

FINANCIAL SECURITY

During the 89th Texas Legislative Session, United Ways of Texas advocated for ALICE (Asset Limited, Income Constrained, Employed) households across the state. While we successfully secured several key wins to support working families, strengthen the workforce, and expand access to critical services, progress in other areas—particularly housing stability and transportation access—fell short of what is needed to ensure financial security for all Texans.

Child care was a top priority for policymakers this session, and strong advocacy by United Ways of Texas and partners helped secure \$100 million in subsidies to reduce waiting lists and expand access. Lawmakers also passed measures to strengthen the child care sector by supporting provider sustainability, improving data transparency, and strengthening reimbursement rates for high-quality child care programs.

While the Legislature took steps to address housing costs and increase supply—such as streamlining regulations to allow more homes on smaller lots (SB 15) and encouraging development through land use and zoning reforms (SB 840, SB 2477, HB 21)—lawmakers made little progress in expanding rental assistance, affordable housing for workers (SB 208), eviction prevention, or other supports for Texans struggling to stay housed. There was also a strong legislative push that threatened tenants’ rights under the false pretense of protecting property owners from “squatters.” Most concerning, SB 38 originally included some of the most anti-tenant provisions ever introduced in Texas—ranging from lightning-fast evictions with no hearing to undermining legal aid and allowing landlords to shop for sympathetic judges. Thanks to strong advocacy by local United Ways and other community-based nonprofits, as well as statewide partners and United Ways of Texas, the most harmful provisions were removed or significantly weakened.

Passed

Child Care

SB 462 by Sen. Kolkhorst gives priority on the child care subsidy waitlist to the children of eligible child care educators, improving access for the early education workforce.

SB 1265 by Sen. Alvarado requires the Texas Workforce Commission to provide child care resources and best practices to employers.

HB 599 by Rep. Thompson reduces local regulatory barriers to help licensed and registered child care homes operate and expand more easily.

Passed

HB 2294 by Rep. Thompson allows workforce boards to reimburse Texas Rising Star child-care providers at the maximum state rate, supporting more access to high quality care for eligible families.

HB 3963 by Rep. Capriglione and SB 2184 by Sen. Paxton) establishes an Early Childhood Integrated Data System (ECIDS) to track enrollment trends, identify service gaps, and inform more effective early childhood policies and programs.

HB 4529 by Rep. Hefner allows DOD-certified child care providers to operate without separate state licensing, which aims to increase access to care for military families in Texas.

Workforce Development

SB 856 by Sen. Flores SB 856 adds the Texas A&M Engineering Experiment Station to the list of entities eligible to use the Skills Development Fund for workforce training.

SB 1080 by Sen. West allows incarcerated Texans who complete education and training programs to earn a provisional occupational license, helping improve their employment opportunities after release.

SB 1143 by Sen. Blanco strengthens support for disconnected youth ages 14–24 by requiring local workforce boards to set goals, improve coordination, and track outcomes for federally funded job training programs.

SB 1535 by Sen. Zaffirini directs the Texas Workforce Commission to develop a statewide training program for high-demand jobs in the nuclear energy sector, creating school-to-career pathways, new technical programs, and industry partnerships to address workforce shortages, with annual progress reports to the Legislature.

SB 1728 by Sen. Perry allows juvenile justice education programs at the state and local levels to apply for funding through the JET Grant Program, supporting efforts to help youth in the system successfully reintegrate into their communities.

SB 1786 by Sen. Creighton allows incarcerated students in the Windham School District to take free dual credit courses while finishing their high school education.

SB 2405 by Sen. Parker includes provisions that support expanding education and job training programs in prisons to help inmates gain skills for employment after release, while promoting coordination of health and support services to aid successful reentry.

Passed

SB 2448 by Sen. Sparks allows the Texas Workforce Commission to fund nonprofits rural communities align education and workforce goals—strengthening job training, college readiness, and pathways to high-demand careers in fields like agriculture, healthcare, and technology.

HB 11 by Rep. Phelan simplifies the process for out-of-state skilled professionals—such as HVAC technicians, electricians, and plumbers—to obtain licensure in Texas.

HB 322 by Rep. Guillen expands JET (Jobs and Education for Texans) Grant fund uses to include subscription-based tech tools like Virtual Reality training, helping schools enhance career readiness.

HB 2768 by Rep. Capriglione establishes a state-recognized IT apprenticeship credential, allowing agencies to partner with colleges to train talent and fill IT roles—offering a pathway that can substitute for a four-year degree in certain state jobs.

HB 3260 by Rep. Bell redefines qualifying apprenticeship programs for Texas by allowing the Texas Workforce Commission to recognize or certify programs under its own rules, rather than relying on federal approval from the U.S. Department of Labor.

HB 3698 by Rep. Vo requires certain unemployment benefit recipients to take part in reemployment services if they're identified as needing help finding work, making it a condition to keep receiving benefits.

HB 3699 by Rep. Vo updates the definition of “last work” and “last employer” in unemployment claims to exclude short-term employment of 30 hours or more with non-covered employers, aligning eligibility determinations more closely with traditional employment relationships.

HB 3923 by Rep. Bell directs state agencies to remove bachelor's degree requirements for positions where a degree is not essential.

HB 4848 by Rep. Harris-Davila requires each Texas public higher education system to offer at least one competency-based bachelor's degree in a high-demand field, with total student costs capped at \$10,000, adjusted annually for inflation.

HB 5629 by Rep. Wilson streamlines occupational licensing for military spouses by allowing them to practice in Texas if they hold a similar license from another jurisdiction, without needing to meet state-specific requirements. It also waives application and exam fees for military spouses and removes residency documentation requirements.

Passed

Housing

SB 15 by Sen. Bettencourt restricts large Texas cities from enforcing minimum lot sizes above 1,400 sq ft (or width/depth limits) and minimum density rules below 31.1 units/acre on new subdivisions larger than five acres—aimed at boosting housing supply.

SB 38 by Sen. Bettencourt speeds up the eviction process in cases without disputed facts (primarily squatters) and provides modest “right to cure”.

SB 617 by Sen. Schwertner requires cities to hold a public hearing and notify nearby residents before converting city property into housing for people experiencing homelessness, allowing residents to challenge the decision if those steps aren’t followed.

SB 785 by Sen. Flores requires Texas municipalities to allow new HUD-code manufactured homes in at least one residential zoning district, limiting local restrictions that exclude these homes, and sets a 45-day deadline for approval of installation applications, with exemptions for historic districts and existing deed restrictions.

SB 840 by Sen. Hughes streamlines the conversion of existing commercial buildings to housing by allowing mixed-use and multifamily residential development “by right” in areas zoned for office, commercial, retail, or warehouse use.

SB 2137 by Sen. Menéndez prevents the Texas Department of Housing and Community Affairs (TDHCA) from using school ratings of nearby public schools to evaluate housing tax credit applications and requires a study on the impact of this change.

SB 2477 by Sen. Bettencourt requires cities to allow the conversion of office buildings into mixed-use or multifamily residential housing through an administrative approval process.

HB 21 by Rep. Gates reforms housing finance corporations by enforcing local approval, rent reductions, income limits, voucher acceptance, annual audits, and stronger tenant protections to ensure accountability and affordable housing outcomes.

HB 2525 by Rep. Darby protects property tax exemptions for charitable organizations providing housing and services to Texans aged 62 and older, ensuring funds support their mission rather than taxes.

Passed

Financial Coaching, Fair Lending, and Education

SB 1697 by Sen. Blanco protects consumers from misleading solar energy sales by requiring the Public Utility Commission of Texas to publish an online guide that helps homeowners choose systems that fit their needs and budget.

HB 27 by Rep. King amends current law relating to courses in personal financial literacy for high school students in public schools.

HB 4655 by Rep. Hull expands the Transitional Living Services Program for foster youth by requiring foster care providers to educate transitioning youth on financial literacy, housing, and public assistance enrollment, including topics like payday loans, rental contracts, and accessing public benefits.

Other Financial Security

SB 379 by Sen. Middleton prohibits the use of SNAP benefits to purchase sweetened beverages and candy.

SB 1238 by Sen. Kolthorst protects widowed individuals from insurance discrimination by ensuring they maintain the same coverage and rates they had while married, helping prevent unfair financial burdens after the loss of a spouse.

SB 1923 by Sen. West ensures that child support payments continue to follow the child when placed with a nonparent adult caregiver under an authorization agreement.

HB 334 by Rep. Ordaz allows counties to create a family leave pool, enabling employees to donate unused leave to support coworkers during emergencies, childbirth, adoption, or serious illness—providing critical flexibility and support in times of need.

HB 1041 by Rep. Turner prohibits paid caregivers from being named as beneficiaries on life insurance policies for individuals they care for, aiming to prevent conflicts of interest and protect vulnerable Texans.

HB 4238 by Rep. Meyer streamlines access to debt collection protections for victims of identity theft, coercion, domestic violence, and human trafficking—helping vulnerable adults more easily clear fraudulent debts without needing to hire an attorney.

Passed

Key Budget Items:

\$106.8 million in funding for Temporary Assistance for Needy Families (TANF) to serve additional eligible children through the childcare assistance program; \$68 million to credit the state's Unemployment Compensation Fund; \$31 million for vocational rehabilitation; \$142.3 million for community housing projects under the General Land Office and Veterans Land Board; an additional \$397.1 million for the Texas Veterans Homes Administration Fund; funding to increase the base wage for personal attendant services to \$13.00 per hour.