

2025 Texas Substance Use Legislation at a Glance

Given there are over 8,000 bills filed this session, we are not able to cover all legislation that effects the substance use community. Below is a list of subject areas covered in this brief overview.

Topics covered:

Recovery Housing
Peer Recovery Organizations and Workforce
Drug Checking Supplies
Patient Solicitation
Pregnant Women with SUD
Parity

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Recovery Housing

House rider #124:

- Requests \$4.3 million in General Revenue over the biennium for HHSC to implement and administer accreditation programs for Level II-III recovery homes, as authorized by HB 299 (88R). Support a budget rider directing HHSC to allocate these funds based on best practice standards.

Key Provisions:

Expansion of services:

- financial assistance for accreditation,
- rental assistance for residents,
- expansion stipends for underserved populations (exp. parents with children, veterans, rural areas).

Impact:

- Reduces dependence on federal funding
- Aligns with federal funding requirements
- Provides added consumer protections

Peer Recovery Services

HB 3550 (Moody)/ HB 4421 (Rose)- establishes a definition and parameters of peer recovery organizations (PRO's). HB 3550 directs key state agencies to identify funding, training, and technical assistance resources that can support peer-recovery organizations (PROs) in Texas. It ensures that state resources are leveraged to strengthen peer-led recovery initiatives.

Key Provisions:

Defines Peer-Recovery Organizations (PROs):

- Nonprofit organizations that are at least 51% led by individuals in recovery from substance use disorders or mental health conditions.
- Mobilize community resources to expand access to peer support services for individuals and families affected by mental health and substance use disorders.

State Agency Responsibilities:

- The following agencies must identify available resources for PROs:
- Health and Human Services Commission (HHSC)
- Department of State Health Services (DSHS)
- Department of Family and Protective Services (DFPS)
- Texas Department of Housing and Community Affairs (TDHCA)
- Texas Department of Criminal Justice (TDCJ)
- Texas Juvenile Justice Department (TJJD)
- Texas Veterans Commission (TVC)

Biennial Report to the Legislature:

- By August 1 of each even-numbered year, these agencies must submit a detailed report outlining available funding, training, and technical assistance resources for PROs.

Impact:

- Strengthens the peer recovery support system by ensuring state agencies actively identify and provide resources to PROs.
- Promotes sustainability for peer-led recovery organizations, improving access to community-based support for mental health and substance use recovery.
- Enhances collaboration between state agencies and peer-led organizations, maximizing recovery resources across Texas.
- This bill represents a major step in institutionalizing state support for peer-led recovery services, helping to build a stronger, more sustainable recovery network in Texas.

SB 2475 (Menendez)- establishes clear standards for criminal history disclosure and eligibility related to certification as a peer specialist or peer specialist supervisor for Medicaid-funded mental health and substance use services. The bill ensures consistent enforcement while providing limited opportunities for exceptions under extenuating circumstances.

Key Provisions:

Mandatory Criminal History Disclosure:

- Applicants and current certificate holders must disclose any:
- Misdemeanor or felony charges or convictions
- Community supervision (including deferred adjudication)
- Indictments related to criminal offenses

Offense Categories & Mandatory Ineligibility Periods:

- Offenses are grouped into five categories, each with a different certification ineligibility period:

- Category 1 (e.g., capital murder, sexual offenses involving minors) → Permanent ban
- Category 2 (e.g., arson, kidnapping, certain sexual offenses) → 15-year ban
- Category 3 (felony offenses causing or risking physical harm) → 10-year ban
- **Category 4 (Class A drug/alcohol or harm-related misdemeanors/felonies) → 2-year ban**
- **Category 5 (Class B drug/alcohol or harm-related misdemeanors) → 2-year ban**

Ongoing Duty to Report:

- Certified individuals must immediately report new qualifying convictions or community supervision placements.

Incapacity and Registry Restrictions:

- Certification is prohibited if the individual:
- Has a finding of incapacity by a court, or
- Is listed on the HHSC employee misconduct registry.

Deferred Decisions & Appeals:

- If an applicant is currently charged or indicted for a qualifying offense, their application is deferred until resolution.
- Limited appeal rights are granted only if the applicant believes their ineligibility period has expired.

Exception Process (Optional):

- Certification entities may create an exception process for applicants with criminal histories, based on extraordinary or extenuating life circumstances.
- No exceptions are allowed for those on the employee misconduct registry.

Impact:

- Creates clarity and consistency in background check decisions for peer specialists and supervisors.
- Balances public safety and access to workforce opportunities for people with lived experience in recovery.
- Encourages transparency while allowing limited redemption paths through an approved exception process.

Effective Date:

- September 1, 2025
- Applies to all applications (new and renewal) pending or submitted on or after that date.
- This bill reflects an effort to build a safe and professional peer workforce while maintaining opportunities for rehabilitation and inclusion when appropriate.

HB 3599 (Gervin-Hawkins)- certification of peer specialists and peer specialist supervisors for purposes of Medicaid mental health and substance use services. HB 3599 aims to clarify and standardize the eligibility criteria for peer specialist and peer specialist supervisor certification under Medicaid mental health and substance use services. The bill sets specific timelines for denying certification based on past criminal convictions while allowing for stricter exclusions in cases involving harm to others.

Key Provisions:

Time-Limited Certification Denials:

- An applicant for peer specialist or peer specialist supervisor certification under Medicaid can be denied certification for:
- Three years following a Class A misdemeanor or felony conviction related to alcohol or drug offenses.
- Two years following a Class B misdemeanor alcohol or drug offense.
- Three years following any other felony conviction, unless an exception applies.

Stricter Exclusion for Certain Offenses:

- A longer exclusion period may be applied if the conviction involved:
- Harm or potential harm to a child, an adult, or an animal.
- The executive commissioner is responsible for defining these extended exclusion periods through rulemaking.

Federal Waiver Flexibility:

- If a federal waiver or authorization is required to implement any part of the bill, the responsible state agency must request the waiver and may delay implementation until approval is granted.

Impact:

- Ensures consistent eligibility criteria for peer specialists in Medicaid mental health and substance use services.
- Expands employment pathways for individuals with lived experience, reducing arbitrary lifetime bans.

HB 1941 (Campos)- establishes a formal peer support specialist program for individuals with intellectual or developmental disabilities (IDD) and integrates these peer services into Medicaid. This bill aims to expand peer support for individuals with IDD.

Key Provisions:

Development of IDD Peer Support Services

- The Texas Health and Human Services Commission (HHSC), with input from IDD peer support specialists and a stakeholder work group, will create:
- Training, certification, and supervision requirements for IDD peer support specialists.
- A defined scope of services for IDD peer support specialists.
- Rules distinguishing IDD peer support from other licensed or certified services.
- Other necessary regulations to ensure health and safety of individuals receiving services.

Exclusions:

- These rules do not apply to state-supported living center residents.

Stakeholder Work Group Formation:

- The work group will assist in rule adoption and will consist of representatives from:
- Mental health and substance use disorder peer support specialists.
- IDD peer support specialists.
- HHSC Peer and Recovery Services Programs.
- The Texas Council for Developmental Disabilities, Texas Parent to Parent, and Texas Advocates.
- A certified trainer from the Learning Community for Person-Centered Practices.
- The work group will meet monthly and dissolve once the rules are adopted.

Medicaid Integration:

- Medicaid rules will be amended to include IDD peer support services provided by certified specialists, as permitted by federal law.

Implementation:

- The HHSC executive commissioner will appoint work group members as soon as practicable after the bill's effective date.
- If a federal waiver or authorization is needed for implementation, HHSC will request it and may delay implementation until approval.

Expand Access to Drug Checking Supplies

HB 1644 (Oliverson)- legalizes the use, possession, distribution, and manufacture of drug-checking equipment used to detect fentanyl, its derivatives, and xylazine. HB 1644 is a targeted harm reduction bill that legalizes drug-checking equipment to combat the fentanyl and xylazine overdose crisis, helping to save lives across Texas.

Key Provisions:

Exemption from Drug Paraphernalia Laws:

- Amends Section 481.125 of the Health and Safety Code to state that drug-checking tools are not considered drug paraphernalia when used to detect:
- Fentanyl
- Alpha-methylfentanyl
- Any fentanyl derivative
- Xylazine (a veterinary sedative often found in illicit drug supplies)

Retroactive Protections Not Applied:

- The law applies only to offenses committed on or after the effective date.
- Offenses committed before that date remain subject to previous laws.

Impact:

- Enables individuals, public health programs, and organizations to distribute and use fentanyl and xylazine test strips without legal risk.
- Supports overdose prevention and harm reduction strategies amid the ongoing opioid and synthetic drug crisis.
- Brings Texas in line with national public health trends to legalize lifesaving drug-checking tools.

SB 540 (Johnson)- Relating to the use, possession, delivery, or manufacture of testing equipment that identifies the presence of a substance listed in Penalty Group 1-B. (Identical: SB 362-Eckhardt, HB 253- Talarico). SB 540 ensures that individuals and organizations can legally use, possess, deliver, or manufacture drug-checking equipment designed to detect the presence of Penalty Group 1-B substances, which includes fentanyl and related synthetic opioids.

Key Provisions:

Exemption from Criminal Penalties:

- Amends Section 481.125 of the Texas Health and Safety Code to exempt drug-checking equipment from being classified as illegal drug paraphernalia when used to test for Penalty Group 1-B substances (e.g., fentanyl).
- Ensures that possession, distribution, or manufacture of such testing tools is not a criminal offense in Texas.

Focus on Harm Reduction:

- Allows individuals to test substances for fentanyl and other dangerous adulterants, helping to prevent accidental overdoses.
- Supports public health strategies aimed at reducing opioid-related fatalities.

Retroactive Protection:

- The law applies only to offenses committed on or after the effective date, but previous offenses will still be prosecuted under prior law.

HB 2567 (Goodwin)- Relating to equipment used or intended for use in testing or analyzing a controlled substance. This bill removes drug checking equipment from the definition of “drug paraphernalia,” ensuring that individuals and organizations can legally test substances for harmful contaminants such as fentanyl and other adulterants.

Key Provisions:

Removes Drug Checking Equipment from Criminalization:

- Amends the Texas Health and Safety Code to exclude testing and analyzing equipment from the definition of drug paraphernalia.
- Ensures that possession or use of fentanyl test strips and other drug-checking tools is not a criminal offense.

Changes to Criminal Code:

- Updates Sections 481.002 and 481.125 of the Health and Safety Code to remove references to testing and analyzing controlled substances as a prohibited activity.
- Individuals and organizations can legally use, possess, and distribute drug-checking tools without fear of prosecution.

Impact:

- Expands harm reduction strategies to prevent overdose deaths by enabling individuals to test substances for deadly contaminants.
 - Supports public health initiatives aimed at reducing opioid-related fatalities in Texas.
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Patient Solicitation and Deceptive Marketing Practices

HB 4454 (Vo)- strengthens regulations on patient solicitation and deceptive marketing practices in healthcare, particularly within mental health and substance use treatment facilities. The bill establishes a Task Force on Patient Solicitation to oversee enforcement and increases criminal penalties for violations.

Key Provisions:

Creation of the Task Force on Patient Solicitation:

- Established to study and recommend policies for preventing fraudulent and deceptive patient solicitation.
- Composed of eight members, with appointments made by the executive commissioner and the attorney general.
- Responsible for submitting biennial reports to the Legislature with recommendations and summaries of enforcement actions.

Stronger Regulations on Patient Solicitation:

- Treatment facilities and their agents must disclose affiliations when soliciting referrals.
- Prohibits deceptive advertising, including false claims or misleading online marketing tactics.
- Restricts contracts with third-party marketing providers that refer patients without transparent agreements.

Enhanced Criminal Penalties for Violations:

- Increases penalties for patient brokering and deceptive solicitation:
- State jail felony (previously a misdemeanor) for accepting payment to secure or solicit patients.
- Second-degree felony for repeat offenses or violations committed by government employees.
- Civil penalties for violations increase to \$2,000 - \$25,000 per violation (previously \$1,000 minimum).

Impact:

- Reduces fraudulent and predatory marketing practices targeting vulnerable individuals in need of mental health and substance use treatment.
- Increases transparency in patient referrals and facility advertising.
- Enhances enforcement of ethical marketing and referral practices.

Pregnant Women with SUD

HB 330 (Meza) relating to reporting and investigating certain cases of child abuse or neglect involving a pregnant person's use of a controlled substance. HB 330 aims to modify reporting and investigation requirements related to child abuse or neglect cases involving a pregnant person's use of a controlled substance. The bill seeks to encourage treatment over punitive responses by providing exemptions from mandatory reporting and investigation under certain conditions.

Key Provisions:

Exemption from Mandatory Reporting:

- Healthcare professionals (including prenatal and mental health providers) are not required to report a pregnant person's illegal use of a controlled substance if:
- The individual is currently enrolled in or has recently completed a substance abuse treatment program, or
- They made reasonable efforts to enroll in a program within five days of disclosure.
- The professional must also determine that:
- There is no immediate risk of harm to the child from substance exposure.
- The individual does not otherwise pose an immediate risk of harm to the child.

Limits on CPS Investigations:

- The Department of Family and Protective Services may not investigate allegations of child abuse or neglect solely based on a pregnant person's illegal substance use if the individual successfully completes a substance abuse treatment program supervised by the referring or treating professional.

Impact:

- Encourages pregnant individuals to seek treatment without fear of automatic CPS involvement.
 - Prioritizes healthcare-based interventions over punitive responses.
 - Helps reduce barriers to prenatal care and substance use treatment for pregnant individuals.
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Parity

Bills filed draw on the *Texas Mental Health and Substance Use Disorder Parity Strategic Plan*

HB 1045 (Turner) – Relating to health benefit plan coverage for treatment of chemical dependency. HB 1045 aims to improve health insurance coverage for substance use disorder (SUD) treatment by expanding access and eliminating restrictive limitations on coverage for chemical dependency treatment in Texas.

Key Provisions:

Expanded Coverage for Chemical Dependency Treatment:

- Health benefit plans must provide coverage for the necessary care and treatment of chemical dependency.
- Coverage must be at least as favorable as coverage for physical illnesses.

Broader Applicability:

- Expands the types of health plans required to cover SUD treatment, including employer-based plans, individual policies, and health maintenance organizations (HMOs).
- Removes previous exceptions that allowed certain smaller employers or individual insurance plans to exclude SUD treatment coverage.

Removal of Lifetime Limits:

- Eliminates the lifetime cap on the number of treatment series covered for an individual.
- Coverage cannot be denied based on arbitrary limits on the number of treatment episodes.

Enhanced Standards for Care:

- Ensures treatment in chemical dependency treatment centers is covered at an appropriate level of care, similar to hospital-based treatment.
- Requires the Texas Department of Insurance and the Health and Human Services Commission to establish clear coverage standards for insurers.

Impact:

- Expands access to affordable and comprehensive treatment for individuals struggling with substance use disorders.
- Aligns insurance coverage for SUD treatment with coverage for other medical conditions, reducing barriers to care.
- Ensures more Texans can seek and complete treatment without financial restrictions.

Effective Date:

- Applies to health plans issued or renewed on or after January 1, 2026.
- The bill takes effect on September 1, 2025.

HB 1142 (Oliverson) – Relating to health benefit plan coverage for treatment of chemical dependency. HB 1142 ensures that mental health and substance use disorder (SUD) benefits offered through state and public employee health plans are subject to the same parity requirements that apply to private insurance—ensuring equal treatment in coverage for behavioral and physical health conditions. This bill represents an important advancement in achieving mental health and addiction treatment parity across all sectors of the Texas healthcare system, including those serving public sector employees.

Key Provisions:

Expanded Applicability to State Plans:

- Applies mental health and SUD parity requirements to the following public benefit plans:

- Employees Retirement System (ERS) plans (Chapter 1551)
- Teacher Retirement System (TRS) plans (Chapter 1575)
- Public school employee plans (Chapter 1579)
- University of Texas and Texas A&M system plans (Chapter 1601)

Compliance and Oversight Requirements:

- Public plans must evaluate parity compliance for:
 - In-network and out-of-network inpatient care
 - Outpatient care
 - Emergency services
 - Prescription drug benefits
- Ensures evaluation includes quantitative and nonquantitative treatment limitations, such as visit limits and prior authorization rules.

Clarifies Enforcement Responsibility:

- Assigns enforcement of parity compliance for these public plans to the respective boards or trustees (e.g., ERS, TRS), rather than the Texas Department of Insurance.

Impact:

- Ensures that public employees (including teachers, state workers, and university staff) receive equitable coverage for mental health and substance use disorder treatment.
- Brings public plans in line with federal parity laws, reducing discriminatory coverage limitations.
- Supports early intervention and access to care, which can lower long-term healthcare costs and improve recovery outcomes.

Effective Date:

- September 1, 2025
- Applies to plan years beginning on or after January 1, 2026

HB 2528 (Bucy) - Relating to health benefit plan coverage of prescription drugs for opioid and SUD. Prohibits commercial health plans from requiring prior authorization on prescriptions for OUD/SUD medications

Purpose:

HB 2528 seeks to improve access to medication-assisted treatment (MAT) for opioid and substance use disorders by ensuring that health benefit plans provide coverage without unnecessary barriers such as prior authorization requirements.

Key Provisions:

Required Coverage for MAT:

- Health insurance plans must cover medications for opioid and substance use disorder treatment, including:
 - Methadone
 - Buprenorphine
 - Buprenorphine/Naloxone
 - Naltrexone

Applicability:

- Applies to individual and group health benefit plans issued by insurers, HMOs, and other regulated health providers.
- Includes coverage provided through employer-sponsored health plans.
- Excludes Medicaid and the Children's Health Insurance Program (CHIP).

Limits on Prior Authorization:

- Prohibits prior authorization requirements for MAT, except in cases necessary to prevent fraud, waste, and abuse.



- Ensures that patients can access life-saving treatment without unnecessary delays.

Impact:

- Expands uninterrupted access to FDA-approved medications for opioid and substance use disorder treatment.
- Reduces barriers to treatment by eliminating prior authorization hurdles.
- Helps combat the opioid epidemic by making evidence-based treatment more accessible.

Effective Date:

September 1, 2025

Applies to health plans issued or renewed on or after January 1, 2026.