2026 Texas Senate Interim Charges

Lt. Governor Patrick announced new interim charges for Senate committees to study during the interim, noting that additional charges may be issued in the coming months. The charges can be found here. In his press release he emphasized that the Senate will focus on key priorities, including property tax relief, reducing the homestead tax freeze age, increasing homestead exemptions, limiting local government spending, strengthening the power grid, and addressing fraud and abuse in state government, as a part of a broader conservative agenda for the 90th Legislature.

As with the House charges, as we move through the interim, some of these charges will require more active engagement from ICT, while others we will monitor in case issues arise that impact the industry. In some cases, the connection to insurance may be indirect, but we will track these discussions for any potential implications to the market, claims environment, or regulatory framework.

Below are interim charges of interest:

Business & Commerce (page 2)
The Senate Business & Commerce Committee has jurisdiction over property and casualty insurance issues. The Committee received eight interim charges, with one property and casualty specific one focused on affordability and market stability we will closely engage in, and one other charge we will monitor.

- **Strengthening Regulatory Oversight and Access to Affordable Insurance for Texans:** Evaluate the rising cost of property and casualty insurance in Texas. Consider the stability and competitiveness of the Texas insurance market, insurer participation, and coverage availability to meet consumer demand. Make recommendations to increase affordability, improve reporting to strengthen consumer protections, and support timely regulatory and legislative responses.
- **Monitoring:** Monitor the implementation of legislation addressed by the Senate Committee on Business and Commerce passed by the 89th Legislature, as well as relevant agencies and programs under the committee's jurisdiction. Specifically, make recommendations for any legislation needed to improve, enhance, or complete implementation of the following: *(Note: The bolded item reflects the legislation we are focused on under this monitoring charge.)*
  - Senate Bill 815 (89th Legislature), relating to the use of certain automated systems in, and certain adverse determinations made in connection with, the health benefit claims process;

- Senate Bill 1964 (89th Legislature), relating to the regulation and use of artificial intelligence systems and the management of data by governmental entities
- House Bill 14 (89th Legislature), relating to support for the development of the nuclear energy industry;
- **House Bill 149 (89th Legislature), relating to regulation of the use of artificial intelligence systems in this state; providing civil penalties**
- House Bill 150 (89th Legislature), relating to the establishment of the Texas Cyber Command and the transfer to it of certain powers and duties of the Department of Information Resources.

Finance (page 7)

- **Rural Fire Protection Funding:** Monitor the implementation of appropriations provided by the 89th Legislature for the Rural Volunteer Fire Department Assistance Program. Examine the distribution of grants for firefighting equipment, training, and protective clothing. Evaluate the impact of the increased funding on reducing the grant application backlog and examine whether the allocation of funds to high-risk wildfire areas is effectively enhancing community safety. Make recommendations for any legislation needed to improve, enhance, or complete the delivery of these critical resources to rural fire departments. <u>*(Note: Early proposals last session would have increased insurer assessments; however, the legislation ultimately passed without raising the existing $30 million cap.)*</u>
- **Preventing Fraud, Waste, and Abuse:** Review state agencies' strategies to detect and mitigate fraud, waste, and abuse. Quantify the fiscal impact of financial impropriety on the state budget. Identify high-risk areas such as entitlement programs, contracted services, and technology contracts. Assess prevention and recovery efforts, including data analytics, reporting mechanisms, financial recoveries, and prosecutions. Make recommendations to strengthen oversight and better protect public funds. <u>*(Note: This charge focuses on strengthening oversight of state agencies to detect and prevent fraud, waste, and abuse; while not directly engaging, we will monitor for any discussions or implications related to TDI.)*</u>

Natural Resources (page 13)

- **Protecting Texas from Wildfires:** Study the state's wildfire prevention and mitigation strategies. Evaluate the effectiveness of fuel management practices, including prescribed burns and mechanical thinning, to reduce fuel loading on public and private lands. Assess the vulnerability of utility infrastructure in high-risk areas and the adequacy of early warning systems. Make recommendations to enhance state and local coordination and improve the long-term resiliency of Texas communities against catastrophic wildfires.

State Affairs (page 15)

- **Guaranteeing Fair Banking for All Texans:** Study the practice of banks **and insurance companies** closing, restricting, or denying services to people, lawful businesses, and entire industries based on political, religious, and other nonfinancial factors. Make recommendations to ensure all Texans have access to fair banking.
- **Protecting the Integrity of the Judiciary:** Study attempts by public advocacy groups to improperly influence the judiciary with biased informational seminars. Identify entities attempting to influence judges with training based on skewed information. Make recommendations to ensure Texas judges remain fair and impartial and are not influenced or trained by nefarious individuals attempting to improperly impact the outcome of cases.

Transportation (page 17)

- **Studying the Deployment of Autonomous Vehicle Technology:** Study the deployment of autonomous vehicle technology as authorized by SB 2807, (89th Session), including rulemaking adopted by the Texas Department of Public Safety, the Texas Department of Motor Vehicles and the Texas Department of Licensing and Regulation. Quantify the impact on traffic-related collisions. Make recommendations to ensure that the continued deployment of autonomous vehicles prioritizes public safety and aligns with the evolving technological landscape on Texas roads.
- **Strengthening Commercial Driver License Standards and Oversight:** Examine the issuance of Commercial Driver Licenses (CDL) in Texas. Identify opportunities to strengthen safety standards of third-party CDL training schools and testing facilities, such as unannounced or undercover audits. Review program standards of English-proficiency throughout the CDL program for all commercial drivers in Texas, regardless of destination. Examine law enforcement policies relating to roadside inspections, including how an officer verifies the validity of a CDL and associated documents. Make recommendations to bolster the integrity of third-party providers, to ensure English proficiency among Texas CDL holders, and to support public safety through enforcement.

Health & Human Services (page 8)
This is an area where we will monitor potential implications to workers' compensation, but we expect the focus to be on health insurance.

- **Rising Health Care and Insurance Costs:** Examine the drivers of rising health care costs in Texas. Consider whether certain providers and models for health care services, including, but not limited to, Pharmacy Benefit Managers and health care facility fees, have resulted in business practices that are contributing to rising health care costs and insurance premiums. Identify ways to lower the cost of health care and increase market flexibility, drawing on additional product offerings like Health Savings Accounts and new flexible plans.