



The 2024 Election

and the Upcoming 2025 Legislative Session

The 89th Session of the Texas Legislature will begin on January 14, 2025, but before we get there, the citizenry of Texas must continue its journey through the never ending 2024 election. In recent months, the Texas House of Representatives has seen intense election battles, with many incumbents challenged, statewide officials endorsing challengers and significant outside funding.

The primary election and runoff drastically changed the Texas House political landscape. In March 2024, 10 incumbent Republican members were defeated, and another eight were pushed into runoffs, including House Speaker Dade Phelan.

Having the sitting House Speaker come in second in a primary is seismic. The Speaker faced heavy opposition from Lt. Governor Dan Patrick, Attorney General Ken Paxton and former President Donald Trump.

On May 28, Phelan narrowly won by just over 350 votes. However, several of his key legislative allies lost in the runoffs. Additionally, other close associates either lost in the March primary or retired. With many new House members being anti-

Phelan, maintaining his speakership will be challenging.

With the general election set for 2024, Republicans will maintain control of the Senate and House, though Democrats might gain three to six seats due to new voters and demographic changes in some districts.

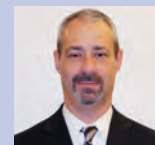
TXCPA will continue to monitor the general election, build relationships with new House members and reengage with legislative allies to prepare for the 2025 session. The new House may challenge business groups with priorities like school choice, property tax reductions, and conflicts between the House Speaker and Lt. Governor.

TXCPA will remain vigilant and focus on issues such as the CPA pipeline and potential legislative changes, artificial intelligence regulations, the public information act, and increasing licensing threats, which include moves towards universal licensing models and weakening regulatory boards, a change that could impact CPA mobility.

As we embark on another legislative session, TXCPA and its government relations team would like to hear from you about legislative issues that are important to you and the profession. Please reach out and let us know your thoughts.

KEY POINTS TO CONSIDER

1. **2025 Legislative Session:** Begins January 14, 2025.
2. **2024 Election Turmoil:** Numerous challenges to incumbents, heavy funding and campaigning.
3. **Primary Outcomes:** 10 incumbent Republicans lost in March; 8 went to runoffs.
4. **House Speaker Runoff and Leadership Losses:** House Speaker Dade Phelan narrowly won his runoff and several of his allies lost their elections or retired.
5. **New House Dynamics:** Many new anti-Phelan members complicate governance.
6. **Republican Control:** Republicans retain Senate and House control; exact split uncertain.
7. **Democratic Gains:** Expected 3-6 seat increase due to demographic shifts.
8. **TXCPA's Focus:** Monitoring elections, building legislative relationships and addressing CPA profession concerns.
9. **Important Issues:** CPA pipeline, AI regulation, public information and licensing threats.
10. **Member Engagement:** TXCPA seeks your feedback on legislative priorities. Contact Kenneth Besserman at kbesserman@tx.cpa.



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