Economic Opportunity



All Texans have the opportunity to acquire financial skills and assets

Our Objectives

- Protect and expand consumer financial protections
- Expand opportunities for Texans to save for the future

Good Bills Passed or Bad Bills Blocked

- Lawmakers approved a bill that helps more Texans save money by allowing banks and credit unions to operate a prize-linked savings account program in which clients would be entered into a raffle when they save money.
- Several bills that would have preempted or enabled challenges to local regulations of payday lending were narrowly defeated.



Texas recognizes and supports the economic contributions of immigrants

Our Objectives

- Defeat anti-“sanctuary city” proposals that threaten the well-being and safety of immigrants and communities
- Defeat efforts to repeal the Texas Dream Act or eliminate financial aid for immigrant students

Good Bills Passed or Bad Bills Blocked

Several bills that would have repealed in-state tuition or eliminated financial aid or work study opportunities for immigrant students were blocked.

Missed Opportunities and New Challenges

Lawmakers passed a draconian anti-“sanctuary city” bill that creates a “show me your papers” climate, threatening public safety and the Texas economy.



Invest in Texas

With education and health care funding stagnant, the best that can be said about these areas of the 2018-19 budget is that even bigger cuts and underfunding were averted. Increases in students, clients and costs will continue to strain public education and health care as both the All Funds and General Revenue spending levels approved by the Legislature remain at or below the 2016-17 level. Lawmakers enacted no major cuts to state revenue, though a phase-out of the franchise tax got much further in the legislative process than fiscal realities should have allowed. More restrictive local property tax caps also failed to make it past both chambers.



State and local revenue systems are capable of fully funding necessary public services

Our Objectives	Good Bills Passed or Bad Bills Blocked
<ul style="list-style-type: none"> • Pass a state budget that better funds necessary public services • Prevent harmful tax cuts or revenue diversions • Reject a tighter state spending cap • Use the Rainy Day Fund, if needed, to prevent major cuts to education and health care 	<ul style="list-style-type: none"> • The 2018-2019 budget provides notable increases for child protective services, some community mental health programs, and state highways, but almost all other areas lost ground to population and cost growth. • Two harmful proposals to eliminate the franchise tax, authored by powerful legislators, passed their initial chamber but died in the other. • A dangerous proposal to require special elections when city, county, and other local governments want to increase their property tax collections beyond certain amounts was killed in a House committee after passing the Senate. • A "priority" Lieutenant Governor's bill to tighten a state spending cap passed the Senate but was never heard by a House committee.
<ul style="list-style-type: none"> • Block efforts to further restrict local governments' ability to raise the revenue needed for public services • Improve the appraisal process to ensure assessment of all property at full market value 	<p>Other Progress Made</p> <ul style="list-style-type: none"> • The House passed a set of good changes to notices of property tax appraisals and local budget/tax hearings, but the bill died at the end of the session. • A bill to study sales taxes on online purchases passed the Senate but failed to get a hearing in a House committee. • A proposal by the Comptroller to lower the cap on the Economic Stabilization Fund (Rainy Day Fund) and create a new fund to generate more revenue received a positive reception but ran out of time this legislative session.
	<p>Missed Opportunities and New Challenges</p> <ul style="list-style-type: none"> • The Legislature significantly underfunded Medicaid, creating the need for a larger-than-usual supplemental budget in 2019. • A bill to improve oversight of Chapter 313 school property tax breaks passed the Senate but died in a House committee. • Several tax transparency bills died, including publishing a list of businesses that benefit from tax breaks and disclosing sales prices for properties.



We believe in a Texas

that offers everyone the chance to compete and succeed in life.

We envision a Texas where everyone is healthy, well-educated, and financially secure.

We want the best Texas – a proud state that sets the bar nationally by expanding opportunity for all.

The Center for Public Policy Priorities is an independent public policy organization that uses data and analysis to advocate for solutions that enable Texans of all backgrounds to reach their full potential. We dare Texas to be the best state for hard-working people and their families.

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