



## A Review of the 88th Session of the Texas Legislature

# That's a Wrap ... For Now

By **Kenneth Besserman, JD, Director of Government Affairs and Special Counsel**

**O**n May 29, the Texas Senate and House adjourned sine die, ending the 88th Session of the Texas Legislature amidst a whirlwind of unfinished business, a property tax reform standoff, arguments between both chambers and the Big Three, and a historic impeachment of the Attorney General. The session began in January with high expectations from many about the legislature shoring up property taxes, infrastructure investment, development of water projects, and addressing school finance and teacher pay raises.

The optimism was largely the result of an unprecedented budget surplus of over \$35 billion. But as we all saw over the last several months, a budget surplus does not solve all problems, but actually makes it more difficult for the legislature to prioritize and negotiate on important issues.

TXCPA accomplished two enormous legislative wins in the session. This year, TXCPA aimed to address the CPA pipeline issue and take some steps toward meeting some of the goals of the TXCPA Pipeline Strategy. Working closely with our legislative partners,

TXCPA pushed for a change to allow accounting students the flexibility to begin take the CPA Exam earlier in their education journey.

[Senate Bill 159](#) – allowing students to take the Exam after completion of 120 semester hours and 21 hours of upper-level accounting – passed the legislature unanimously and was signed by Governor Greg Abbott. Texas is now among 48 other states allowing students to test earlier while still maintaining a 150-semester hour requirement for licensure. This legislation is vital to give students the ability to test earlier and continue on their path towards CPA licensure to grow the CPA pipeline.

Another important bill that TXCPA advocated for was [House Bill 2217](#) – expansion of the Texas State Board of Public Accountancy's fifth-year scholarship program. Governor Abbott also signed this bill.

The legislation will make the scholarship available to accounting students who have completed at least 15 semester hours of upper-level accounting, allowing students to earn the scholarship before their fifth year

of accounting. Allowing more students access to needed financial support will enable those students to continue their journey towards licensure.

We are extremely proud to have passed these bills that will be instrumental in making some progress towards expanding the CPA pipeline.

The session's other highlights included passing a state budget (HB 1 appropriating over \$300 billion) that enabled the legislature to fund some much-needed infrastructure projects like water (SB 28/SJR 75) and broadband (HB 9/HJR 125). The legislature also:

- Extended Medicaid eligibility to 12 months for post-partum mothers (HB 12);
- Cracked down on fentanyl poisoning (HB 6);
- Shored up the electricity grid (HB 1500);
- Established a new economic development incentive program (HB 5); and
- Endowed another fund for higher ed research institutions (HB 1595).

The session ended with no agreement on how to cut property taxes. At the time of this writing, the House and Senate had reached a deal.

At the conclusion of the session, the House, in an overwhelming bi-partisan vote of 121-23, impeached Attorney General Ken Paxton. Twenty articles of impeachment were presented to the full House on the penultimate day of session. After years of legal and ethical troubles, the House believed it was its duty to impeach the Attorney General. The case was presented to the Senate for an impeachment trial scheduled to occur this summer.

So ended the historic session. TXCPA had an extremely successful session and the great news is that we were able to address issues important to the CPA and accounting professions. Thank you to all who helped in that effort.