A BILL TO BE ENTITLED AN ACT

relating to the authorization and regulation of adult-use cannabis, personal cultivation, noncommercial transfers, licensed cannabis businesses, product safety, state and local authority, taxation, criminal offenses, criminal-record relief, and administrative remedies; authorizing fees and administrative penalties; amending criminal-law exceptions; and providing effective dates.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. ADULT-USE CANNABIS AUTHORIZATION

SECTION 1.01. Subtitle C, Title 6, Health and Safety Code, is amended by adding Chapter 494 to read as follows: CHAPTER 494. TEXAS CANNABIS FREEDOM ACT.

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 494.001. SHORT TITLE. This chapter may be cited as the Texas Cannabis Freedom Act.

Sec. 494.002. PURPOSE. This chapter establishes lawful, defined adult conduct under state law; a regulated intrastate supply chain; enforceable public-health and consumer protections; fair commercial licensing; and transparent fiscal oversight. This chapter is construed consistently with the specific conforming amendments enacted with it, not as a general repeal of unrelated criminal or civil law.

Sec. 494.003. DEFINITIONS. (a) “Adult” means a natural person 21 years of age or older. (b) “Cannabis” means Cannabis sativa L. plant material and its naturally occurring cannabinoids, resin and authorized products when intended for adult nonmedical use under this chapter; it excludes chemically synthesized or converted cannabinoids unless expressly authorized by law. (c) “Flower” means dried, cured cannabis plant material other than extracted resin. (d) “Concentrate” means resin or cannabinoid extract derived from the plant and not incorporated into an infused product. (e) “Infused product” includes an edible, drink or other consumer good into which cannabis extract has been incorporated. (f) “Rooted plant” means a plant with developed roots in a growing medium; an unrooted cutting or seed is not a rooted plant. (g) “Residence” means the primary dwelling of an adult and its associated land under lawful occupancy; one adult may designate only one residence for home-cultivation purposes. (h) “Residential premises” means one dwelling unit and its appurtenant residential area, regardless of the number of legal occupants. (i) “Noncommercial transfer” means a transfer involving no money, service, barter, membership, entry fee, donation or other consideration. (j) “Authorized conduct” means conduct within the express limits of this chapter or the scope of a license issued under it. (k) “Department” means the Texas Department of Licensing and Regulation; “commission” means the Texas Commission of Licensing and Regulation. (l) “Licensee” means a person holding a valid license under this chapter.

Sec. 494.004. LEGAL EFFECT. An adult may engage in the acts expressly authorized by Subchapter B without a personal-use license. A commercial license authorizes only the activities it specifies. The exceptions and amendments enacted by Article 2 determine the effect of this chapter on

existing Texas criminal statutes; this section does not independently override unrelated state-law requirements, duties or penalties.

Sec. 494.005. FEDERAL LAW AND DISCLOSURE. (a) Authorization granted by this chapter is authorization under Texas law only; it does not authorize interstate transport contrary to federal law or grant immunity under the federal Controlled Substances Act. (b) Each application for a cannabis business license shall acknowledge, in plain language, that federal law may impose criminal, tax, banking, housing, firearms, federal-property and federal-employment consequences notwithstanding state authorization. (c) Notices for consumption-premises applicants and property owners shall separately identify 21 U.S.C. §856. (d) The department shall review and update required disclosure text when relevant federal law changes. Disclosures do not limit or cure federal liability.

Sec. 494.0051. TRIBAL JURISDICTION AND FEDERAL ENCLAVES. Nothing in this chapter asserts state regulatory jurisdiction over federally recognized tribal governments or tribal lands where applicable federal law limits the State's authority; nothing purports to authorize cannabis conduct on federal enclaves contrary to federal law. State and tribal authorities may enter lawful consultation or intergovernmental agreements within existing authority. This section is jurisdictional and does not confer a commercial license on federal or tribal territory.

Sec. 494.006. DELEGATED AUTHORITY. The commission may adopt rules reasonably necessary to implement express duties in Subchapters C and D, including license eligibility documentation, sanitation, inspection, laboratory standards, tracking, product recalls, application processing, and public-health protections. Rules may not prohibit the category of ordinary personal conduct affirmatively protected by Subchapter B, impose a state-wide license cap not expressly permitted here, or redefine cannabis to nullify the authorization in this chapter. Rules shall identify their statutory basis and comply with Government Code Chapter 2001.

Sec. 494.007. PROGRAM CONFIDENTIALITY. Personally identifying information obtained solely to administer age verification, delivery, licensing or consumer complaints must be limited to the purpose for which collected, access-controlled and subject to a published retention and deletion schedule consistent with applicable records law. This section does not impede lawful subpoenas or criminal investigations supported by independent legal authority.

SUBCHAPTER B. LAWFUL PERSONAL CONDUCT

Sec. 494.101. PERSONAL AUTHORIZATION. An adult may acquire, possess, cultivate, harvest, prepare, consume, store, transport within Texas and noncommercially transfer cannabis as this subchapter permits. Personal authorization does not depend on whether source material was purchased at a licensed retailer. An adult need not register with an agency or obtain a prescription to engage in a protected personal act.

Sec. 494.102. POSSESSION AND MEASUREMENT. (a) An adult may possess outside a residence not more than (1) 16 ounces of dried cannabis flower; (2) 56 grams of concentrate; and (3) packaged infused products containing not more than 10,000 milligrams total THC identified on lawful labels.

Each ceiling applies independently; the combined possession of multiple categories remains subject to those separate ceilings. (b) Seed and nonflower live plants transported for lawful cultivation are excluded from the dried-flower weight. (c) An authorized infused product shall be measured for purposes of this chapter by its actual or accurately labeled THC content, not the aggregate weight of food, beverage, filler or other carrier. (d) For an unlabeled, noncommercial infused product carried outside a residence, the State may establish THC quantity by competent laboratory analysis rather than presuming the entire product weight is THC. (e) The product ceilings in this section require formal public-health and forensic review before adoption.

Sec. 494.103. HOME POSSESSION AND STORAGE. An adult may securely possess at the adult's residence cannabis lawfully obtained or cultivated without an additional household weight cap. Cannabis exceeding the outside-residence quantity limit, or otherwise accessible to a minor, shall be kept in a locked or secured area reasonably preventing unauthorized access. Unlabeled home-prepared infusions may remain at the residence if derived from lawful plant material. The amount of securely stored lawful harvest alone is not evidence of an unlicensed sale.

Sec. 494.104. HOME CULTIVATION. An adult residing at a residential premises may cultivate not more than 12 rooted cannabis plants for personal use, provided the total at that premises does not exceed 24 rooted plants regardless of the number of resident adults. Plants shall not be visible to the public from an ordinary street-level vantage point and shall be reasonably secured against access by minors and uninvited persons. Residents may allocate plants by agreement; premises-wide count alone does not establish which resident violated an individual limit. No administrative inspection of a private home may occur absent valid consent, a judicial warrant or circumstances recognized by law as an exception to the warrant requirement. A commercial grower must maintain licensed plants separately from personal plants.

Sec. 494.105. HOME PREPARATION. Personal harvesting, drying, curing and noncommercial preparation of infusions from authorized cannabis are lawful. Home extraction involving butane, propane or comparable flammable volatile solvents is prohibited unless performed in a licensed facility compliant with applicable fire codes. Lawful harvest may exceed outside-residence carry limits when stored at the cultivation residence.

Sec. 494.106. UNCOMPENSATED TRANSFERS. An adult may give another adult, without remuneration, not more than two ounces of flower, seven grams of concentrate or a packaged infused product containing not more than 1,000 milligrams of labeled THC per transaction. Consideration includes a donation, admission charge, purchase of a nominal other item, fee for membership, barter or a related payment. This section does not authorize transfers to persons younger than 21 or repeated commercial distribution disguised as gifts.

Sec. 494.107. CONSUMPTION. (a) Adult cannabis use is lawful on private premises with the consent of a lawful occupant or owner, at a licensed adult-only consumption premises, or within an expressly licensed adult-only event or designated consumption area operating under this chapter. (b) This chapter does not authorize consumption in a public school, childcare facility, correctional facility, public transit vehicle, moving motor vehicle, on federal property contrary to federal law, or

in a location where generally applicable fire, smoke-free, or workplace safety law prohibits the activity. (c) Ordinary public streets, sidewalks and parks are not consumption premises solely by virtue of legal possession; a state or local restriction on public consumption may not prohibit lawful possession, passage or transport. (d) Consumption-premises and event licenses shall require age screening, ventilation where relevant, impairment-response measures, worker protections, and the federal exposure notices described in Section 494.005. (e) This section does not impair prosecution for operating a vehicle while intoxicated under Penal Code Chapter 49.

Sec. 494.108. PRIVACY AND SEARCH. The odor of cannabis or conduct facially authorized by this subchapter alone does not establish a state-law cannabis offense. Search and suppression consequences are governed by the separate amendment to the Code of Criminal Procedure in Article 2. Nothing limits an investigation supported by independent evidence of impairment, unlawful distribution, diversion to minors or an amount exceeding the applicable limit.

Sec. 494.109. CONDUCT NOT AUTHORIZED. This chapter does not authorize cannabis transfer to persons younger than 21, commercial operation without required licensing, operation of a vehicle while impaired, distribution of contaminated or improperly tested commercial cannabis, hazardous solvent extraction, falsified test records or independent violence and property offenses.

Sec. 494.110. EMPLOYMENT AND HOUSING LIMITS. A state agency may not base a licensing or employment decision solely on off-duty conduct expressly lawful under this chapter absent a specific independent job-related impairment or safety finding or conflicting federal requirement. Private employment and housing consequences require express, separately enacted protections; this section does not invalidate private leases, federally funded housing restrictions, or federal drug-testing requirements. A residential landlord may prohibit smoking, commercial production, or cultivation in multiunit housing by an express lawful lease term addressing fire, moisture, electrical, structural or other objectively reasonable property concerns. Mere lawful possession is not a Texas criminal offense under such a lease. A lease may not authorize a warrantless government search.

SUBCHAPTER C. LICENSING AND MARKET ACCESS

Sec. 494.201. LEAD REGULATOR AND FUNCTIONS. The department shall administer business licenses, inspections, disciplinary proceedings and product tracking under this chapter. The Comptroller shall administer taxes under Tax Code Chapter 166; DSHS shall adopt technical public-health and laboratory criteria through an interagency agreement; DPS shall perform criminal-history and record relief duties expressly assigned in this Act. The department shall publish a consolidated responsibilities matrix before accepting applications. The commission may adopt rules necessary to implement these specified functions, subject to Section 494.006.

Sec. 494.202. LICENSE CLASSES. The department shall establish cultivation, small cultivation, manufacturing, processing, independent laboratory, transportation, wholesale distribution, retail, delivery and adult-only consumption-premises licenses, plus integrated microbusiness and cooperative licenses. License applications and operating conditions shall be proportionate to demonstrated operational risk. Personal cultivation under Subchapter B requires no license.

Sec. 494.203. OBJECTIVE ELIGIBILITY. An applicant shall be eligible for examination on submitting (1) entity and beneficial-ownership disclosures; (2) proof of legal occupancy; (3) a product safety and diversion-control plan appropriate to the requested category; (4) evidence of required tax registration; and (5) a written acknowledgment of applicable federal limits. A conviction that would be eligible for relief under the Act may not alone be an automatic disqualifier. License refusal based on a different conviction shall require an individualized and written public-safety finding, administrative review, and express statutory authority. Residency alone may not disqualify an otherwise eligible applicant. Background-record access must comply with Government Code Chapter 411.

Sec. 494.204. APPLICATION; DECISION; APPEAL. The department shall acknowledge a complete submission within 30 days and issue a written decision within 120 days after it is complete, subject to an extension for stated, reviewable safety or technical reasons. A denial shall identify specific deficiencies, supporting facts, an opportunity to cure noncritical defects, and a hearing route consistent with Government Code Chapter 2001. A decision is subject to judicial review as provided by applicable law. Deadlines do not authorize deemed issuance of a license without mandatory safety inspection.

Sec. 494.205. FEES AND TRANSPARENCY. License and renewal fees shall be set by rule based on documented, allocable administrative costs for the license class; the department shall publish the cost basis and review fees annually. Fees may not be structured solely to prevent entry by small or cooperative operators. Regulatory expenses and fee revenue shall be reported separately.

Sec. 494.206. LOCAL REGULATION; MARKET ACCESS; ENFORCEMENT. (a) A municipality or county may not impose a categorical prohibition on a cannabis license category authorized by this chapter or make a state license contingent on a local popular vote or special local permission. A county retains only expressly delegated regulatory powers. (b) A municipality may enforce reasonable, neutral time, place, manner, zoning, fire, building and nuisance provisions. A restriction violates this section if its express terms exclude all licensed premises in a category or, on competent site-specific evidence, its practical application leaves no feasible site for that category, unless narrowly justified by an independently applicable safety standard. A lawful building-code compliance denial at a specific address does not alone prove a categorical ban. (c) An affected applicant, licensee or the department may sue the political subdivision to determine the validity of an ordinance or rule under Chapter 37, Civil Practice and Remedies Code, and seek appropriate prospective declaratory and injunctive relief. For this limited validity action, and only for the relief expressly authorized by this subsection, governmental immunity from suit is waived; no damages remedy is created. Public officials remain subject to otherwise available ultra vires remedies. (d) The attorney general may seek prospective compliance relief. A court shall award reasonable necessary costs and attorney fees to a plaintiff who substantially prevails in establishing violation of this section, except when the court finds the subdivision acted in documented reasonable reliance on a controlling judicial judgment, published appellate opinion, or written attorney general decision. No fees are recoverable against an individual public employee by this section. (e) The court may expedite an action when delay would prevent the practical exercise of a state license,

subject to notice, venue and court rules. (f) The relief created by this section is exclusive of duplicative relief elsewhere in this Act and does not displace ordinary safety codes.

Sec. 494.207. LICENSED DELIVERY. A retailer may use licensed employees or registered delivery providers to deliver sealed, traceable cannabis to a verified adult at a lawful Texas destination. Deliveries shall be documented by a minimum-necessary transaction record, secured in transit, and excluded from public customer lists. No interstate delivery is authorized.

Sec. 494.208. CONSUMPTION-PREMISES LICENSE. A separate license is required for paid or public cannabis consumption premises. Premises must verify age at entry, comply with fire and ventilation rules, train staff in impairment response, and prohibit on-premises sales beyond license scope. The license application must include signed disclosure of potential federal liability under 21 U.S.C. §856 by the operator and the property owner. State authorization does not immunize either person from federal enforcement.

Sec. 494.209. SMALL ENTERPRISES AND COOPERATIVES. The department shall create a microbusiness tier for enterprises with limited production or sales volume, using proportionate licensing and inspection requirements. A qualified cooperative may apply under the same substantive safety standards as other applicants. A license may not be denied solely because the business is owned by multiple natural persons or organized cooperatively.

Sec. 494.210. OPEN LICENSING AND OWNERSHIP. No statewide numerical cap on licenses shall be imposed absent an express later statute. Licenses are subject to objective capacity, environmental and public-health requirements. Beneficial ownership and common control across licenses shall be disclosed to the department. Fraudulent shell ownership and undisclosed common control are grounds for administrative discipline.

Sec. 494.211. TRACKING. The department shall operate or procure a secure seed-to-sale tracking system covering commercial inventory transfers, test results, batch recalls and disposal. The system must collect only data needed for compliance, protect consumer privacy and support audits and product recalls. Use of the system by licensees is mandatory once operational.

Sec. 494.212. VIOLATIONS; PENALTIES. (a) The commission may impose escalating administrative sanctions for recordkeeping, packaging, testing or licensing violations after written notice and opportunity for hearing. (b) Monetary penalties for a nonfraudulent regulatory violation may not exceed $1,000 per day or $20,000 for one continuing course of conduct unless another law expressly provides a greater amount. (c) Knowing falsification of a cannabis test result, intentional sale to a person younger than 21, and knowing commercial sales without the required license are enforceable only under specifically applicable offenses in existing law or under an offense expressly enacted by the Legislature; no rule may create or enlarge a criminal offense. (d) A license may be summarily suspended only on an imminent and substantial danger, with a prompt post-suspension hearing. (e) This section does not authorize retroactive criminal penalties.

SUBCHAPTER D. PRODUCT SAFETY AND PUBLIC HEALTH

Sec. 494.301. LABORATORY INDEPENDENCE. Commercial cannabis lots must be tested before retail transfer by a laboratory independent of the manufacturer and retailer and accredited to ISO/IEC 17025 by an appropriate recognized accreditation body, or a documented equivalent approved under published rules. Rules shall address sampling, contaminant panels, chain of custody, proficiency testing, conflicts of interest and batch identifiers.

Sec. 494.302. PACKAGING AND LABELING. Retail products must use child-resistant, tamper-evident packaging and truthful, batch-specific labeling of net quantity, tested cannabinoids, ingredients, serving size, contaminants warnings, potency, licensee and recall identification. Rulemaking shall establish validated serving limits, with an evidence-based exception for authorized medical products governed by separate law.

Sec. 494.303. RECALL AND EMERGENCY ORDER. The department may order a temporary hold on a specific identified lot on evidence of contamination, misleading testing, unsafe packaging or imminent danger. It shall give written reasons, make reasonably available the underlying testing evidence, provide expedited administrative review and publish a corrective recall notice when warranted. A rule may not impose a marketwide ban unrelated to a demonstrated safety concern and express legislative authority.

Sec. 494.304. ADVERTISING. A commercial advertisement may not target minors, depict child-oriented characters, misstate tested potency or make an unsupported medical claim. Rules must define measurable restrictions, including placement and audience criteria, and leave truthful adult-directed speech subject to constitutional review.

Sec. 494.305. IMPAIRED DRIVING. This chapter does not modify Penal Code Chapter 49 requirements concerning driving or other activity while intoxicated. Law enforcement training shall focus on evidence of actual impairment and legally valid testing methods; mere lawful possession under this chapter is not by itself evidence of impaired operation.

Sec. 494.306. ANNUAL REPORTING. Each year the department, DSHS and Comptroller shall jointly publish licensed sales by product category, gross excise liability, cash collected, regulatory operating costs, administrative proceedings, contaminant recalls, youth-access enforcement, injury and emergency-service indicators where available, and program limitations. Public reporting shall aggregate consumer data to prevent re-identification.

ARTICLE 2. EXPRESS CONFORMING AMENDMENTS

SECTION 2.01. Health and Safety Code §481.111(g). Section 481.111 is amended by adding Subsection (g) to read: "(g) Sections 481.112, 481.113, 481.114, 481.116, 481.1161, 481.117, 481.118, 481.119, 481.120, 481.121, and 481.125 do not apply to cannabis-related conduct expressly authorized by Chapter 494, including lawful personal possession, cultivation, home processing, storage, transport, a noncommercial adult transfer or activity carried out within the scope of a Chapter 494 license. The exemption does not apply to conduct involving a person younger than 21 years of age, unlicensed commercial cannabis sales, independent offenses, or substances not authorized by Chapter 494. When some evidence of authorization is admitted, the state must prove beyond a reasonable doubt that the charged conduct was outside Chapter 494 authorization."

SECTION 2.02. Offense-section exceptions. The opening clauses of Sections 481.113(a), 481.116(a), 481.120(a), and 481.121(a), Health and Safety Code, are each amended to provide that the offense applies "Except as authorized by this chapter or Chapter 494." An authorization remains limited by quantity, age and commercial scope under Chapter 494. Section 481.122 is unchanged; its enhanced penalties for delivering to children or protected students remain in effect. Delivery to a person aged 18–20 is not an authorized adult transfer and remains subject to applicable law.

SECTION 2.03. Penalty Group 2 scope. Section 481.103, Health and Safety Code, is amended by adding a provision that Penalty Group 2 does not include a naturally occurring cannabinoid in cannabis or a cannabis product solely while produced, possessed, transported, transferred or sold as expressly authorized by Chapter 494. A substance made by prohibited chemical synthesis or conversion remains subject to otherwise applicable scheduling. This exception does not authorize any unrelated controlled substance.

SECTION 2.04. Section 481.034, Health and Safety Code, is amended by adding Subsection (i) to read as follows: "(i) A schedule established or modified by the commissioner under this section does not rescind, narrow or criminalize conduct expressly authorized by Chapter 494. In adopting or modifying a schedule that includes a naturally occurring cannabis constituent, the commissioner shall identify the application of the Chapter 494 exemptions and publish a written legal-compatibility assessment. The commissioner may continue to schedule a synthetic, converted or other substance not expressly authorized under Chapter 494, subject to this chapter. This subsection does not limit federal scheduling authority or authorize conduct beyond Chapter 494."

SECTION 2.05. Controlled-substance definitions and forfeiture. For offenses under Chapter 481 and property traceable solely to an activity authorized by Chapter 494, the definition of controlled substance and marihuana is subject to the express exceptions in Sections 481.103 and 481.111. Code of Criminal Procedure Article 59.01 is amended to exclude property and proceeds arising exclusively from conduct authorized by Chapter 494 from "contraband" on that ground alone. Other independently unlawful proceeds remain subject to forfeiture.

SECTION 2.06. Paraphernalia. Section 481.125, Health and Safety Code, is amended to provide that a device used solely for cultivation, storage, preparation, testing or consumption authorized by Chapter 494, or for authorized licensed commercial activity, is not prohibited drug paraphernalia on the basis of that cannabis use alone.

SECTION 2.07. Licensed cannabis inhalables. Section 161.0876(b), Health and Safety Code, is amended to provide that a product manufactured, tested, labeled and sold solely under a Chapter 494 adult-use cannabis license is not prohibited by Subdivisions (3) and (4) merely because a cannabinoid is present or its non-child-directed hardware originates in a location listed in Subdivision (3). All child-directed packaging and disguised-product prohibitions in Subdivisions (1) and (2), and applicable product safety laws, remain in force.

SECTION 2.08. Medical and consumable-hemp savings. Nothing in this Act cancels a valid medical dispensing authorization under Health and Safety Code Chapter 487 or Occupations Code Chapter 169. A documented medical transaction is not an adult-use transaction for purposes of Tax Code Chapter 166. Chapter 443 continues to govern consumable hemp products and permits in its jurisdiction; Chapter 443 registration is not an adult-use cannabis license. Definitions and enforcement authority shall be read to avoid duplicate state cannabis licensing over a Chapter 494 licensee acting within that license.

SECTION 2.09. Search and evidence. The Code of Criminal Procedure is amended by adding a proposed article providing: “The odor of cannabis, or observation of conduct affirmatively authorized by Chapter 494, Health and Safety Code, standing alone, is insufficient to establish probable cause for a search or arrest based solely on a cannabis offense. Evidence obtained in violation of this article is subject to Article 38.23. This article does not bar investigation supported by articulable facts of impaired operation, unlawful sales, transfer to an ineligible person or possession exceeding authorized limits.”

SECTION 2.10. Property rights. Chapter 92, Property Code, is amended to provide that a residential lease may restrict smoking or damage, enforce generally applicable fire codes, and prohibit commercial cannabis production without permission. A lease term may not describe mere possession otherwise lawful under Chapter 494 as a crime under Texas law. A residential landlord may prohibit cultivation in multiunit housing by an express lawful lease term addressing fire, moisture, electrical, structural or other objectively reasonable property concerns. This section does not supersede federal housing rules.

AGENCY AND COLLATERAL-LAW CONFORMITY — TARGETED MODEL AMENDMENTS

SECTION 2.11. Occupations Code Chapter 51; lead agency. For purposes of Sections 51.003, 51.051, 51.201 and 51.203, Occupations Code, the adult-use cannabis regulatory program established by Chapter 494, Health and Safety Code, is expressly assigned by the Legislature to the Texas Department of Licensing and Regulation and the Texas Commission of Licensing and Regulation. The powers provided by Chapter 51 apply to the program except to the extent Chapter 494 supplies a more specific requirement or limitation. DSHS retains only the laboratory and public-health technical functions expressly assigned to it; the Comptroller retains exclusive cannabis-excise administration under Tax Code Chapter 166.

SECTION 2.12. Government Code Section 411.093(a); criminal-history review. Section 411.093(a), Government Code, is amended by adding to its enumeration: "an applicant for, holder of, or beneficial controlling person of a license under Chapter 494, Health and Safety Code, but only for a criminal-history determination expressly authorized by that chapter." Access through the Federal Bureau of Investigation under Section 411.093(b) is subject to Section 411.087, controlling federal law and any applicable federal approval; this Act does not independently compel the FBI to disclose a record. The Texas Department of Licensing and Regulation shall give the applicant notice of a potentially disqualifying determination and a reasonable opportunity to seek correction through an authorized state or federal record-review process. The department may disclose criminal history record information only as authorized by Section 411.093(c) and (d), Government Code, and controlling federal law. The department shall destroy criminal history record information after use for its authorized purpose as required by Section 411.093(e), Government Code.

SECTION 2.13. Collateral effects; no implied blanket exemption. This Act does not by implication amend Labor Code Sections 401.013 or 207.044, Government Code Section 411.172, the Family Code, the Education Code, professional-disciplinary statutes, or federal employment and housing rules. The Legislature shall consider separately identified conforming changes, if any, after an exact statute-by-statute review. A license under Chapter 494 is state authorization for that license only; it is not federal licensure or a categorical exemption from independent conduct-based restrictions.

ARTICLE 3. RETAIL TAX AND FISCAL ADMINISTRATION

SECTION 3.01. Tax Code Chapter 166. Title 2, Tax Code, is amended by adding Chapter 166, "Adult-Use Cannabis Retail Excise Tax," subject to final codification review. The chapter applies exclusively to adult-use retail transactions authorized by Health and Safety Code Chapter 494.

Sec. 166.001. DEFINITIONS. "Adult-use retail transaction" is a final sale by a Chapter 494 licensed retailer to an adult for nonmedical use. "Retail sales price" is the amount paid for the product before cannabis excise and ordinary state/local sales tax, adjusted for bona fide discounts and customer refunds. Bona fide delivery charges forming part of the sale are included; separately stated voluntary gratuities are excluded.

Sec. 166.002. IMPOSITION OF TAX. A cannabis excise of 10 percent is imposed upon each adult-use retail transaction. The retailer collects and remits the tax. There is no additional cannabis-specific grower-to-processor or wholesale transfer excise under this chapter. Generally applicable ordinary sales taxes remain governed by Chapter 151 and local law.

Sec. 166.003. COLLECTION AND TAX BASE. The excise shall be separately stated on the consumer invoice. The amount of excise imposed by this chapter is not part of the sales price for computing taxes under Chapter 151. A taxable medical transaction under Chapter 487, if any, is not subject to the adult-use excise.

Sec. 166.004. REPORTING. A retailer shall file returns at a frequency and in a form prescribed by the Comptroller. The Comptroller shall report separately gross tax liability, assessed adjustments, actual remittances, refunds, interest, penalties, cash collections, attributable administration costs and any legally applicable local-tax effects.

Sec. 166.005. PERMITS AND RECORDS. Retailers shall hold applicable Chapter 151 tax permits and Chapter 494 cannabis licenses and maintain records sufficient to audit retail receipts and returns for the period prescribed under Chapter 151. Inventory for documented Chapter 487 medical transactions and Chapter 494 adult-use transactions shall be separately accounted for.

Sec. 166.006. ADMINISTRATION. Chapter 111 applies to the administration, assessment, collection, protest, refund, enforcement and audit of the excise under this chapter to the extent applicable, except where this chapter expressly provides otherwise. The Comptroller may adopt rules within the authority conferred by this chapter.

Sec. 166.007. RELATED-PARTY AND FREE DISTRIBUTIONS. A transaction disguised as a gift, donation or nominally priced related-party transfer for consideration is taxed on the true amount paid and is subject to appropriate audit and sanctions. A lawful free sample provided under an express, tightly limited product-sampling rule is treated according to the rule; sampling rules must include traceability and diversion controls.

Sec. 166.008. RETURNS AND REFUNDS. A bona fide refund of the taxable purchase price to a consumer carries a proportionate refund or credit of excise collected on that transaction, subject to standard record and limitations requirements.

SECTION 3.02. Tax Code §151.007(c). Section 151.007(c), Tax Code, is amended by adding a subdivision to read: “the amount of tax imposed by Chapter 166, if separately stated to the purchaser by invoice, bill, sales slip, ticket, or contract.”

SECTION 3.03. Administration and appropriations. Expenditures by each agency are subject to appropriations and any applicable fiscal certification. The Comptroller shall use separate accounts or accounting records to distinguish startup appropriations, licensing receipts, excise cash collections, ordinary sales-tax receipts, tax administration, and other regulatory outlays. The Legislature may make specific startup appropriations before the first lawful adult-use commercial sales; this Act does not appropriate an amount by itself. Any allocation of remaining receipts shall be specified in a separately costed appropriations provision or general law. Double deductions for

the same function are prohibited in official program reporting.

ARTICLE 4. RECORD RELIEF, REMEDIES AND TRANSITION

SECTION 4.01. Chapter 55A, Code of Criminal Procedure, is amended by adding Subchapter K to read as follows: SUBCHAPTER K. ADULT-USE CANNABIS RECORD RELIEF.

Art. 55A.501. SPECIAL APPLICABILITY; COURT. (a) A person whose arrest, charge or conviction involved conduct that would be authorized under Chapter 494, Health and Safety Code, if committed after its effective date, may seek relief for that eligible offense. Eligibility depends on the offense, provable amount, age of participants, remuneration and presence of an independent disqualifying offense. (b) For a person convicted of the offense, the court of conviction has exclusive original jurisdiction under this subchapter. For an arrest or charge without conviction, the district court with venue under Article 55A.251 may grant relief. (c) This subchapter does not vacate or expunge a conviction for violence, driving while intoxicated, a sale to a person younger than 21, or another independently unlawful act. Relief for an eligible offense may be tailored to avoid disturbing a separate ineligible offense.

Art. 55A.502. IDENTIFICATION; NOTICE; DEADLINES. (a) Not later than 12 months after the effective date of this subchapter, DPS and the Office of Court Administration, cooperating with court clerks, shall establish a records-identification process for cases with data sufficient to evaluate eligibility. (b) The Department of Public Safety, in coordination with the Office of Court Administration and the appropriate court clerk, shall verify the records used to identify apparent eligibility and send the affected person notice of the apparent eligibility, a method to challenge erroneous data, and a plain-language petition route. The department shall send the notice to the last known address or a secure designated electronic channel with reasonable privacy safeguards and shall document the notice and any failed delivery in the secure case record. (c) The attorney representing the State shall receive notice under Article 55A.503(f) and may object on specific eligibility grounds supported by the record not later than the objection deadline determined under that article. (d) The Department of Public Safety shall submit any verified roster to the appropriate court through a secure channel approved by the Office of Court Administration. A verified roster is an administrative submission and is not itself a multi-person civil petition. The clerk shall open a separate cause for each person whose records are proposed for expunction in the court with jurisdiction under Article 55A.501(b). If more than one person's claim is pending in a cause, the court shall sever those claims before entering an order finally disposing of any one person's claim. The court may enter an uncontested order only after the notices and opportunity to object required under this subchapter. No person shall pay a filing fee for an agency-identified eligible case. (e) The Department of Public Safety and the Office of Court Administration shall publish implementation progress and backlog annually even if appropriations are insufficient, without publicly identifying affected persons.

Art. 55A.503. ELIGIBILITY DETERMINATION; ORDER. (a) After notice, the appropriate court shall determine eligibility from the judgment, charging instrument, relevant testimony and reliable evidence of amount and circumstances. An uncontested record-supported petition may be

decided without an oral hearing; when a material fact is disputed the court shall conduct a hearing. (b) An order shall identify the eligible arrest, charge or conviction and specifically name the records to be expunged or, if authorized under Subsection (d), restricted, applying the protective procedures in Subchapters G, H and I to the extent consistent with this special subchapter. (c) The prosecutor may object only on eligibility grounds, not general disagreement with legislative legalization. (d) An order under this subchapter may not destroy, return, delete, or alter a record required for a pending independent proceeding. A restriction on public disclosure or ordinary background screening of a retained record requires authority under another provision of law identified in the order and must comply with that law's procedures and disclosure exceptions. The order may not conceal or misstate a surviving ineligible offense or impair access required for the pending independent proceeding. Article 55A.504(c) governs inseparable records of a surviving ineligible offense. (e) An expunction or restriction order under this subchapter may not require the destruction, return, deletion, or alteration of the minimum records needed to determine, review, enforce, or document restitution that may remain payable, or to administer or review any sentence that remains in effect, including a sentence for an eligible offense. Before issuing the order the court shall determine whether any sentence for the eligible or a surviving ineligible offense remains in effect and identify the minimum certified judgment, custody-status, sentence-credit, release, supervision-condition, restitution-payment and associated findings records necessary to administer that sentence or lawful award. The court shall identify custodians and the responsible confinement, parole, probation, or other sentence-administering authority in a protected part of its order. The clerk shall serve the proposed disposition and final order on each identified responsible authority. No disposition may impair that authority's lawful access to the retained records while they are required for that purpose. The custodian shall retain the designated records while necessary for that purpose and while any timely review is pending. Notwithstanding Subchapters H and I, a court, the State, the person subject to the order, a person entitled to enforce or receive restitution, and an authorized agency, including an authority responsible for administering a sentence that remains in effect, may obtain and use the designated records to the extent necessary for that purpose and under protective conditions set by the court. The retention order confers no authority to restrict public access to an independent ineligible offense or to disclose information protected by other law. When retention is no longer required, the court shall direct lawful disposition consistent with the final order and applicable retention law. (f) Before granting expunction under this subchapter, including on a verified roster under Article 55A.502, the court shall identify each official, agency, or other entity known to maintain a record proposed for expunction and every sentence-administering authority identified under Subsection (e). The clerk shall serve the petition or relevant portion of the verified roster, the proposed disposition, notice explaining how the objection deadline will be established, and notice of any hearing on the affected person, the attorney representing the State, each identified state or local custodian, each identified private entity maintaining a record proposed for expunction, and each identified sentence-administering authority under Subsection (e), by certified mail with return receipt requested, secure electronic transmission, or another lawful method directed by the court. Before any required item is served on an identified private record holder, the court shall approve a recipient-specific copy of the petition or roster excerpt, proposed disposition, notice, and any

deadline or hearing order to be served on that holder. The copy must identify only the person and affected records reasonably necessary for reliable record matching, preservation, the recipient's authorized duties, a meaningful objection, and available review; it must omit unrelated persons or records, full government identifiers and protected sentence or restitution findings not needed by the recipient and not expressly required for that service by controlling law. The full, unabridged material and any identifiers required by law shall remain in the court's authorized protected record. A private recipient may request additional information necessary for a lawful objection or review, and the court shall determine the legal basis, necessity and protective method for any additional access without presuming the material may be publicly filed or disclosed. Service of a court-approved recipient-specific copy constitutes service of that item for this subchapter when the method and content satisfy controlling law. The clerk shall maintain a protected copy or verifiable version identifier of exactly what was served, together with the recipient, lawful method, date and proof of completed service. The Department of Public Safety shall notify identified central federal depositories in the manner provided by Article 55A.254(g), subject to applicable federal law; before a disposition direction under Subsection (g), that communication is for notice and preservation only and may not request an irreversible act. Completion of a state-law notice obligation does not depend on a response from a federal depository that federal law does not require. The clerk shall enter the date, lawful manner, and proof of completed service for every required recipient, including each sentence-administering authority entitled to notice under this subsection. If delivery is rejected, returned, incomplete, or disputed, the court shall determine in writing whether service was completed under applicable law or direct a different lawful method. For each cause, the first-stage service date is the date on which service of every required item in the initial packet has been lawfully completed for every required recipient. Waiver of an objection period alone does not waive required service. The court shall find that date and the 45th day after it in a written order. The clerk shall promptly serve the current order containing those findings and notice of any changed hearing on every required recipient and record the method, date and proof of completion. The second-stage service date is the date on which lawful service of that current deadline order has been completed on every required recipient. The objection deadline is the later of the 45th day after the first-stage service date or the 15th day after the second-stage service date. If a stage lacks completed service, a required recipient or packet item is added, or a previous service finding is set aside, the court shall state in writing what remains due and correct the findings after lawful completion. The clerk shall serve each corrected order and notice of any changed hearing on every current required recipient and document completion. A superseded deadline order may not establish a deadline. If only lawful service of the current deadline order is incomplete and the first-stage findings and proposed disposition are unchanged, the clerk shall complete service of that same current order without treating it as superseded or restarting completed initial-packet service. If the first-stage date changes, a required recipient or item is added, or the proposed disposition is materially changed, the court shall identify the superseded order and direct service of a replacement deadline order on all current required recipients. A hearing-date change must be noticed as required by controlling law but does not by itself reopen completed initial-packet service. These provisions do not excuse lawful service on any required recipient. Until both stages are complete and the applicable objection period has expired, the court

may not sign a final order, except that every required recipient may waive the remaining objection period in writing after lawful completion of both stages. Before final order, the court shall segregate the filing, notice, and proposed disposition by person, limit each recipient's access to information needed for that person's case and assigned duties, and require redaction of confidential identifying information in public filings and appellate submissions to the extent required or permitted by controlling law and court rules. An affected custodian or sentence-administering authority may object in writing not later than the objection deadline determined under this subsection on the grounds that the proposed order exceeds statutory authority, would affect a surviving offense, would affect administration of an active sentence, or would destroy or restrict a record the law requires it to retain. The court may sign an order only after completion of both service stages and expiration of the applicable objection period, or written waiver of the remaining objection period by all required recipients after completed service under this subsection. A disputed material fact must be resolved at a hearing. The court may rule on the written record in an uncontested matter if required notice has been completed. This subsection does not authorize a filing fee for an agency-identified case under Article 55A.502(d). (g) The court shall sign a separate final civil order disposing of all expunction claims in the cause for the person identified in the order. The person who is the subject of the order, the State, or a custodian adversely affected by the order may appeal as in other civil cases to the court of appeals with territorial jurisdiction. The clerk shall promptly serve the signed final civil order on each person or entity entitled to notice under Subsection (f) and record proof of service; for service on a private record holder, the clerk shall instead serve a court-certified recipient-specific copy of that signed order. The complete signed order, identifiers required by Article 55A.301(a) where applicable, and any protected findings under Subsection (e) remain in the authorized court record subject to controlling confidentiality and access law. The court-certified private copy shall identify the court, cause number, signing date, the affected person and record using the minimum reliable matching information, the disposition applicable to the recipient, the continued preservation duty, and the available review procedure and deadlines. It may contain other protected information only to the extent the court specifically finds it necessary and legally authorized for compliance or meaningful review, or controlling law expressly requires its inclusion. The copy shall exclude unrelated records, unneeded full government identifiers, and protected sentence, supervision or restitution information not authorized for that recipient. The court shall approve the copy as an accurate excerpt of the signed order and certify that service of the copy constitutes service of the final order on that recipient for this subchapter; this certification does not alter the signed order or shorten a legally applicable review period. The court shall provide a lawful process for a recipient to obtain any additional protected information necessary to exercise an objection or review right. The clerk shall retain the approved version or a verifiable version identifier and proof identifying the recipient and manner and date of service in a protected record. Notwithstanding Article 55A.356(c) and any otherwise imported ancillary-file destruction schedule, the clerk shall retain in the authorized confidential court record the minimum evidence necessary to establish the complete signed order, every court-approved version served under this article, lawful completion of service, relevant direct-review proceedings and stays, and implementation or later lawful disposition. A retained version identifier must permit authorized retrieval or reliable reconstruction of the exact approved and served version, not merely a

document title. The clerk may not destroy that evidence while a period for applicable direct review remains open, direct review or a controlling stay is pending, or the evidence is reasonably necessary to complete or resolve execution, service, compliance, or retained-record disposition disputes under this article. Once all those conditions cease, the clerk shall apply otherwise controlling retention and confidentiality law and any lawful court order; this subsection does not require indefinite preservation after those conditions cease and does not authorize public disclosure of protected information. No copy of the final order, including the certified private copy, authorizes irreversible disposition without the separate signed disposition direction required by this subsection. Notwithstanding Subchapters G, H and I, a person or entity may not irreversibly dispose of any record subject to the order, including by deletion, destruction, return, obliteration, or alteration, until the person or entity is served with a separate written disposition direction signed by the trial court under this subsection. This prohibition applies whether or not a record is also designated for special retention under Subsection (d) or (e). Pending service of the direction, the record may be maintained and accessed only as necessary to preserve it, conduct authorized review, and carry out Subsection (d) or (e), subject to court protective conditions and other applicable limits on use and disclosure. Service of a final civil order alone neither authorizes final disposition nor triggers a duty or penalty under Subchapter H or I for failing to take an action prohibited by this subsection. Notwithstanding Articles 55A.301(b), 55A.351, and 55A.352(b) through (d), neither a final civil order nor its service under this subchapter directs the Department of Public Safety, another transmitting state agency, or a custodian to send or carry out a request for return, destruction, deletion, obliteration, or other irreversible disposition of any record before the responsible transmitter has received a signed disposition direction that identifies that record. Before receipt of the direction, any authorized communication to a federal repository, private entity, or other recipient must be marked as notice for review and preservation only and must not contain a disposition request. This prohibition does not postpone required pre-order notice under Subsection (f). After the Department of Public Safety or another responsible transmitting state agency receives a signed record-specific direction, and subject to any controlling stay or order, the agency shall transmit the applicable direction or a lawful extract and each notice or disposition request required by the direction or by applicable law, only to the identified recipient and only for the permitted disposition. The agency may transmit any other notice or disposition request authorized by the direction or by applicable law subject to the same limitations. A transmission or request to an identified private holder must use the court-approved recipient-specific signed direction or court-certified recipient-specific extract required by this subsection; neither a full multi-recipient direction nor an uncertified agency summary may substitute for the approved private version, required lawful service, or proof of that service. A nonprivate recipient remains subject to applicable confidentiality and federal law. The agency shall keep a protected log of each request identifying the record, recipient, date, and requested action and shall promptly convey any controlling stay or superseding direction learned before disposition. If the agency learns that a required notice or disposition request under this subsection was rejected, returned, or otherwise not successfully transmitted, the agency shall promptly record the failure and known cause in the protected log and retain available evidence. The agency shall promptly retry by a lawful method when reasonably available, after confirming the controlling direction or order, the identified

recipient and record, the permitted action, and any required recipient-specific version. The agency may not retry an affected transmission while a controlling stay or order prohibits it. If the agency cannot lawfully complete the transmission or a known failure remains unresolved after a prompt lawful retry, the agency shall promptly report the unresolved status to the issuing court through a channel protecting confidential information. The agency may not record a known failed attempt as completed. The absence of an acknowledgment from a federal recipient, without other evidence of failure, does not alone establish a failed transmission under this subsection. This paragraph does not require a federal recipient to acknowledge, respond to, or act on a transmission. On learning of a controlling stay or superseding direction, the agency shall suspend affected requests not yet sent, promptly transmit a stop-action notice for affected transmitted requests to each known recipient, retain available receipt or acknowledgment evidence and report any known unsuccessful recall or unauthorized disposition to the issuing court. This provision does not compel a federal agency to respond or act contrary to federal law. An identified private recipient subject to the state order shall be lawfully served by a protective channel with either a separate signed direction limited to that recipient or a court-certified recipient-specific extract of a signed direction. Each version, including a separately signed direction, must identify the court, cause, signed direction, affected record, recipient, permitted action and any controlling conditions or stay, and must omit unrelated records, other custodians' information unnecessary for this recipient's duties, and protected information neither necessary and legally authorized for this recipient nor expressly required to be served by controlling law. The court shall approve each recipient-specific version. For an extract the court shall certify that service of the approved version constitutes service of the signed record-specific direction on that recipient for the stated purpose. A complete multi-recipient direction may be retained in the protected court record but may not be served on a private recipient unless its contents independently satisfy the recipient-specific requirements of this paragraph and the court approves that version. An uncertified identifying summary or notice does not authorize irreversible disposition. The clerk shall preserve the exact approved version or a verifiable retrievable version identifier and proof of lawful completed service before the private recipient is directed to act. Requests to federal depositories remain subject to federal law and do not compel action by a federal authority. The trial court retains jurisdiction after final judgment solely to make findings and issue directions concerning execution of the final order and lawful disposition of retained records under Subsections (d) and (e). On its own motion or the application of a person or entity entitled to notice of the final order, the trial court may issue a direction only on written findings based on the service record and docket that every applicable period for initiating direct review has expired, including any applicable period for an extension, delayed notice, or restricted appeal, and that no direct review remains pending. If direct review occurred, the court must also find that the final mandate in each applicable appellate proceeding has issued and the direction conforms to the mandate. The court may not authorize action inconsistent with a controlling stay or later order. The direction must identify each affected custodian, the records, and the permitted disposition. The clerk shall serve the signed direction on each affected custodian, except that a private custodian must instead be served with the court-approved recipient-specific version required by this subsection. The clerk shall provide notice of issuance to the other persons or entities entitled to notice under Subsection (f) through a channel protecting confidential

information. Each court or agency transmission of a private direction shall identify the exact approved version served, lawful recipient, method, date and proof of completion; sending a different version does not satisfy the private-service requirement. A direction remains subject to Subsections (d) and (e). The court may issue a later direction for records lawfully retained under those subsections once the applicable retention obligation ceases. The civil appeal under this subsection is distinct from an appeal of a criminal order under Article 55A.505.

Art. 55A.504. EFFECT; MIXED-EPISODE RECORDS. (a) Articles 55A.051 and 55A.151 do not bar relief under this special subchapter solely because an eligible cannabis offense ended in conviction or occurred during a criminal episode with an independent offense, provided relief is limited to the eligible offense and its separable records. (b) For purposes of the contents, service, retention and effect of an expunction order, Subchapters G, H and I apply to a final order under this subchapter to the extent consistent with this subchapter, including Article 55A.503(f) and (g) governing service, notice, retention, direct disposition and downstream return or destruction requests, which control to the extent of any inconsistency. (c) Where eligible records cannot reasonably be separated from records of a surviving ineligible offense, the court may expunge only identifiable separable eligible records and shall not order expunction of the inseparable records under this subchapter. This article does not itself authorize nondisclosure of inseparable records; a person may pursue any independently available remedy under Government Code Chapter 411, Subchapter E-1, subject to that subchapter's eligibility rules and disclosure exceptions. A surviving ineligible offense and its records remain unaffected.

Art. 55A.505. SPECIAL MOTION TO VACATE OR MODIFY A SENTENCE. (a) Notwithstanding expiration of ordinary post-judgment deadlines, a person serving confinement, probation, parole or another criminal sentence solely or partly for an offense made eligible by Article 55A.501 may move in the court of conviction for relief solely as to that eligible offense. This article expressly grants that court jurisdiction over the motion. A motion filed while the person is serving a sentence described by this subsection remains within the court's jurisdiction after expiration of that sentence until the motion and any authorized direct review are concluded. This subsection does not independently authorize a later first motion by a person who did not satisfy the condition when first filing. (b) The motion shall identify the judgment, statutory offense, charged conduct, available evidence of amount and remuneration, and requested relief; a sworn declaration may be submitted by an unrepresented movant. The clerk shall serve the prosecutor with the motion. The attorney representing the State shall notify each victim, guardian of a victim, or close relative of a deceased victim who is entitled to notice under Chapter 56A, including on request under Article 56A.051(a)(3). Notice must comply with the applicable time and manner requirements of Articles 56A.051 and 56A.0525, including notice of cancellation or rescheduling. Before a hearing on relief that may affect the validity, amount, payment, or enforcement of a restitution award, including by operation of law upon modification or vacatur of a supporting count, the attorney representing the State shall also notify each person or entity entitled to receive restitution under the judgment and any known legal representative. The notice must identify the motion, hearing date, and proposed change and explain how the recipient may submit information concerning restitution. The attorney representing the State shall file proof of service or a statement describing unsuccessful efforts, with contact

information protected as required by law. A court may continue the restitution issue to permit lawful service. An unsuccessful effort alone does not satisfy notice for a determination or order affecting the award under Subsection (g). This article does not alter the rights to assert a right under Article 56A.0531 or to enforce a valid restitution order under Article 42.037(m). It does not confer party status in the criminal proceeding or a right to contest the disposition of a charge. (c) The prosecutor shall respond within 45 days, unless extended for good cause. The court shall make written findings on eligible conduct, separate offenses, custody status and appropriate remedy; it may hold an evidentiary hearing when material facts are disputed. (d) Upon an affirmative eligibility finding, the court may vacate the eligible conviction, dismiss the associated charge, or modify the sentence to remove punishment solely attributable to the eligible offense; it may not modify an independent violent, impaired-driving, or other ineligible conviction. An order granting relief shall identify each affected count, the scope and effective time of sentence modification or vacatur, and the independent authority, if any, for continued custody or supervision. The clerk shall promptly serve the signed order on every authority charged with executing it. Relief may not impair a separate ineligible sentence except as expressly authorized by other law. (e) The movant or the State may appeal a signed written order finally disposing of all relief requested under this article, including any restitution determination required under Subsection (g). For an order under this article, the State may appeal only under Article 44.01(a)(8). A ruling reserving requested relief for later disposition is interlocutory and may not be appealed under this subsection. This subsection does not limit review of a separate order entered under other law in an independent proceeding. The appeal is to the court of appeals for the district in which the court of conviction sits, except that an appeal within the exclusive appellate jurisdiction of the Court of Criminal Appeals must be taken to that court. The movant must file notice of appeal in the trial court not later than the 30th day after the date the final order is signed. The State must file notice in the trial court not later than the 20th day after that date. The attorney representing the State shall perfect an appeal in accordance with Article 44.01(i) and the Texas Rules of Appellate Procedure, subject to the deadlines expressly provided by this article and Article 44.01. Rule 26.3, Texas Rules of Appellate Procedure, governs a request to extend a deadline only if an extension is authorized by controlling law. The clerk shall promptly serve the signed order and written notice of the applicable filing deadline on the movant, any counsel of record, and the attorney representing the State and shall record the date and manner of service. If the movant is in custody and unrepresented, the clerk shall send the order to the place of confinement by a method permitting verification of delivery. The trial court shall state the effective time of relief under Subsection (d), identify any independent lawful basis for custody or supervision, and identify any applicable release or bail provision. For a State appeal under Article 44.01(a)(8), Article 44.01(e) stays further proceedings on the motion after timely filing of the State's notice of appeal. The stay does not itself suspend execution of relief granted in the appealed order. The trial court before the appellate record is filed, or the appellate court after it is filed, may order a stay of execution on a showing of good cause and to the extent permitted by controlling law. The court shall specify in a signed order the relief stayed, the stay's duration and the independent legal basis for continued custody or supervision. No stay or notice of appeal extends an expired sentence or authorizes detention without an independent lawful basis. Article 44.01(f) applies. Bail or release under Article 44.01(g) shall be determined under that

subsection and other applicable law; this article creates no authority to confine a person solely pending review. The clerk shall promptly transmit each signed custody, release, or stay order to the authorities charged with carrying it out. (f) This new remedy is independent of Chapter 11 habeas corpus unless otherwise provided by a controlling statute. (g) An order under this article leaves restitution in effect only to the extent enforceable under controlling law unless the court expressly modifies it pursuant to a power otherwise authorized by law. Before entering relief that may affect the validity, amount, payment, or enforcement of an award, including by operation of law, the court shall find in writing that every person entitled to notice under Subsection (b) was served in the manner required by law or by a substitute method authorized by law. The court shall hold a hearing and give each person entitled to restitution a reasonable opportunity to be heard concerning the award. The court shall identify in written findings each affected count, the evidence, the amount and nature of the proposed effect on the award, and the controlling legal basis for its disposition. Relief under this article may reduce restitution only to the extent that a lawful modification is based solely on conduct constituting an eligible offense. An award attributable in whole or part to an independent ineligible offense may not be reduced under this article. The existence of an unpaid award or the inability to identify authority for continued enforcement after vacatur does not, standing alone, require denial of otherwise available relief under Subsection (d). The court shall state whether an award remains enforceable after vacatur under a specifically identified provision of controlling law. Before entering relief that would impair an award, the court shall complete the notice, hearing and findings required by this subsection. Relief under this article that changes a judgment or sentence takes effect only under a signed final written order disposing of all relief requested, including each restitution determination required by this subsection. This provision does not extend a sentence, delay release required by other law, or authorize detention or supervision without independent lawful authority. The court shall act promptly if the effective time of relief would affect confinement, release, or supervision. A separate order under independently available law is governed by that law and is not transformed into a final order under this article. The findings must distinguish unpaid sums, credits for payments made, sums held but not distributed by each collecting authority, and sums distributed to each payee. They must identify the authorized payee, each entity holding undistributed funds, any separately authorized forum for collection or disposition and the legal basis for any disposition ordered. The clerk shall serve the findings and disposition on the affected payee, State, movant and identified collecting authority under lawful privacy protections. A finding under this subsection does not independently create an enforceable civil judgment or determine entitlement to a refund. This article creates no independent authority to collect after vacatur, recover amounts already paid to a victim, dispose of funds held by a collecting authority, or limit a remedy or right available under other controlling law. (h) A movant who proves that neither the movant nor counsel received notice or acquired actual knowledge of signing within 20 days may file a verified motion in the trial court stating an intent to appeal and the earliest date of receipt or actual knowledge. The motion must be filed no later than the earlier of the 30th day after that earliest date or the 120th day after signing. The State shall receive notice and an opportunity to respond. Upon a signed finding that the conditions were met, the timely verified motion constitutes the movant's notice of appeal as of its filing date; the trial clerk shall promptly transmit it, the signed finding, and supporting record to the appellate court. The court shall make

the finding promptly. Rule 26.3, Texas Rules of Appellate Procedure, applies only to the extent authorized by controlling law. This subsection does not extend the State's time to appeal, create a remedy after the stated outside limit, or displace other legally available relief.

Art. 55A.506. IMPLEMENTATION; ACCOUNTABILITY. (a) DPS, the Office of Court Administration and court clerks shall implement the duties required by this subchapter in the sequence and within the deadlines stated in the Act, subject to appropriations and constitutional fiscal limitations. (b) Inadequate funding does not erase the reporting duty or an otherwise available individual petition right. An agency unable to meet a deadline shall state the funding, staffing and data barriers publicly and submit a revised implementation schedule to the Legislature. (c) Annual reports shall state anonymized cases identified, notices sent, petitions filed, orders granted, denials, average time to disposition and backlogs, with agency costs separately identified.

SECTION 4.02. STATE APPEAL CONFORMITY. Article 44.01(a), Code of Criminal Procedure, is amended to read as follows: (a) The state is entitled to appeal an order of a court in a criminal case if the order: (1) dismisses an indictment, information, or complaint or any portion of an indictment, information, or complaint; (2) arrests or modifies a judgment; (3) grants a new trial; (4) sustains a claim of former jeopardy; (5) grants a motion to suppress evidence, a confession, or an admission, if jeopardy has not attached in the case and if the prosecuting attorney certifies to the trial court that the appeal is not taken for the purpose of delay and that the evidence, confession, or admission is of substantial importance in the case; (6) is issued under Chapter 64; (7) grants bail, in an amount considered insufficient by the prosecuting attorney, to a defendant who: (A) is charged with an offense under any of the following sections of the Penal Code: (i) Section 19.02 (murder); (ii) Section 19.03 (capital murder); (iii) Section 22.02 (aggravated assault) if: (a) the offense was committed under Subsection (a)(1); or (b) the defendant used a firearm, club, knife, or explosive weapon, as those terms are defined by Section 46.01, Penal Code, during the commission of the assault; (iv) Section 20.04 (aggravated kidnapping); (v) Section 29.03 (aggravated robbery); (vi) Section 22.021 (aggravated sexual assault); (vii) Section 21.11 (indecency with a child); (viii) Section 20A.02 (trafficking of persons); or (ix) Section 20A.03 (continuous trafficking of persons); or (B) is charged with an offense punishable as a felony and was released on bail for an offense punishable as a felony at the time the instant offense was committed; or (8) is a signed final written order entered under Article 55A.505 granting relief to which the State objects or otherwise adversely affecting the State under that article.

SECTION 4.03. APPLICATION OF EXISTING PROCEDURAL SUBCHAPTERS. An order of expunction issued under Chapter 55A, Subchapter K, Code of Criminal Procedure, is governed by the generally applicable order-content, service, retention and effect requirements in Subchapters G, H and I to the extent consistent with Subchapter K. A petition or verified roster and an appeal under Subchapter K are subject to the notice, objection, appeal, preservation, disposition-direction, and downstream request requirements of Article 55A.503(f) and (g). The retention, disposition, and effect of an order under this section are subject to Article 55A.503(d)–(g). This section adds no duplicate local-government cause of action; the exclusive local validity remedy proposed by this Act is Section 494.206.

SECTION 4.04. Severability. If any provision of this Act or its application is held invalid, the remainder and other applications shall continue to the extent they can be given effect consistent with Government Code §311.032 and constitutional law. No invalidity shall itself revive an independent prohibition that has been validly repealed or excepted, except to the extent required by applicable constitutional law.

SECTION 4.05. Effective dates and synchronization. (a) This Act takes effect September 1, 2027, except as otherwise provided. (b) Authorization of personal conduct under Chapter 494, Subchapter B, and the corresponding Chapter 481 and search-related exceptions in Article 2 take effect together on January 1, 2028. No administrative delay in commercial rules may postpone lawful personal conduct after that date. (c) Agency rulemaking and procurement authority begins on the general effective date, subject to appropriation. (d) Commercial applications may be accepted after essential program rules, laboratory oversight and inventory tracking are operational. The target for lawful adult-use retail sales is no later than July 1, 2029, subject to legislative appropriations and the agency's certification of inspection and product-testing capacity. (e) Offenses committed before January 1, 2028, remain subject to prior law except as explicitly modified by the new Chapter 55A relief provisions. (f) The effective date is subject to Texas Constitution Article III §39; Legislative Council must validate implementation dates against passage and adjournment.