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information regarding:

S.B. No. 616

2	relating to the continuation and functions of the Department of
3	Public Safety of the State of Texas, the conditional transfer of the
4	driver licensing program to the Texas Department of Motor Vehicles,
5	the abolition of the Texas Private Security Board, the transfer of
6	the motorcycle and off-highway vehicle operator training programs
7	to the Texas Department of Licensing and Regulation, and the
8	regulation of other programs administered by the Department of
9	Public Safety; imposing an administrative penalty; authorizing and
10	repealing the authorization for fees.
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
12	ARTICLE 1. CONTINUATION OF DEPARTMENT OF PUBLIC SAFETY AND
13	MISCELLANEOUS ADMINISTRATIVE PROVISIONS
14	SECTION 1.001. Section 411.002(c), Government Code, is
15	amended to read as follows:
16	(c) The Department of Public Safety of the State of Texas is
17	subject to Chapter 325 (Texas Sunset Act). Unless continued in
18	existence as provided by that chapter, the department is abolished
19	and Subsections (a) and (b) expire September 1, $2031$ [ $2019$ ].
20	SECTION 1.002. Section 411.0031, Government Code, is
21	amended by amending Subsection (b) and adding Subsection (d) to
22	read as follows:
23	(b) The training program must provide the person with

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1	(1) the <u>law governing</u> [ <del>legislation that created</del> ] the
2	department's operations [department and the commission];
3	(2) the programs, functions, rules, and budget of
4	[ <del>operated by</del> ] the department;
5	(3) the scope of and limitations on the rulemaking
6	authority of the commission [role and functions of the department];
7	(4) the results of the most recent formal audit
8	[rules] of the department[, with an emphasis on the rules that
9	relate to disciplinary and investigatory authority];
10	(5) [the current budget for the department;
11	[ <del>(6) the results of the most recent formal audit of the</del>
12	department;
13	$[\frac{(7)}{)}$ the requirements of:
14	(A) <u>laws relating to</u> [the] open meetings, [law,
15	Chapter 551;
16	[ <del>(B) the</del> ] public information, [ <del>law, Chapter 552;</del>
17	[ <del>(C) the</del> ] administrative procedure <u>,</u> [ <del>law,</del>
18	Chapter 2001; and disclosing conflicts of interest
19	[(D) other laws relating to public officials,
20	including conflict of interest laws]; and
21	(B) other laws applicable to members of the
22	commission in performing their duties; and
23	(6) [ $(8)$ ] any applicable ethics policies adopted by
24	the department or the Texas Ethics Commission.
25	(d) The director shall create a training manual that
26	includes the information required by Subsection (b). The director
27	shall distribute a copy of the training manual annually to each

- 1 member of the commission. Each member of the commission shall sign
- 2 and submit to the director a statement acknowledging that the
- 3 member received and has reviewed the training manual.
- 4 SECTION 1.003. Subchapter A, Chapter 411, Government Code,
- 5 is amended by adding Section 411.0045 to read as follows:
- 6 Sec. 411.0045. PHYSICAL FITNESS PROGRAMS. The commission
- 7 shall adopt:
- 8 (1) physical fitness programs in accordance with
- 9 Section 614.172; and
- 10 (2) a resolution certifying that the programs adopted
- 11 under Subdivision (1) are consistent with generally accepted
- 12 scientific standards and meet all applicable requirements of state
- 13 and federal labor and employment law.
- SECTION 1.004. Article 59.11, Code of Criminal Procedure,
- 15 is repealed.
- 16 SECTION 1.005. The Department of Public Safety shall:
- 17 (1) develop and implement best practices for the
- 18 collection, protection, and sharing of personal information held by
- 19 the department; and
- 20 (2) not later than September 1, 2020, submit to the
- 21 legislature a report regarding the department's development and
- 22 implementation of the best practices under Subdivision (1).
- 23 ARTICLE 2. BORDER SECURITY
- SECTION 2.001. Subchapter D, Chapter 411, Government Code,
- 25 is amended by adding Section 411.055 to read as follows:
- Sec. 411.055. ANNUAL REPORT ON BORDER CRIME AND OTHER
- 27 CRIMINAL ACTIVITY. (a) Not later than May 30 of each year, the

- 1 department shall submit to the legislature a report on border crime
- 2 and other criminal activity. The report must include:
- 3 (1) statistics for each month of the preceding
- 4 calendar year and yearly totals of all border crime, as defined by
- 5 Section 772.0071, and other criminal activity, including
- 6 transnational criminal activity, the department determines relates
- 7 to border security that occurred in each county included in a
- 8 department region that is adjacent to the Texas-Mexico border; and
- 9 (2) statewide crime statistics for the crimes reported
- 10 under Subdivision (1).
- 11 (b) In compiling the information for the report, the
- 12 department shall use information available in the National
- 13 Incident-Based Reporting System of the Uniform Crime Reporting
- 14 Program of the Federal Bureau of Investigation and the Texas
- 15 Incident-Based Reporting System of the department.
- ARTICLE 3. METAL RECYCLING, VEHICLE INSPECTION, AND PROVISIONS
- 17 APPLYING TO MORE THAN ONE REGULATORY PROGRAM
- 18 SECTION 3.001. Section 411.0891, Government Code, is
- 19 amended by amending Subsection (a) and adding Subsection (d) to
- 20 read as follows:
- 21 (a) Subject to Section 411.087, the department is
- 22 authorized to obtain and use criminal history record information
- 23 maintained by the Federal Bureau of Investigation or the department
- 24 that relates to a person who:
- 25 (1) is an applicant for or holds a registration issued
- 26 by the director under Subchapter C, Chapter 481, Health and Safety
- 27 Code, that authorizes the person to manufacture, distribute,

- 1 analyze, or conduct research with a controlled substance;
- 2 (2) is an applicant for or holds a registration issued
- 3 by the department under Chapter 487, Health and Safety Code, to be a
- 4 director, manager, or employee of a dispensing organization, as
- 5 defined by Section 487.001 [a chemical precursor transfer permit
- 6 issued by the director under Section 481.078], Health and Safety
- 7 Code;
- 8 (3) is an applicant for or holds an authorization
- 9 issued by the department under Section 521.2476, Transportation
- 10 Code, to do business in this state as a vendor of ignition interlock
- 11 devices [a chemical laboratory apparatus transfer permit issued by
- 12 the director under Section 481.081, Health and Safety Code];
- 13 (4) is an applicant for or holds certification by the
- 14 department as an inspection station or an inspector under
- 15 Subchapter G, Chapter 548, Transportation Code, holds an inspection
- 16 station or inspector certificate issued under that subchapter, or
- 17 is the owner of an inspection station operating under that chapter;
- 18 or
- 19 (5) is an applicant for or holds a certificate of
- 20 registration issued by the department under Chapter 1956,
- 21 Occupations Code, to act as a metal recycling entity [approval or
- 22 has been approved as a program sponsor by the department under
- 23 Chapter 662, Transportation Code, is an applicant for certification
- 24 by the department as an instructor under that chapter, or holds an
- 25 instructor certificate issued under that chapter].
- 26 (d) The department may require any person for whom the
- 27 department is authorized to obtain and use criminal history record

- 1 information maintained by the Federal Bureau of Investigation or
- 2 the department under Subsection (a) to submit a complete and
- 3 legible set of fingerprints to the department on a form prescribed
- 4 by the department for the purpose of obtaining criminal history
- 5 record information.
- 6 SECTION 3.002. Chapter 411, Government Code, is amended by
- 7 adding Subchapters Q and R to read as follows:
- 8 SUBCHAPTER Q. POWERS AND DUTIES RELATED TO CERTAIN REGULATORY
- 9 PROGRAMS
- Sec. 411.501. DEFINITION. In this subchapter, "license"
- 11 means a license, certificate, registration, permit, or other form
- 12 of authorization required by law or a state agency rule that must be
- 13 obtained by a person to engage in a particular activity, business,
- 14 occupation, or profession.
- Sec. 411.502. APPLICABILITY. This subchapter applies to a
- 16 program, and persons regulated under the program, administered by
- 17 the department under the following laws, including rules adopted
- 18 under those laws:
- (1) Section 411.0625;
- 20 (2) Chapter 487, Health and Safety Code;
- 21 (3) Chapter 1702, Occupations Code;
- 22 (4) Chapter 1956, Occupations Code;
- 23 (5) Section 521.2476, Transportation Code; and
- (6) Subchapter G, Chapter 548, Transportation Code.
- Sec. 411.503. FINAL ENFORCEMENT AUTHORITY. (a) Except as
- 26 provided by Section 411.506(b), the commission shall make the final
- 27 determination in an administrative action against a person for a

- 1 violation of a law or rule governing a program or person subject to
- 2 this subchapter.
- 3 (b) The commission may not delegate the duty under
- 4 Subsection (a).
- 5 Sec. 411.504. COMPLAINTS. (a) The department shall
- 6 maintain a system to promptly and efficiently act on complaints
- 7 filed with the department regarding a violation of a law or rule
- 8 governing a program or person subject to this subchapter. The
- 9 department shall maintain information about parties to the
- 10 complaint, the subject matter of the complaint, a summary of the
- 11 results of the review or investigation of the complaint, and its
- 12 disposition.
- 13 (b) The department shall make information available
- 14 describing its procedures for complaint investigation and
- 15 resolution.
- 16 (c) The department shall periodically notify the complaint
- 17 parties of the status of the complaint until final disposition.
- (d) On written request, the department shall inform the
- 19 person filing the complaint and each person who is a subject of the
- 20 complaint of the status of the investigation unless the information
- 21 would jeopardize an ongoing investigation.
- (e) The commission shall adopt rules to:
- 23 (1) implement this section; and
- 24 (2) establish a procedure for the investigation and
- 25 resolution of complaints, including a procedure for documenting
- 26 complaints to the department from the time of the submission of the
- 27 initial complaint to the final disposition of the complaint.

- 1 Sec. 411.505. INVESTIGATIONS. The department may conduct
- 2 investigations as necessary to enforce a law or rule governing a
- 3 program or person subject to this subchapter.
- 4 Sec. 411.506. INFORMAL COMPLAINT RESOLUTION AND INFORMAL
- 5 PROCEEDINGS. (a) The commission by rule shall establish
- 6 procedures for the informal resolution of complaints filed with the
- 7 department related to a violation of a law or rule governing a
- 8 program or person subject to this subchapter, including procedures
- 9 governing:
- 10 (1) informal disposition of a contested case under
- 11 Section 2001.056; and
- 12 (2) an informal proceeding held in compliance with
- 13 Section 2001.054.
- (b) Any settlement agreement arising from the procedures
- 15 described by Subsection (a) must be approved by the director or the
- 16 director's designee.
- 17 Sec. 411.507. LICENSE DENIAL; ADMINISTRATIVE SANCTION.
- 18 (a) This section applies to a person required to obtain a license
- 19 under a program subject to this subchapter.
- 20 (b) The commission may deny an application for, revoke,
- 21 suspend, or refuse to renew a license or may reprimand a license
- 22 holder for a violation of a law or rule governing a program subject
- 23 to this subchapter.
- (c) The commission may place on probation a person whose
- 25 license is suspended. If a license suspension is probated, the
- 26 commission may require the person to:
- 27 (1) report regularly to the department on matters that

1	are	the	basis	of	the	probation;

- 2 (2) limit practice to the areas prescribed by the
- 3 <u>department</u>; or
- 4 (3) continue or renew education until the person
- 5 attains a degree of competency satisfactory to the commission in
- 6 those areas that are the basis for the probation.
- 7 (d) The commission shall develop a penalty schedule for each
- 8 program subject to this subchapter consisting of administrative
- 9 sanctions authorized under Subsections (b) and (c) based on the
- 10 severity and frequency of a violation of a law or rule related to
- 11 the program.
- 12 Sec. 411.508. RIGHT TO NOTICE AND HEARING; ADMINISTRATIVE
- 13 PROCEDURE. (a) For each program subject to this subchapter, a
- 14 person is entitled to notice and a hearing if the commission
- 15 proposes to:
- 16 (1) deny an application for, revoke, suspend, or
- 17 refuse to renew a license;
- 18 (2) reprimand a license holder; or
- (3) place a license holder on probation.
- 20 (b) A proceeding to impose an administrative sanction as
- 21 <u>described by Subsection (a) is a contested case under Chapter 2001.</u>
- (c) Unless otherwise provided by law, judicial review of an
- 23 administrative sanction or penalty imposed by the commission is
- 24 under the substantial evidence rule as provided by Subchapter G,
- 25 Chapter 2001.
- Sec. 411.509. CEASE AND DESIST ORDER. The department may
- 27 issue a cease and desist order if the department determines that the

- 1 action is necessary to prevent a violation of a law or rule
- 2 governing a program or person subject to this subchapter.
- 3 Sec. 411.510. INJUNCTIVE RELIEF. (a) On request of the
- 4 department, the attorney general shall institute an action for
- 5 injunctive relief to restrain a person in violation of or
- 6 threatening to violate a law or rule governing a program or person
- 7 subject to this subchapter.
- 8 (b) An action filed under this section shall be filed in a
- 9 district court in:
- 10 (1) Travis County; or
- 11 (2) the county in which the violation allegedly
- 12 occurred or is threatened to occur.
- (c) The attorney general may recover reasonable expenses
- 14 incurred in obtaining injunctive relief under this section,
- 15 including court costs, attorney's fees, investigative costs,
- 16 witness fees, and deposition expenses.
- Sec. 411.511. STAGGERED RENEWAL; PRORATION OF LICENSE FEE.
- 18 (a) The commission by rule may adopt a system under which licenses
- 19 expire on various dates during the year.
- 20 (b) A license issued under a program governed by this
- 21 subchapter may not expire later than the second anniversary of the
- 22 date the license is issued.
- (c) For the year in which the expiration date of a license is
- 24 changed, the department shall prorate license fees on a monthly
- 25 basis so that each license holder pays only that portion of the
- 26 license fee that is allocable to the number of months during which
- 27 the license is valid. On renewal of the license on the new

- 1 expiration date, the total license renewal fee is payable.
- 2 Sec. 411.512. ANNUAL REGULATORY REPORT. (a) The
- 3 department shall annually make available on the department's
- 4 Internet website a report of regulatory statistics for the
- 5 preceding state fiscal year for each program subject to this
- 6 subchapter and aggregate information on all the programs.
- 7 (b) The report must include, as applicable, information
- 8 regarding:
- 9 (1) the number of licenses issued under the program;
- 10 (2) the number and types of complaints received and
- 11 resolved by the department;
- 12 (3) the number of investigations conducted by the
- 13 department; and
- 14 (4) the number and types of disciplinary actions taken
- 15 by the department.
- SUBCHAPTER R. ADMINISTRATIVE PENALTY
- Sec. 411.521. DEFINITION. In this subchapter, "license"
- 18 has the meaning assigned by Section 411.501.
- Sec. 411.522. APPLICABILITY. This subchapter applies to a
- 20 program, and persons regulated under the program, to which Section
- 21 <u>411.502 applies.</u>
- Sec. 411.523. IMPOSITION OF PENALTY. The commission may
- 23 impose an administrative penalty against a person who violates:
- (1) a law establishing a program subject to this
- 25 subchapter; or
- 26 (2) a rule adopted or order issued by the commission
- 27 under a law described by Subdivision (1).

- S.B. No. 616 1 Sec. 411.524. AMOUNT OF PENALTY. (a) If the relevant law establishing a program subject to this subchapter does not state 2 the maximum amount of an administrative penalty under that law, the 3 4 amount of the penalty shall be assessed by the commission in an 5 amount not to exceed \$5,000 per day for each violation. Each day a violation continues or occurs is a separate violation for purposes 6 7 of imposing a penalty. (b) The amount of the penalty shall be based on: 8 9 the seriousness of the violation; (2) the respondent's history of previous violations; 10 (3) the amount necessary to deter a future violation; 11 12 (4) efforts made by the respondent to correct the 13 violation; and
- 14 (5) any other matter that justice may require. (c) The commission shall establish a written enforcement 15 plan that provides notice to license holders of the specific ranges 16 of penalties that apply to specific alleged violations and the 17 18 criteria by which the department determines the amount of a 19 proposed administrative penalty.
- 20 Sec. 411.525. IMPOSITION OF SANCTION. A proceeding under 21 this subchapter imposing an administrative penalty may be combined with a proceeding to impose an administrative sanction. If a 22 sanction is imposed in a proceeding under this subchapter, the 23 24 requirements of this subchapter apply to the imposition of the 25 sanction.
- 26 Sec. 411.526. NOTICE OF VIOLATION AND PENALTY. If, after 27 investigation of a possible violation and the facts surrounding the

- 1 possible violation, the department determines that a violation
- 2 occurred, the department shall issue to the respondent a notice of
- 3 alleged violation stating:
- 4 (1) a brief summary of the alleged violation;
- 5 (2) the amount of the recommended administrative
- 6 penalty; and
- 7 (3) that the respondent has the right to a hearing to
- 8 contest the alleged violation, the amount of the penalty, or both.
- 9 Sec. 411.527. PENALTY TO BE PAID OR HEARING REQUESTED.
- 10 (a) Not later than the 20th day after the date the respondent
- 11 receives the notice, the respondent may:
- 12 (1) accept the department's determination and
- 13 recommended administrative penalty; or
- (2) make a written request for a hearing on that
- 15 determination.
- 16 (b) If the respondent accepts the department's
- 17 determination, the commission by order may approve the
- 18 determination and require the person to pay the recommended
- 19 penalty.
- Sec. 411.528. HEARING ON RECOMMENDATIONS. (a) If the
- 21 respondent requests a hearing, the hearing shall be conducted by
- 22 the department or the State Office of Administrative Hearings.
- 23 (b) The State Office of Administrative Hearings shall
- 24 consider the department's applicable substantive rules and
- 25 policies when conducting a hearing under this subchapter.
- 26 (c) A department hearing officer or an administrative law
- 27 judge at the State Office of Administrative Hearings, as

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1	applicable, shall:
2	(1) make findings of fact and conclusions of law; and
3	(2) promptly issue to the commission a proposal for
4	decision as to the occurrence of the violation and the amount of any
5	proposed administrative penalty.
6	Sec. 411.529. DECISION BY COMMISSION. (a) Based on the
7	findings of fact, conclusions of law, and proposal for decision,
8	the commission by order may determine that:
9	(1) a violation occurred and impose an administrative
10	<pre>penalty; or</pre>
11	(2) a violation did not occur.
12	(b) The department shall give notice of the order to the
13	respondent.
14	(c) The order under this section must include:
L5	(1) separate statements of the findings of fact and
16	conclusions of law;
L7	(2) the amount of any penalty imposed;
L8	(3) a statement of the right of the respondent to
L9	judicial review of the order; and
20	(4) any other information required by law.
21	Sec. 411.530. OPTIONS FOLLOWING DECISION: PAY OR APPEAL.
22	(a) Not later than the 30th day after the date the commission's
23	order becomes final, the respondent shall:
24	(1) pay the penalty; or
25	(2) file a petition for judicial review contesting the
26	order and:
27	(A) forward the penalty to the department for

	deposit in an escrow account, or
2	(B) give the department a supersedeas bond in a
3	form approved by the department that:
4	(i) is for the amount of the penalty; and
5	(ii) is effective until judicial review of
6	the decision is final.
7	(b) A respondent who is financially unable to comply with
8	Subsection (a)(2) is entitled to judicial review if the respondent
9	files with the court, as part of the respondent's petition for
LO	judicial review, a sworn statement that the respondent is unable to
L1	meet the requirements of Subsection (a)(2).
L2	Sec. 411.531. COLLECTION OF PENALTY. If the person on whom
L 3	the administrative penalty is imposed violates Section 411.530(a),
L4	the department or the attorney general may bring an action to
L5	collect the penalty.
L6	Sec. 411.532. REMITTANCE OF PENALTY AND INTEREST. (a) If,
L7	after judicial review, the administrative penalty is reduced or not
L8	imposed, the department shall:
L9	(1) remit to the person the appropriate amount, plus
20	accrued interest, if the person paid the amount of the penalty; or
21	(2) execute a release of the bond, if the person posted
22	a supersedeas bond.
23	(b) The interest paid under Subsection (a)(1) is accrued at
24	the rate charged on loans to depository institutions by the New York
25	Federal Reserve Bank. The interest shall be paid for the period
26	beginning on the date the penalty is paid to the department and
27	ending on the date the penalty is remitted.

- 1 Sec. 411.533. ADMINISTRATIVE PROCEDURE. (a) The
- 2 commission by rule shall prescribe procedures for the determination
- 3 and appeal of a decision to impose an administrative penalty.
- 4 (b) A proceeding under this subchapter to impose an
- 5 administrative penalty is a contested case under Chapter 2001.
- 6 SECTION 3.003. Section 1956.151, Occupations Code, is
- 7 amended to read as follows:
- 8 Sec. 1956.151. DENIAL OF CERTIFICATE; DISCIPLINARY ACTION.
- 9 The commission [department] shall deny an application for a
- 10 certificate of registration, suspend or revoke a certificate of
- 11 registration, or reprimand a person who is registered under this
- 12 chapter if the person:
- 13 (1) obtains a certificate of registration by means of
- 14 fraud, misrepresentation, or concealment of a material fact;
- 15 (2) sells, barters, or offers to sell or barter a
- 16 certificate of registration;
- 17 (3) violates a provision of this chapter or a rule
- 18 adopted under this chapter; or
- 19 (4) violates Section 1956.021.
- 20 SECTION 3.004. Sections 548.405(a), (c), and (q),
- 21 Transportation Code, are amended to read as follows:
- 22 (a) The <u>commission</u> [department] may deny a person's
- 23 application for a certificate, revoke or suspend the certificate of
- 24 a person, inspection station, or inspector, place on probation a
- 25 person who holds a suspended certificate, or reprimand a person who
- 26 holds a certificate if:
- 27 (1) the station or inspector conducts an inspection,

- fails to conduct an inspection, or issues a certificate:
- 2 (A) in violation of this chapter or a rule
- 3 adopted under this chapter; or
- 4 (B) without complying with the requirements of
- 5 this chapter or a rule adopted under this chapter;
- 6 (2) the person, station, or inspector commits an
- 7 offense under this chapter or violates this chapter or a rule
- 8 adopted under this chapter;
- 9 (3) the applicant or certificate holder does not meet
- 10 the standards for certification under this chapter or a rule
- 11 adopted under this chapter;
- 12 (4) the station or inspector does not maintain the
- 13 qualifications for certification or does not comply with a
- 14 certification requirement under this subchapter [Subchapter G];
- 15 (5) the certificate holder or the certificate holder's
- 16 agent, employee, or representative commits an act or omission that
- 17 would cause denial, revocation, or suspension of a certificate to
- 18 an individual applicant or certificate holder; or
- 19 (6) the station or inspector does not pay a fee
- 20 required by Subchapter H[+ or
- 21 [(7) the inspector or owner of an inspection station
- 22 is convicted of a:
- [(A) felony or Class B misdemeanor;
- [(B) similar crime under the jurisdiction of
- 25 another state or the federal government that is punishable to the
- 26 same extent as a felony or a Class A or Class B misdemeanor in this
- 27 state; or

- [(C) crime under the jurisdiction of another

  tate or the federal government that would be a felony or a Class A

  cr Class B misdemeanor if the crime were committed in this state].
- (c) If the <u>commission</u> [department] suspends a certificate because of a violation of Subchapter F, the suspension must be for a period of not less than six months. [The suspension may not be probated or deferred.]
- 8 (g) The <u>commission</u> [department] may not suspend, revoke, or 9 deny all certificates of a person who holds more than one inspection 10 station certificate based on a suspension, revocation, or denial of 11 one of that person's inspection station certificates without proof 12 of culpability related to a prior action under this subsection.
- SECTION 3.005. Subchapter G, Chapter 548, Transportation
  Code, is amended by adding Section 548.4055 to read as follows:
- Sec. 548.4055. RULES REGARDING CRIMINAL CONVICTIONS. The

  commission shall adopt rules necessary to comply with Chapter 53,

  Cocupations Code, with respect to the certification of persons

  under this subchapter. The commission's rules must list the

  specific offenses for each category of persons regulated under this

  subchapter for which a conviction would constitute grounds for the
- SECTION 3.006. Sections 548.407(d) and (e), Transportation Code, are amended to read as follows:

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commission to take action under Section 53.021, Occupations Code.

(d) The <u>commission</u> [department] may provide that a revocation or suspension takes effect on receipt of notice under Subsection (b) if the <u>commission</u> [department] finds that the action is necessary to prevent or remedy a threat to public health, safety,

- 1 or welfare. Violations that present a threat to public health,
- 2 safety, or welfare include:
- 3 (1) issuing a passing vehicle inspection report or
- 4 submitting inspection information to the department's database
- 5 with knowledge that the issuance or submission is in violation of
- 6 this chapter or rules adopted under this chapter;
- 7 (2) falsely or fraudulently representing to the owner
- 8 or operator of a vehicle that equipment inspected or required to be
- 9 inspected must be repaired, adjusted, or replaced for the vehicle
- 10 to pass an inspection;
- 11 (3) issuing a vehicle inspection report or submitting
- 12 inspection information to the department's database:
- 13 (A) without authorization to issue the report or
- 14 submit the information; or
- 15 (B) without inspecting the vehicle;
- 16 (4) issuing a passing vehicle inspection report or
- 17 submitting inspection information to the department's database for
- 18 a vehicle with knowledge that the vehicle has not been repaired,
- 19 adjusted, or corrected after an inspection has shown a repair,
- 20 adjustment, or correction to be necessary;
- 21 (5) knowingly issuing a passing vehicle inspection
- 22 report or submitting inspection information to the department's
- 23 database:
- 24 (A) for a vehicle without conducting an
- 25 inspection of each item required to be inspected; or
- 26 (B) for a vehicle that is missing an item
- 27 required to be inspected or that has an item required to be

- 1 inspected that is not in compliance with state law or department
- 2 rules;
- 3 (6) refusing to allow a vehicle's owner to have a
- 4 qualified person of the owner's choice make a required repair,
- 5 adjustment, or correction;
- 6 (7) charging for an inspection an amount greater than
- 7 the authorized fee;
- 8 (8) a violation of Subchapter F;
- 9 (9) a violation of Section 548.603; or
- 10 (10) a conviction of a felony or a Class A or B
- 11 misdemeanor that directly relates to or affects the duties or
- 12 responsibilities of a vehicle inspection station or inspector or a
- 13 conviction of a similar crime under the jurisdiction of another
- 14 state or the federal government.
- 15 (e) The commission may adopt rules to implement this
- 16 section. [For purposes of Subsection (d)(10), a person is
- 17 convicted of an offense if a court enters against the person an
- 18 adjudication of the person's guilt, including an order of probation
- 19 or deferred adjudication.
- SECTION 3.007. Subchapter G, Chapter 548, Transportation
- 21 Code, is amended by adding Section 548.410 to read as follows:
- 22 <u>Sec. 548.410. EXPIRATION OF CERTIFICATE. A certificate</u>
- 23 <u>issued to an inspector or an inspection station under this</u>
- 24 subchapter expires as determined by the department under Section
- 25 411.511, Government Code, but not later than the second anniversary
- 26 of the date the certificate is issued.
- 27 SECTION 3.008. Section 548.506, Transportation Code, is

- 1 amended to read as follows:
- 2 Sec. 548.506. FEE FOR CERTIFICATION AS INSPECTOR. (a) The
- 3 commission by rule shall establish reasonable and necessary fees
- 4 for certification as an inspector.
- 5 (b) The fees established under this section may not be less
- 6 than an amount equal to:
- 7 (1) [An applicant for certification as an inspector
- 8 must submit with the applicant's first application a fee of] \$25 for
- 9 <u>initial</u> certification until August 31 of the even-numbered year
- 10 following the date of certification; and
- 11 (2) [. To be certified after August 31 of that year,
- 12 the applicant must-pay] \$25 as a certificate fee for each subsequent
- 13 two-year period.
- SECTION 3.009. Section 548.507, Transportation Code, is
- 15 amended to read as follows:
- 16 Sec. 548.507. FEE FOR CERTIFICATION AS INSPECTION STATION.
- 17 (a) The commission by rule shall establish reasonable and
- 18 necessary fees for certification as an inspection station.
- 19 (b) The fees established under this section may not be less
- 20 than:
- 21 (1) except [Except] as provided by Subdivision (2) or
- 22 (3):
- 23 (A) [Subsection (b) or (c), after an applicant
- 24 for certification as an inspection station is notified that the
- 25 application will be approved, the applicant must pay a fee of] \$100
- 26 for certification until August 31 of the odd-numbered year after
- 27 the date of appointment as an inspection station; and

1	(B) [. To be certified after August 31 of that
2	year, the applicant must pay a fee of] \$100 for certification for
3	each subsequent two-year period;
4	(2) if $[. (b)$ If an applicant for certification as an
5	inspection station has been convicted of a violation of this
6	chapter relating to an emissions inspection under Subchapter F $\underline{:}$
7	(A) [ - after notification that the application
8	will be approved, the applicant must pay a fee of] \$500 for
9	certification until August 31 of the odd-numbered year after the
10	date of appointment as an inspection station; and
11	(B) [To be certified after August 31 of that
12	year, the applicant must pay a fee of   \$100 for certification for
13	each subsequent two-year period; and
14	(3) if $[-(c)$ If an applicant for certification as
15	an inspection station has been convicted of two or more violations
16	of this chapter relating to an emissions inspection under
17	Subchapter F <u>:</u>
18	(A) [after-notification that the application
19	will be approved, the applicant must pay a fee of] \$1,500 for
20	certification until August 31 of the odd-numbered year after the
21	date of appointment as an inspection station; and
22	(B) [. To be certified after August 31 of that
23	year, the applicant must pay a fee of] \$100 for certification for
24	each subsequent two-year period.
25	SECTION 3.010. The following provisions are repealed:
26	(1) Sections 1956.014(b) and (c), Occupations Code;
27	(2) Sections 1956.041(b-2), (c), (d), (e), and (f),

- 1 Occupations Code;
- 2 (3) Section 1956.152, Occupations Code;
- 3 (4) Sections 548.405(b), (h), and (i), Transportation
- 4 Code;
- 5 (5) Section 548.406, Transportation Code;
- 6 (6) Sections 548.407(f), (g), (h), (i), (j), (k), and
- 7 (1), Transportation Code; and
- 8 (7) Section 548.409, Transportation Code.
- 9 SECTION 3.011. As soon as practicable after the effective
- 10 date of this Act, the Public Safety Commission shall adopt rules
- 11 necessary to implement the changes in law made by this Act to
- 12 Chapter 411, Government Code, Chapter 1956, Occupations Code, and
- 13 Chapter 548, Transportation Code.
- 14 SECTION 3.012. Section 411.0891, Government Code, and
- 15 Sections 548.405 and 548.407, Transportation Code, as amended by
- 16 this Act, apply only to an application for the issuance or renewal
- 17 of a license submitted on or after the effective date of this Act.
- 18 An application for the issuance or renewal of a license submitted
- 19 before that date is governed by the law in effect on the date the
- 20 application was submitted, and the former law is continued in
- 21 effect for that purpose.
- SECTION 3.013. Section 548.405(c), Transportation Code, as
- 23 amended by this Act, applies only to a person placed on probation on
- 24 or after the effective date of this Act. A person placed on
- 25 probation before the effective date of this Act is governed by the
- 26 law in effect on the date the person was placed on probation, and
- 27 the former law is continued in effect for that purpose.

- 1 SECTION 3.014. Section 1956.041, Occupations Code, and 2 Sections 548.405 and 548.407, Transportation Code, as amended by
- 3 this Act, apply only to a proceeding initiated on or after the
- 4 effective date of this Act. A proceeding initiated before the
- 5 effective date of this Act is governed by the law in effect on the
- 6 date the proceeding was initiated, and the former law is continued
- 7 in effect for that purpose.
- 8 ARTICLE 4. CERTAIN PROGRAMS REGULATING CONTROLLED SUBSTANCES,
- 9 PRECURSOR CHEMICALS, AND LABORATORY APPARATUSES
- SECTION 4.001. Sections 481.077(c), (i), and (k), Health
- 11 and Safety Code, are amended to read as follows:
- 12 (c) This section does [and Section 481.078 do] not apply to
- 13 a person to whom a registration has been issued by the Federal Drug
- 14 Enforcement Agency or who is exempt from such registration.
- 15 (i) A manufacturer, wholesaler, retailer, or other person
- 16 who [receives from a source outside this state a chemical precursor
- 17 subject to Subsection (a) or who] discovers a loss or theft of a
- 18 chemical precursor subject to Subsection (a) shall:
- 19 (1) submit a report of the transaction to the director
- 20 in accordance with department rule; and
- 21 (2) include in the report:
- (A) any difference between the amount of the
- 23 chemical precursor actually received and the amount of the chemical
- 24 precursor shipped according to the shipping statement or invoice;
- 25 or
- 26 (B) the amount of the loss or theft.
- 27 (k) A [Unless the person is the holder of only a permit

- 1 issued under Section 481.078(b)(1), a] manufacturer, wholesaler,
- 2 retailer, or other person who sells, transfers, or otherwise
- 3 furnishes any chemical precursor subject to Subsection (a), or a
- 4 [ $permit holder_{\tau}$ ] commercial purchaser[ $\tau$ ] or other person who
- 5 receives a chemical precursor subject to Subsection (a):
- 6 (1) shall maintain records and inventories in
- 7 accordance with rules established by the director;
- 8 (2) shall allow a member of the department or a peace
- 9 officer to conduct audits and inspect records of purchases and
- 10 sales and all other records made in accordance with this section at
- 11 any reasonable time; and
- 12 (3) may not interfere with the audit or with the full
- 13 and complete inspection or copying of those records.
- 14 SECTION 4.002. The heading to Section 481.080, Health and
- 15 Safety Code, is amended to read as follows:
- 16 Sec. 481.080. CHEMICAL LABORATORY APPARATUS RECORD-KEEPING
- 17 REQUIREMENTS [AND PENALTIES].
- 18 SECTION 4.003. Sections 481.080(d), (j), and (l), Health
- 19 and Safety Code, are amended to read as follows:
- 20 (d) This section does [and Section 481.081 do] not apply to
- 21 a person to whom a registration has been issued by the Federal Drug
- 22 Enforcement Agency or who is exempt from such registration.
- 23 (j) A manufacturer, wholesaler, retailer, or other person
- 24 who [receives from a source outside this state a chemical
- 25 laboratory apparatus subject to Subsection (a) or who] discovers a
- 26 loss or theft of such an apparatus shall:
- 27 (1) submit a report of the transaction to the director

- 1 in accordance with department rule; and
- 2 (2) include in the report:
- 3 (A) any difference between the number of the
- 4 apparatus actually received and the number of the apparatus shipped
- 5 according to the shipping statement or invoice; or
- 6 (B) the number of the loss or theft.
- 7 (1) This subsection applies to a manufacturer, wholesaler,
- 8 retailer, or other person who sells, transfers, or otherwise
- 9 furnishes any chemical laboratory apparatus subject to Subsection
- 10 (a) and to a [permit holder,] commercial purchaser[,] or other
- 11 person who receives such an apparatus [unless the person is the
- 12 holder of only a permit issued under Section 481.081(b)(1)]. A
- 13 person covered by this subsection:
- 14 (1) shall maintain records and inventories in
- 15 accordance with rules established by the director;
- 16 (2) shall allow a member of the department or a peace
- 17 officer to conduct audits and inspect records of purchases and
- 18 sales and all other records made in accordance with this section at
- 19 any reasonable time; and
- 20 (3) may not interfere with the audit or with the full
- 21 and complete inspection or copying of those records.
- SECTION 4.004. Section 481.111(a), Health and Safety Code,
- 23 is amended to read as follows:
- 24 (a) The provisions of this chapter relating to the
- 25 possession and distribution of peyote do not apply to the use of
- 26 peyote by a member of the Native American Church in bona fide
- 27 religious ceremonies of the church or to [. However,] a person who

- 1 supplies the substance to the church [must register and maintain
- 2 appropriate records of receipts and disbursements in accordance
- 3 with rules adopted by the director]. An exemption granted to a
- 4 member of the Native American Church under this section does not
- 5 apply to a member with less than 25 percent Indian blood.
- 6 SECTION 4.005. Section 481.136(a), Health and Safety Code,
- 7 is amended to read as follows:
- 8 (a) A person commits an offense if the person sells,
- 9 transfers, furnishes, or receives a chemical precursor subject to
- 10 Section 481.077(a) and the person:
- 11 (1) [does not hold a chemical precursor transfer
- 12 permit as required by Section 481.078 at the time of the
- 13 transaction;
- 14  $\left[\frac{(2)}{2}\right]$  does not comply with Section 481.077 or
- 15 481.0771;
- (2) [<del>(3)</del>] knowingly makes a false statement in a
- 17 report or record required by Section 481.077  $or[\tau]$  481.0771[ $\tau$  or
- 18 481.078]; or
- 19 <u>(3)</u> [<del>(4)</del>] knowingly violates a rule adopted under
- 20 Section 481.077  $\underline{\text{or}}[\tau]$  481.0771  $[\tau \text{ or } 481.078]$ .
- SECTION 4.006. Section 481.138(a), Health and Safety Code,
- 22 is amended to read as follows:
- 23 (a) A person commits an offense if the person sells,
- 24 transfers, furnishes, or receives a chemical laboratory apparatus
- 25 subject to Section 481.080(a) and the person:
- 26 (1) [does not have a chemical laboratory apparatus
- 27 transfer permit as required by Section 481.081 at the time of the

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#### 1 transaction;

- 2  $\left[\frac{(2)}{(2)}\right]$  does not comply with Section 481.080;
- 3 (2) [<del>(3)</del>] knowingly makes a false statement in a
- 4 report or record required by Section 481.080 [or 481.081]; or
- 5 (3) [(4)] knowingly violates a rule adopted under
- 6 Section 481.080 [or 481.081].
- 7 SECTION 4.007. Section 481.301, Health and Safety Code, is
- 8 amended to read as follows:
- 9 Sec. 481.301. IMPOSITION OF PENALTY. The department may
- 10 impose an administrative penalty on a person who violates Section
- 11 481.067, 481.077, 481.0771, or [481.078,] 481.080[<del>, or 481.081</del>] or
- 12 a rule or order adopted under any of those sections.
- SECTION 4.008. Section 487.053(b), Health and Safety Code,
- 14 is amended to read as follows:
- (b) Subject to Section 411.503, Government Code, the [The]
- 16 department shall enforce compliance of licensees and registrants
- 17 and shall adopt procedures for suspending or revoking a license or
- 18 registration issued under this chapter and for renewing a license
- 19 or registration issued under this chapter.
- 20 SECTION 4.009. Sections 487.104(b) and (c), Health and
- 21 Safety Code, are amended to read as follows:
- (b) If the department denies the issuance or renewal of a
- 23 license under Subsection (a), the applicant is entitled to a
- 24 hearing. Chapter 2001, Government Code, applies to a proceeding
- 25 under this section. [The department shall give written notice of
- 26 the grounds for denial to the applicant at least 30 days before the
- 27 date of the hearing.

- 1 (c) A license issued or renewed under this section expires
- 2 as determined by the department in accordance with Section 411.511,
- 3 Government Code [on the second anniversary of the date of issuance
- 4 or renewal, as applicable].
- 5 SECTION 4.010. Section 487.105(c), Health and Safety Code,
- 6 is amended to read as follows:
- 7 (c) The department shall conduct a criminal history
- 8 background check on each individual whose name is provided to the
- 9 department under Subsection (a) or (b). The director by rule shall:
- 10 (1) require each individual whose name is provided to
- 11 the department under Subsection (a) or (b) [determine the manner by
- 12 which an individual is required] to submit a complete set of
- 13 fingerprints to the department on a form prescribed by the
- 14 department for purposes of a criminal history background check
- 15 under this section; and
- 16 (2) establish criteria for determining whether an
- 17 individual passes the criminal history background check for the
- 18 purposes of this section.
- 19 SECTION 4.011. The following provisions of the Health and
- 20 Safety Code are repealed:
- 21 (1) Sections 481.077(e), (f), (g), and (h);
- 22 (2) Section 481.078;
- 23 (3) Sections 481.080(f), (g), (h), and (i); and
- 24 (4) Section 481.081.
- 25 SECTION 4.012. As soon as practicable after the effective
- 26 date of this Act, the public safety director of the Department of
- 27 Public Safety shall adopt rules to implement the changes made by

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- 1 Section 487.105(c), Health and Safety Code, as amended by this Act.
- 2 SECTION 4.013. The changes in law made by this Act to
- 3 Chapter 481, Health and Safety Code, apply only to an offense or
- 4 violation committed on or after the effective date of this Act. An
- 5 offense or violation committed before the effective date of this
- 6 Act is governed by the law in effect on the date the offense or
- 7 violation was committed, and the former law is continued in effect
- 8 for that purpose. For purposes of this section, an offense or
- 9 violation was committed before the effective date of this Act if any
- 10 element of the offense or violation occurred before that date.
- 11 SECTION 4.014. On the effective date of this Act, a permit
- 12 issued under former Section 481.078 or 481.081, Health and Safety
- 13 Code, expires.
- 14 ARTICLE 5. PRIVATE SECURITY
- 15 SECTION 5.001. Section 1702.002, Occupations Code, is
- 16 amended by amending Subdivisions (2), (5), (5-a), (17), and (21)
- 17 and adding Subdivisions (4), (5-b), (5-c), and (8-a) to read as
- 18 follows:
- 19 (2) "Branch office" means an office that is:
- 20 (A) identified to the public as a place from
- 21 which business is conducted, solicited, or advertised; and
- (B) at a place other than the principal place of
- 23 business as shown in <u>department</u> [board] records.
- 24 (4) "Commission" means the Public Safety Commission.
- 25 (5) "Commissioned security officer" means a security
- 26 officer to whom a security officer commission has been issued by the
- 27 <u>department</u> [board].

- 1 (5-a) "Committee" means the Texas Private Security
- 2 Advisory Committee established under this chapter.
- 3 (5-b) "Company license" means a license issued by the
- 4 department that entitles a person to operate as a security services
- 5 contractor or investigations company.
- 6 (5-c) "Department" means the Department of Public
- 7 Safety of the State of Texas.
- 8 (8-a) "Individual license" means a license issued by
- 9 the department that entitles an individual to perform a service
- 10 regulated by this chapter for a company license holder, including a
- 11 personal protection officer license.
- 12 (17) "Personal protection officer license
- 13 [endorsement]" means a license [permit] issued by the department
- 14 [board] that entitles an individual to act as a personal protection
- 15 officer.
- 16 (21) "Security officer commission" means an
- 17 authorization issued by the department [board] that entitles a
- 18 security officer to carry a firearm.
- 19 SECTION 5.002. Section 1702.004, Occupations Code, is
- 20 amended to read as follows:
- Sec. 1702.004. GENERAL SCOPE OF REGULATION. (a) The
- 22 <u>department</u> [board, in addition to performing duties required by
- 23 other law or exercising powers granted by other law]:
- 24 (1) licenses investigations companies and security
- 25 services contractors;
- 26 (2) issues commissions to certain security officers;
- 27 (3) <u>licenses</u> [<u>issues endorsements to</u>] certain

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- 1 security officers engaged in the personal protection of
- 2 individuals;
- 3 (4) licenses [registers and endorses]:
- 4 (A) certain individuals connected with a company
- 5 license holder; and
- 6 (B) certain individuals employed in a field
- 7 connected to private investigation or private security; and
- 8 (5) regulates <u>company</u> license holders, security
- 9 officers, [registrants,] and individual license [endorsement]
- 10 holders under this chapter.
- 11 (b) The commission [board] shall adopt rules necessary to
- 12 comply with Chapter 53. In its rules under this section, the
- 13 <u>commission</u> [board] shall list the specific offenses for each
- 14 category of regulated persons for which a conviction would
- 15 constitute grounds for the department [board] to take action under
- 16 Section 53.021.
- 17 SECTION 5.003. Section 1702.005, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1702.005. DEPARTMENT OF PUBLIC SAFETY; REFERENCES.
- 20 (a) [The board created under Section 1702.021 is a part of the
- 21 department. The department shall administer this chapter [through
- 22 the board].
- 23 (b) A reference in this chapter or another law to the Texas
- 24 Commission on Private Security or the Texas Private Security Board
- 25 means the department [board].
- SECTION 5.004. The heading to Subchapter B, Chapter 1702,
- 27 Occupations Code, is amended to read as follows:

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- 1 SUBCHAPTER B. TEXAS PRIVATE SECURITY ADVISORY COMMITTEE [BOARD]
- 2 SECTION 5.005. Section 1702.021, Occupations Code, is
- 3 amended to read as follows:
- 4 Sec. 1702.021. COMMITTEE [BOARD] MEMBERSHIP; APPLICABILITY
- 5 OF OTHER LAW. (a) The Texas Private Security Advisory Committee
- 6 [Board] consists of seven members appointed by the commission
- 7 [governor with the advice and consent of the senate] as follows:
- 8 (1) three public members, each of whom is a citizen of
- 9 the United States;
- 10 (2) one member who is licensed under this chapter as a
- 11 private investigator;
- 12 (3) one member who is licensed under this chapter as an
- 13 alarm systems company;
- 14 (4) one member who is licensed under this chapter as
- 15 the owner or operator of a guard company; and
- 16 (5) one member who is licensed under this chapter as a
- 17 locksmith.
- (b) Appointments to the <u>committee</u> [board] shall be made
- 19 without regard to the race, color, disability, sex, religion, age,
- 20 or national origin of the appointee.
- (c) Chapter 2110, Government Code, does not apply to the
- 22 size, composition, or duration of the advisory committee or to the
- 23 appointment of the committee's presiding officer.
- SECTION 5.006. Section 1702.023, Occupations Code, is
- 25 amended to read as follows:
- Sec. 1702.023. ELIGIBILITY OF PUBLIC MEMBERS. The
- 27 <u>committee's</u> [board's] public members must be representatives of the

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- 1 general public. A person may not be a public member of the
- 2 committee [board] if the person or the person's spouse:
- 3 (1) is registered, commissioned, certified, or
- 4 licensed by a regulatory agency in the field of private
- 5 investigations or private security;
- 6 (2) is employed by or participates in the management
- 7 of a business entity or other organization regulated by or
- 8 receiving money from the <u>department</u> [board];
- 9 (3) owns or controls, directly or indirectly, more
- 10 than a 10 percent interest in a business entity or other
- 11 organization regulated by or receiving money from the <u>department</u>
- 12 [board]; or
- 13 (4) uses or receives a substantial amount of tangible
- 14 goods, services, or money from the department [board] other than
- 15 compensation or reimbursement authorized by law for committee
- 16 [board] membership, attendance, or expenses.
- SECTION 5.007. Sections 1702.024(b) and (c), Occupations
- 18 Code, are amended to read as follows:
- (b) A person may not be a <u>committee</u> [board] member, and may
- 20 not be a department employee whose primary duties include private
- 21 security regulation and who is employed in a "bona fide executive,
- 22 administrative, or professional capacity," as that phrase is used
- 23 for purposes of establishing an exemption to the overtime
- 24 provisions of the federal Fair Labor Standards Act of 1938 (29
- 25 U.S.C. Section 201 et seq.), and its subsequent amendments, if:
- 26 (1) the person is an officer, employee, or paid
- 27 consultant of a Texas trade association in the field of private

- 1 investigation or private security; or
- 2 (2) the person's spouse is an officer, manager, or paid
- 3 consultant of a Texas trade association in the field of private
- 4 investigation or private security.
- 5 (c) A person may not be a committee [board] member or act as
- 6 general counsel to the committee or department [board or agency] if
- 7 the person is required to register as a lobbyist under Chapter 305,
- 8 Government Code, because of the person's activities for
- 9 compensation on behalf of a profession related to the operation of
- 10 the committee [agency].
- 11 SECTION 5.008. Section 1702.025, Occupations Code, is
- 12 amended to read as follows:
- Sec. 1702.025. TERMS; VACANCIES. (a) The committee
- 14 [board] members serve staggered six-year terms, with the terms of
- 15 two or three members expiring on January 31 of each odd-numbered
- 16 year.
- 17 (b) If a vacancy occurs during the term of a committee
- 18 [board] member, the commission [governor] shall appoint a new
- 19 member to fill the unexpired term.
- SECTION 5.009. Section 1702.026, Occupations Code, is
- 21 amended to read as follows:
- Sec. 1702.026. OFFICERS. (a) The commission [governor]
- 23 shall designate one <u>committee</u> [board] member as presiding officer
- 24 to serve in that capacity at the will of the <a href="commission">commission</a> [governor].
- 25 The <u>commission</u> [<del>governor</del>] shall designate the presiding officer
- 26 without regard to race, creed, color, disability, sex, religion,
- 27 age, or national origin.

- 1 (b) The  $\underline{\text{committee}}$  [board] shall elect from among its members
- 2 an assistant presiding officer and a secretary to serve two-year
- 3 terms beginning on September 1 of each odd-numbered year.
- 4 (c) The presiding officer of the <u>committee</u> [board] or, in
- 5 the absence of the presiding officer, the assistant presiding
- 6 officer shall preside at each committee [board] meeting and perform
- 7 the other duties prescribed by this chapter.
- 8 SECTION 5.010. Sections 1702.027(a) and (b), Occupations
- 9 Code, are amended to read as follows:
- 10 (a) It is a ground for removal from the committee [board]
- 11 that a member:
- 12 (1) does not have the qualifications required by
- 13 Section 1702.021 at the time of appointment [taking office];
- 14 (2) does not maintain the qualifications required by
- 15 Section 1702.021 during service on the <a href="mailto:committee">committee</a> [board];
- 16 (3) is ineligible for membership under Section
- 17 1702.023 or 1702.024;
- 18 (4) cannot, because of illness or disability,
- 19 discharge the member's duties for a substantial part of the member's
- 20 term; or
- 21 (5) is absent from more than half of the regularly
- 22 scheduled <u>committee</u> [board] meetings that the member is eligible to
- 23 attend during a calendar year without an excuse approved by a
- 24 majority vote of the <u>committee</u> [board].
- 25 (b) The validity of an action of the <u>committee</u> [board] is
- 26 not affected by the fact that it is taken when a ground for removal
- 27 of a <u>committee</u> [board] member exists.

- 1 SECTION 5.011. Section 1702.028, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1702.028. [PER DIEM;] REIMBURSEMENT. [(a) A board
- 4 member is entitled to a per diem as set by legislative appropriation
- 5 for each day the member engages in the business of the board.
- 6 [<del>(b)</del>] A <u>committee</u> member <u>may not receive compensation for</u>
- 7 service on the advisory committee but is entitled to reimbursement
- 8 for actual and necessary [travel] expenses incurred in performing
- 9 the functions as a member of the committee, subject to [while
- 10 conducting board business, including expenses for transportation,
- 11 meals, and lodging, as prescribed by ] the General Appropriations
- 12 Act.
- 13 SECTION 5.012. Section 1702.029, Occupations Code, is
- 14 amended to read as follows:
- Sec. 1702.029. MEETINGS. The <u>committee</u> [<del>board</del>] shall meet
- 16 at least quarterly [at regular intervals to be decided by the
- 17 board].
- 18 SECTION 5.013. Subchapter B, Chapter 1702, Occupations
- 19 Code, is amended by adding Sections 1702.031 and 1702.032 to read as
- 20 follows:
- Sec. 1702.031. DUTIES OF ADVISORY COMMITTEE. The committee
- 22 shall provide advice and recommendations to the department and
- 23 commission on technical matters relevant to the administration of
- 24 this chapter and the regulation of private security industries.
- Sec. 1702.032. COMMISSION LIAISON. The commission shall
- 26 designate a commission member to serve as a liaison to the
- 27 committee.

- 1 SECTION 5.014. Section 1702.041, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1702.041. CHIEF ADMINISTRATOR. (a) The chief
- 4 administrator is responsible for the administration of this chapter
- 5 under the direction of the public safety director [board]. The
- 6 chief administrator shall perform duties as prescribed by the
- 7 public safety director [board and the department].
- 8 (b) The chief administrator is a full-time employee of the
- 9 department. A committee [board] member may not serve as chief
- 10 administrator.
- 11 SECTION 5.015. Section 1702.044, Occupations Code, is
- 12 amended to read as follows:
- 13 Sec. 1702.044. QUALIFICATIONS AND STANDARDS OF CONDUCT
- 14 INFORMATION. The chief administrator or the chief administrator's
- 15 designee shall provide to  $\underline{committee}$  [board] members and to
- 16 <u>department</u> [agency] employees, as often as necessary, information
- 17 regarding the requirements for service as a committee member
- 18 [office] or employment under this chapter, including information
- 19 regarding a person's responsibilities under applicable laws
- 20 relating to standards of conduct for state officers or employees.
- SECTION 5.016. The heading to Subchapter D, Chapter 1702,
- 22 Occupations Code, is amended to read as follows:
- 23 SUBCHAPTER D. POWERS AND DUTIES [OF BOARD]
- SECTION 5.017. Section 1702.061, Occupations Code, is
- 25 amended to read as follows:
- Sec. 1702.061. GENERAL POWERS AND DUTIES [OF BOARD].
- 27 (a) [The board shall perform the functions and duties provided by

#### 1 this chapter.

- 2 [(b)] The commission [board] shall adopt rules and general
- 3 policies to guide the <u>department</u> [agency] in the administration of
- 4 this chapter.
- 5 (b) [<del>(c)</del>] The rules and policies adopted by the commission
- 6 [board] under Subsection (a) [(b)] must be consistent with this
- 7 chapter and other commission [board] rules adopted under this
- 8 chapter and with any other applicable law, state rule, or federal
- 9 regulation.
- 10  $\underline{\text{(c)}}$  [\(\frac{\(\delta\)}{\(\delta\)}\)] The  $\underline{\text{commission}}$  [\(\frac{\(\delta\) \arg ard}{\(\delta\)}\)] has the powers and duties
- 11 to:
- 12 (1) determine the qualifications of company license
- 13 holders, individual license holders [registrants, endorsement
- 14 holders], and commissioned security officers;
- 15 (2) investigate alleged violations of this chapter and
- 16 of commission [board] rules;
- 17 (3) adopt rules necessary to implement this chapter;
- 18 and
- 19 (4) establish and enforce standards governing the
- 20 safety and conduct of each person regulated [licensed, registered,
- 21 or commissioned] under this chapter.
- [(e) The board shall have a seal in the form prescribed by
- 23 the board.
- SECTION 5.018. Section 1702.062, Occupations Code, is
- 25 amended to read as follows:
- Sec. 1702.062. FEES. (a) The <u>commission</u> [board] by rule
- 27 shall establish reasonable and necessary fees that produce

- 1 sufficient revenue to administer this chapter. The fees may not
- 2 produce unnecessary fund balances.
- 3 (b) The department [board] may charge a fee each time the
- 4 department [board] requires a person regulated under this chapter
- 5 to resubmit a set of fingerprints for processing by the <u>department</u>
- 6 [board] during the application process for a company license,
- 7 individual license, [registration, endorsement,] or security
- 8 officer commission. The <a href="commission">commission</a> [board] shall set the fee in an
- 9 amount that is reasonable and necessary to cover the administrative
- 10 expenses related to processing the fingerprints.
- 11 (c) A person whose pocket card has not expired is not
- 12 eligible to receive from the department [board] another pocket card
- 13 in the same classification in which the pocket card is held.
- 14 SECTION 5.019. The heading to Section 1702.063, Occupations
- 15 Code, is amended to read as follows:
- 16 Sec. 1702.063. [BOARD] USE OF FINES.
- 17 SECTION 5.020. Section 1702.0635, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1702.0635. RESTRICTIONS ON CERTAIN RULES. The
- 20 commission [board] may not adopt rules or establish unduly
- 21 restrictive experience or education requirements that limit a
- 22 person's ability to be licensed as an electronic access control
- 23 device company or be <u>licensed</u> [registered] as an electronic access
- 24 control device installer.
- 25 SECTION 5.021. Section 1702.064, Occupations Code, is
- 26 amended to read as follows:
- 27 Sec. 1702.064. RULES RESTRICTING ADVERTISING OR

- 1 COMPETITIVE BIDDING. (a) The commission [board] may not adopt
- 2 rules restricting advertising or competitive bidding by a person
- 3 regulated under this chapter [by the board] except to prohibit
- 4 false, misleading, or deceptive practices by the person.
- 5 (b) The commission [board] may not include in its rules to
- 6 prohibit false, misleading, or deceptive practices by a person
- 7 regulated under this chapter [by the board] a rule that:
- 8 (1) restricts the person's use of any medium for
- 9 advertising;
- 10 (2) restricts the person's personal appearance or use
- 11 of the person's personal voice in an advertisement;
- 12 (3) relates to the size or duration of an
- 13 advertisement by the person; or
- 14 (4) restricts the person's advertisement under a trade
- 15 name.
- 16 SECTION 5.022. Section 1702.0645, Occupations Code, is
- 17 amended to read as follows:
- 18 Sec. 1702.0645. PAYMENT OF FEES AND FINES. (a) The
- 19 <u>commission</u> [board] may adopt rules regarding the method of payment
- 20 of a fee or a fine assessed under this chapter.
- 21 (b) Rules adopted under this section may:
- 22 (1) authorize the use of electronic funds transfer or
- 23 a valid credit card issued by a financial institution chartered by a
- 24 state or the federal government or by a nationally recognized
- 25 credit organization approved by the <u>department</u> [board]; and
- 26 (2) require the payment of a discount or a reasonable
- 27 service charge for a credit card payment in addition to the fee or

- 1 the fine.
- 2 SECTION 5.023. Section 1702.067, Occupations Code, is
- 3 amended to read as follows:
- 4 Sec. 1702.067. [BOARD] RECORDS; EVIDENCE. An official
- 5 record of the department\_related to this chapter [board] or an
- 6 affidavit by the chief administrator as to the content of the record
- 7 is prima facie evidence of a matter required to be kept by the
- 8 department [board].
- 9 SECTION 5.024. Section 1702.068, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 1702.068. APPEAL BOND NOT REQUIRED. The <u>department</u>
- 12 [board] is not required to give an appeal bond in any cause arising
- 13 under this chapter.
- SECTION 5.025. The heading to Subchapter E, Chapter 1702,
- 15 Occupations Code, is amended to read as follows:
- 16 SUBCHAPTER E. PUBLIC INTEREST INFORMATION [AND COMPLAINT
- 17 PROCEDURES
- 18 SECTION 5.026. Section 1702.084, Occupations Code, is
- 19 amended to read as follows:
- 20 Sec. 1702.084. PUBLIC ACCESS TO CERTAIN RECORDS OF
- 21 DISCIPLINARY ACTIONS. (a) The <u>department</u> [board] shall make
- 22 available to the public through a toll-free telephone number,
- 23 Internet website, or other easily accessible medium determined by
- 24 the <u>department</u> [board] the following information relating to a
- 25 disciplinary action taken during the preceding three years
- 26 regarding a person regulated under this chapter [by the board]:
- 27 (1) the identity of the person;

- 1 (2) the nature of the complaint that was the basis of
- 2 the disciplinary action taken against the person; and
- 3 (3) the disciplinary action taken by the commission
- 4 [board].
- 5 (b) In providing the information, the department [board]
- 6 shall present the information in an impartial manner, use language
- 7 that is commonly understood, and, if possible, avoid jargon
- 8 specific to the security industry.
- 9 (c) The department [board] shall update the information on a
- 10 monthly basis.
- 11 (d) The <u>department</u> [board] shall maintain the
- 12 confidentiality of information regarding the identification of a
- 13 complainant.
- 14 SECTION 5.027. Section 1702.085, Occupations Code, is
- 15 amended to read as follows:
- 16 Sec. 1702.085. CONFIDENTIALITY OF RECORDS. Records
- 17 maintained by the department under this chapter on the home
- 18 address, home telephone number, driver's license number, or social
- 19 security number of an applicant or a company license holder,
- 20 individual license holder [registrant], or security officer
- 21 commission holder are confidential and are not subject to mandatory
- 22 disclosure under Chapter 552, Government Code.
- SECTION 5.028. Section 1702.102(a), Occupations Code, is
- 24 amended to read as follows:
- 25 (a) Unless the person holds a license as a security services
- 26 contractor, a person may not:
- 27 (1) act as an alarm systems company, armored car

- 1 company, courier company, guard company, or [guard dog company,]
- 2 locksmith company[, or private security consultant company];
- 3 (2) offer to perform the services of a company in
- 4 Subdivision (1); or
- 5 (3) engage in business activity for which a license is
- 6 required under this chapter.
- 7 SECTION 5.029. Section 1702.1025(b), Occupations Code, is
- 8 amended to read as follows:
- 9 (b) A person licensed as an electronic access control device
- 10 company may not install alarm systems unless otherwise licensed [or
- 11 registered to install alarm systems under this chapter.
- 12 SECTION 5.030. Section 1702.103, Occupations Code, is
- 13 amended to read as follows:
- Sec. 1702.103. CLASSIFICATION AND LIMITATION OF COMPANY
- 15 LICENSES. (a) The company license classifications are:
- 16 (1) Class A: investigations company license, covering
- 17 operations of an investigations company;
- 18 (2) Class B: security services contractor license,
- 19 covering operations of a security services contractor;
- 20 (3) Class C: covering the operations included within
- 21 Class A and Class B;
- 22 (4) Class F: level III training school license; and
- 23 (5) Class O: alarm level I training school license[+
- [(6) Class P: private business letter of authority
- 25 license;
- 26 [<del>(7) Class X: government letter of authority license;</del>
- 27 <del>and</del>

- 1 [(8) Class T: telematics license].
- 2 (b) A company license described by this chapter does not
- 3 authorize the company license holder to perform a service for which
- 4 the company license holder has not qualified. A person may not
- 5 engage in an operation outside the scope of that person's company
- 6 license. The department [board] shall indicate on the company
- 7 license the services the company license holder is authorized to
- 8 perform. The company license holder may not perform a service
- 9 unless it is indicated on the company license.
- 10 (c) A company license is not assignable unless the
- 11 assignment is approved in advance by the department [board].
- 12 (d) The commission [board] shall prescribe by rule the
- 13 procedure under which a company license may be terminated.
- (e) The commission [board] by rule may establish other
- 15 company license classifications for activities expressly regulated
- 16 by this chapter and may establish qualifications and practice
- 17 requirements consistent with this chapter for those company license
- 18 classifications.
- 19 SECTION 5.031. Section 1702.110, Occupations Code, is
- 20 amended to read as follows:
- Sec. 1702.110. APPLICATION FOR COMPANY LICENSE. (a) An
- 22 application for a company license under this chapter must be in the
- 23 form prescribed by the <u>department</u> [board] and include:
- 24 (1) the full name and business address of the
- 25 applicant;
- 26 (2) the name under which the applicant intends to do
- 27 business;

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- 1 (3) a statement as to the general nature of the
- 2 business in which the applicant intends to engage;
- 3 (4) a statement as to the classification for which the
- 4 applicant requests qualification;
- 5 (5) if the applicant is an entity other than an
- 6 individual, the full name and residence address of each partner,
- 7 officer who oversees the security-related aspects of the business,
- 8 and director of the applicant[, and of the applicant's manager];
- 9 (6) if the applicant is an individual, the
- 10 fingerprints of the applicant or, if the applicant is an entity
- 11 other than an individual, of each officer who oversees the
- 12 security-related aspects of the business and of each partner or
- 13 shareholder who owns at least a 25 percent interest in the
- 14 applicant, provided in the manner prescribed by the <u>department</u>
- 15 [board];
- 16 (7) a verified statement of the applicant's experience
- 17 qualifications in the particular classification in which the
- 18 applicant is applying;
- 19 (8) a report from the department stating the
- 20 applicant's record of any convictions for a Class B misdemeanor or
- 21 equivalent offense or a greater offense;
- 22 (9) the social security number of the individual
- 23 making the application; and
- 24 (10) other information, evidence, statements, or
- 25 documents required by the department [board].
- 26 (b) An applicant for a <u>company</u> license as a security
- 27 services contractor shall maintain a physical address within this

- 1 state and provide that address to the department [board]. The
- 2 commission [board] shall adopt rules to enable an out-of-state
- 3 company license holder to comply with this subsection.
- 4 (c) The department may return an application for a company
- 5 license as incomplete if the applicant submits payment of a fee that
- 6 is returned for insufficient funds and the applicant has received
- 7 notice and an opportunity to provide payment in full.
- 8 SECTION 5.032. Section 1702.112, Occupations Code, is
- 9 amended to read as follows:
- 10 Sec. 1702.112. FORM OF COMPANY LICENSE. The department
- 11 [board] shall prescribe the form of a company license[ including a
- 12 branch office license]. The company license must include:
- 13 (1) the name of the company license holder;
- 14 (2) the name under which the company license holder is
- 15 to operate;
- 16 (3) the company license number and the date the
- 17 <u>company</u> license was issued; and
- 18 (4) a photograph of the company license holder,
- 19 affixed to the company license at the time the company license is
- 20 issued by the department [board].
- 21 SECTION 5.033. The heading to Section 1702.113, Occupations
- 22 Code, is amended to read as follows:
- Sec. 1702.113. GENERAL QUALIFICATIONS FOR COMPANY
- 24 LICENSE [ CERTIFICATE OF REGISTRATION ] OR SECURITY OFFICER
- 25 COMMISSION.
- SECTION 5.034. Section 1702.113(a), Occupations Code, is
- 27 amended to read as follows:

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- 1 (a) An applicant for a company license[, certificate of
- 2 registration, endorsement, or security officer commission [or the
- 3 applicant's manager] must be at least 18 years of age and must not:
- 4 (1) at the time of application be charged under an
- 5 information or indictment with the commission of a Class A or Class
- 6 B misdemeanor or felony offense determined to be disqualifying by
- 7 commission [board] rule;
- 8 (2) have been found by a court to be incompetent by
- 9 reason of a mental defect or disease and not have been restored to
- 10 competency;
- 11 (3) have been dishonorably discharged from the United
- 12 States armed services, discharged from the United States armed
- 13 services under other conditions determined by the commission
- 14 [board] to be prohibitive, or dismissed from the United States
- 15 armed services if a commissioned officer in the United States armed
- 16 services; or
- 17 (4) be required to register in this or any other state
- 18 as a sex offender [, unless the applicant is approved by the board
- 19 under Section 1702.3615].
- SECTION 5.035. Section 1702.114, Occupations Code, is
- 21 amended to read as follows:
- Sec. 1702.114. ADDITIONAL QUALIFICATIONS FOR
- 23 INVESTIGATIONS COMPANY LICENSE. (a) An applicant for a company
- 24 license to engage in the business of an investigations company [or
- 25 the applicant's manager] must have, before the date of the
- 26 application, three consecutive years' experience in the
- 27 investigative field as an employee[, manager,] or owner of an

- 1 investigations company or satisfy other requirements set by the
- 2 commission [board].
- 3 (b) The applicant's experience must be:
- 4 (1) reviewed by the <u>department</u> [<del>board or the chief</del>
- 5 administrator]; and
- 6 (2) determined to be adequate to qualify the applicant
- 7 to engage in the business of an investigations company.
- 8 SECTION 5.036. Section 1702.115, Occupations Code, is
- 9 amended to read as follows:
- 10 Sec. 1702.115. ADDITIONAL QUALIFICATIONS FOR SECURITY
- 11 SERVICES CONTRACTOR LICENSE. (a) An applicant for a company
- 12 license to engage in the business of a security services contractor
- 13 [or the applicant's manager] must have, before the date of the
- 14 application, two consecutive years' experience in each security
- 15 services field for which the person applies as an employee[  $_{ au}$
- 16 manager, or owner of a security services contractor or satisfy
- 17 other requirements set by the commission [board].
- 18 (b) The applicant's experience must have been obtained
- 19 legally and must be:
- 20 (1) reviewed by the department [board or the chief
- 21 administrator]; and
- (2) determined to be adequate to qualify the applicant
- 23 to engage in the business of a security services contractor.
- SECTION 5.037. Section 1702.117, Occupations Code, is
- 25 amended to read as follows:
- Sec. 1702.117. EXAMINATION. (a) The department [board]
- 27 shall require an applicant for a company license under this chapter

- 1 [or the applicant's manager] to demonstrate qualifications in the
- 2 person's company license classification, including knowledge of
- 3 applicable state laws and commission [board] rules, by taking an
- 4 examination to be determined by the commission [board].
- 5 (b) Payment of the application fee entitles the applicant
- 6 [or the applicant's manager] to take one examination without
- 7 additional charge. A person who fails the examination must pay a
- 8 reexamination fee to take a subsequent examination.
- 9 (c) The <u>commission</u> [board] shall set the reexamination fee
- 10 in an amount not to exceed the amount of the renewal fee for the
- 11 company license classification for which application was made.
- 12 (d) The department [board] shall develop and provide to a
- 13 person who applies to take the examination under Subsection (a)
- 14 material containing all applicable state laws and commission
- 15 [board] rules.
- 16 SECTION 5.038. Section 1702.118, Occupations Code, is
- 17 amended to read as follows:
- Sec. 1702.118. EXAMINATION RESULTS. (a) Not later than
- 19 the 30th day after the date a person takes a licensing examination
- 20 under this chapter, the department [board] shall notify the person
- 21 of the examination results.
- 22 (b) If an examination is graded or reviewed by a testing
- 23 service:
- 24 (1) the <u>department</u> [<del>board</del>] shall notify the person of
- 25 the examination results not later than the 14th day after the date
- 26 the <u>department</u> [board] receives the results from the testing
- 27 service; and

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- 1 (2) if notice of the examination results will be
- 2 delayed for longer than 90 days after the examination date, the
- 3 department [board] shall notify the person of the reason for the
- 4 delay before the 90th day.
- 5 (c) The <u>department</u> [board] may require a testing service to
- 6 notify a person of the results of the person's examination.
- 7 (d) If requested in writing by a person who fails a
- 8 licensing examination administered under this chapter, the
- 9 department [board] shall furnish the person with an analysis of the
- 10 person's performance on the examination.
- 11 SECTION 5.039. Section 1702.1183, Occupations Code, is
- 12 amended to read as follows:
- 13 Sec. 1702.1183. RECIPROCAL COMPANY LICENSE FOR CERTAIN
- 14 APPLICANTS. (a) The department [board] may waive any prerequisite
- 15 to obtaining a company license for an applicant who holds a company
- 16 license issued by another jurisdiction with which this state has a
- 17 reciprocity agreement.
- 18 (b) The commission [board] may make an agreement, subject to
- 19 the approval of the governor, with another state to allow for
- 20 licensing by reciprocity.
- 21 (c) The commission [board] shall adopt rules under which the
- 22 <u>commission</u> [board] may waive any prerequisite to obtaining a
- 23 <u>company</u> license for, and credit experience for a <u>company</u> license
- 24 requirement to, an individual who the <u>commission</u> [board] determines
- 25 has acceptable experience gained during service in a branch of the
- 26 United States armed forces, including the United States Coast
- 27 Guard.

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- 1 SECTION 5.040. Section 1702.1186, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1702.1186. PROVISIONAL COMPANY LICENSE. (a) The
- 4 department [board] may issue a provisional company license to an
- 5 applicant currently licensed in another jurisdiction who seeks an
- 6 equivalent company license in this state and who:
- 7 (1) has been licensed in good standing as an
- 8 investigations company or security services contractor for at least
- 9 two years in another jurisdiction, including a foreign country,
- 10 that has licensing requirements substantially equivalent to the
- 11 requirements of this chapter;
- 12 (2) has passed a national or other examination
- 13 recognized by the <a href="commission">commission</a> [board] relating to the practice of
- 14 private investigations or security services contracting; and
- 15 (3) is sponsored by a person licensed by the
- 16 department [board] under this chapter with whom the provisional
- 17 company license holder will practice during the time the person
- 18 holds a provisional company license.
- 19 (b) A provisional company license is valid until the date
- 20 the department [board] approves or denies the provisional company
- 21 license holder's application for a company license. The department
- 22 [board] shall issue a company license under this chapter to the
- 23 provisional company license holder if:
- 24 (1) the provisional company license holder is eligible
- 25 to be licensed under Section 1702.1183; or
- 26 (2) the provisional <u>company</u> license holder:
- 27 (A) passes the part of the examination under

- 1 Section 1702.117(a) that relates to the applicant's knowledge and
- 2 understanding of the laws and rules relating to the practice of an
- 3 investigations company or security services contractor in this
- 4 state;
- 5 (B) is verified by the department [board] as
- 6 meeting the academic and experience requirements for a company
- 7 license under this chapter; and
- 8 (C) satisfies any other licensing requirements
- 9 under this chapter.
- 10 (c) The department [board] must approve or deny a
- 11 provisional company license holder's application for a company
- 12 license not later than the 180th day after the date the provisional
- 13 <u>company</u> license is issued. The <u>department</u> [<del>board</del>] may extend the
- 14 180-day period if the results of an examination have not been
- 15 received by the <u>department</u> [board] before the end of that period.
- 16 (d) The commission [board] may establish a fee for
- 17 provisional company licenses in an amount reasonable and necessary
- 18 to cover the cost of issuing the company license.
- 19 SECTION 5.041. Section 1702.122, Occupations Code, is
- 20 amended to read as follows:
- Sec. 1702.122. TEMPORARY CONTINUATION OF COMPANY LICENSE
- 22 HOLDER'S BUSINESS. Under the terms provided by commission [board]
- 23 rule, a company license holder's business may continue for a
- 24 temporary period if the individual on the basis of whose
- 25 qualifications a company license under this chapter has been
- 26 obtained ceases to be connected with the company license holder.
- SECTION 5.042. Section 1702.123, Occupations Code, is

- 1 amended to read as follows:
- Sec. 1702.123. INSURANCE; BOND. (a) A company license
- 3 holder shall maintain on file with the department [board] at all
- 4 times the surety bond and certificate of insurance required by this
- 5 chapter.
- 6 (b) The commission [board] shall immediately suspend the
- 7 company license of a company license holder who violates Subsection
- 8 (a).
- 9 (c) The commission [board] may rescind the company license
- 10 suspension if the company license holder provides proof to the
- 11 commission [board] that the bond or the insurance coverage is still
- 12 in effect. The company license holder must provide the proof in a
- 13 form satisfactory to the commission [board] not later than the 10th
- 14 day after the date the company license is suspended.
- 15 (d) After suspension of the company license, the commission
- 16 [board] may not reinstate the company license until an application,
- 17 in the form prescribed by the commission [board], is filed
- 18 accompanied by a proper bond, insurance certificate, or both. The
- 19 commission [board] may deny the application notwithstanding the
- 20 applicant's compliance with this section:
- 21 (1) for a reason that would justify suspending,
- 22 revoking, or denying a company license; or
- 23 (2) if, during the suspension, the applicant performs
- 24 a practice for which a company license is required.
- 25 SECTION 5.043. Sections 1702.124(a), (b), and (f),
- 26 Occupations Code, are amended to read as follows:
- 27 (a) An applicant is not eligible for a company license

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- 1 unless the applicant provides as part of the application:
- 2 (1) a certificate of insurance or other documentary
- 3 evidence of a general liability insurance policy countersigned by
- 4 an insurance agent licensed in this state; or
- 5 (2) a certificate of insurance for surplus lines
- 6 coverage obtained under Chapter 981, Insurance Code, through a
- 7 licensed Texas surplus lines agent resident in this state.
- 8 (b) The general liability insurance policy must be
- 9 conditioned to pay on behalf of the company license holder damages
- 10 that the company license holder becomes legally obligated to pay
- 11 because of bodily injury, property damage, or personal injury,
- 12 caused by an event involving the principal, or an officer, agent, or
- 13 employee of the principal, in the conduct of any activity or service
- 14 for which the company license holder is licensed under this
- 15 chapter.
- 16 (f) In addition to the requirements of this section, an
- 17 applicant or company license holder shall provide and maintain a
- 18 certificate of insurance or other documentary evidence of insurance
- 19 sufficient to cover all of the business activities of the applicant
- 20 or company license holder related to private security.
- 21 SECTION 5.044. Section 1702.125, Occupations Code, is
- 22 amended to read as follows:
- Sec. 1702.125. BOND REQUIREMENT. A bond executed and filed
- 24 with the department [board] under this chapter remains in effect
- 25 until the surety terminates future liability by providing to the
- 26 <u>department</u> [board] at least 30 days' notice of the intent to
- 27 terminate liability.

- 1 SECTION 5.045. Section 1702.127, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1702.127. COMPANY LICENSE HOLDER EMPLOYEES; RECORDS.
- 4 (a) A company license holder may be legally responsible for the
- 5 conduct in the company license holder's business of each employee
- 6 of the company license holder while the employee is performing
- 7 assigned duties for the company license holder.
- 8 (b) A company license holder shall maintain a record
- 9 containing information related to the company license holder's
- 10 employees as required by the commission [board].
- 11 (c) A company license holder shall maintain for inspection
- 12 by the department at the company license holder's principal place
- 13 of business or branch office two recent color photographs, of a type
- 14 required by the commission [board], of each applicant, individual
- 15 <u>license holder [registrant]</u>, commissioned security officer, and
- 16 employee of the company license holder.
- 17 (d) A company license holder shall maintain records
- 18 required under this chapter at a physical address within this state
- 19 and provide that address to the <u>department</u> [board].
- SECTION 5.046. Section 1702.128, Occupations Code, is
- 21 amended to read as follows:
- Sec. 1702.128. POSTING OF COMPANY LICENSE REQUIRED. A
- 23 company license holder shall at all times post[+
- 24  $[\frac{1}{1}]$  the person's license in a conspicuous place in:
- 25 <u>(1)</u> the principal place of business of the <u>company</u>
- 26 license holder; and
- 27 (2) each branch office [<del>license in a conspicuous place</del>

- 1 in each branch office] of the company license holder.
- 2 SECTION 5.047. Section 1702.129, Occupations Code, is
- 3 amended to read as follows:
- 4 Sec. 1702.129. NOTICE OF CERTAIN CHANGES; BRANCH OFFICES.
- 5 (a) A company license holder shall notify the department [board]
- 6 not later than the 14th day after the date of:
- 7 (1) a change of address for the company license
- 8 holder's principal place of business;
- 9 (2) a change of a name under which the <u>company</u> license
- 10 holder does business; or
- 11 (3) a change in the company license holder's officers
- 12 or partners.
- 13 (b) A company license holder shall notify the department
- 14 [board] in writing not later than the 14th day after the date a
- 15 branch office:
- 16 (1) is established;
- 17 (2) is closed; or
- 18 (3) changes address or location.
- 19 SECTION 5.048. Section 1702.130(a), Occupations Code, is
- 20 amended to read as follows:
- 21 (a) A company license holder, or an officer, director,
- 22 partner, [manager,] or employee of a company license holder, may
- 23 not:
- 24 (1) use a title, an insignia, or an identification
- 25 card, wear a uniform, or make a statement with the intent to give an
- 26 impression that the person is connected with the federal
- 27 government, a state government, or a political subdivision of a

- 1 state government; or
- 2 (2) use a title, an insignia, or an identification
- 3 card or wear a uniform containing the designation "police."
- 4 SECTION 5.049. Section 1702.131, Occupations Code, is
- 5 amended to read as follows:
- 6 Sec. 1702.131. ADVERTISING. An advertisement by a company
- 7 license holder soliciting or advertising business must contain the
- 8 company license holder's company name and address as stated in
- 9 department [board] records.
- 10 SECTION 5.050. Section 1702.132, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1702.132. REPORTS TO EMPLOYER OR CLIENT. (a) A
- 13 written report submitted to a company license holder's employer or
- 14 client may only be submitted by the company license holder [or
- 15 manager] or a person authorized by a company license holder [or
- 16 manager]. The person submitting the report shall exercise
- 17 diligence in determining whether the information in the report is
- 18 correct.
- 19 (b) A company license holder or an officer, director,
- 20 partner, [manager,] or employee of a company license holder may not
- 21 knowingly make a false report to the employer or client for whom
- 22 information is obtained.
- SECTION 5.051. Section 1702.133, Occupations Code, is
- 24 amended to read as follows:
- Sec. 1702.133. CONFIDENTIALITY; INFORMATION RELATING TO
- 26 CRIMINAL OFFENSE. (a) A company license holder or an officer,
- 27 director, or partner[, or manager] of a company license holder may

- 1 not disclose to another information obtained by the person for an
- 2 employer or client except:
- 3 (1) at the direction of the employer or client; or
- 4 (2) as required by state law or court order.
- 5 (b) A company license holder or an officer, director, or
- 6 partner[, or manager] of a company license holder shall disclose to
- 7 a law enforcement officer or a district attorney, or that
- 8 individual's representative, information the person obtains that
- 9 relates to a criminal offense. A private investigator who is
- 10 working under the direct supervision of a licensed attorney
- 11 satisfies this requirement by disclosing the information to the
- 12 supervising attorney.
- 13 SECTION 5.052. The heading to Section 1702.134, Occupations
- 14 Code, is amended to read as follows:
- 15 Sec. 1702.134. COMPANY LICENSE HOLDER EXEMPTIONS FROM
- 16 CERTAIN LOCAL REGULATIONS.
- SECTION 5.053. Sections 1702.134(a) and (b), Occupations
- 18 Code, are amended to read as follows:
- 19 (a) A company license holder or an employee of a company
- 20 license holder is not required to obtain an authorization, permit,
- 21 franchise, or license from, pay another fee or franchise tax to, or
- 22 post a bond in a municipality, county, or other political
- 23 subdivision of this state to engage in business or perform a service
- 24 authorized under this chapter.
- 25 (b) A municipality, county, or other political subdivision
- 26 of this state may not require a payment for the use of municipal,
- 27 county, or other public facilities in connection with a business or

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- 1 service provided by a company license holder, except that a
- 2 municipality may impose and collect:
- 3 (1) a reasonable charge for the use of a central alarm
- 4 installation located in a police office that is owned, operated, or
- 5 monitored by the municipality; and
- 6 (2) reasonable inspection and reinspection fees in
- 7 connection with a device that causes at least five false alarms in a
- 8 12-month period.
- 9 SECTION 5.054. Section 1702.161(b), Occupations Code, is
- 10 amended to read as follows:
- 11 (b) An individual employed as a security officer may not
- 12 knowingly carry a firearm during the course of performing duties as
- 13 a security officer unless the <u>department</u> [board] has issued a
- 14 security officer commission to the individual.
- SECTION 5.055. Section 1702.162, Occupations Code, is
- 16 amended to read as follows:
- Sec. 1702.162. EMPLOYER'S APPLICATION FOR SECURITY OFFICER
- 18 COMMISSION. The employer of a security officer who applies for a
- 19 security officer commission for the officer must submit an
- 20 application to the department [board] on a form provided by the
- 21 <u>department</u> [board].
- SECTION 5.056. Section 1702.163(a), Occupations Code, is
- 23 amended to read as follows:
- 24 (a) An applicant employed by a company license holder is not
- 25 eligible for a security officer commission unless the applicant
- 26 submits as part of the application satisfactory evidence that the
- 27 applicant has:

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- 1 (1) completed the basic training course at a school or
- 2 under an instructor approved by the <a href="department">department</a> [board];
- 3 (2) met each qualification established by this chapter
- 4 and administrative rule;
- 5 (3) achieved the score required by the department
- 6 [board] on the examination under Section 1702.1685; and
- 7 (4) demonstrated to the satisfaction of the firearm
- 8 training instructor that the applicant has complied with other
- 9 department [board] standards for minimum marksmanship competency
- 10 with a handgun.
- 11 SECTION 5.057. Section 1702.165, Occupations Code, is
- 12 amended to read as follows:
- 13 Sec. 1702.165. ISSUANCE OF SECURITY OFFICER COMMISSION;
- 14 POCKET CARD. (a) The [board, with the concurrence of the]
- 15 department:
- 16 (1) may issue a security officer commission to an
- 17 individual employed as a uniformed security officer; and
- 18 (2) shall issue a security officer commission to a
- 19 qualified employee of an armored car company that is a carrier
- 20 conducting the armored car business under a federal or state permit
- 21 or certificate.
- 22 (b) A security officer commission issued under this section
- 23 must be in the form of a pocket card designed by the department
- 24 [board] that identifies the security officer.
- SECTION 5.058. Section 1702.167, Occupations Code, is
- 26 amended to read as follows:
- Sec. 1702.167. TERMINATION OF EMPLOYMENT AS COMMISSIONED

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- 1 SECURITY OFFICER; TRANSFER OF COMMISSION. The holder of a security
- 2 officer commission who terminates employment with one employer may
- 3 transfer the individual's commission to a new employer if, not
- 4 later than the 14th day after the date the individual begins the new
- 5 employment, the new employer notifies the department [board] of the
- 6 transfer of employment on a form prescribed by the department
- 7 [board], accompanied by payment of the employee information update
- 8 fee.
- 9 SECTION 5.059. Sections 1702.1675(a), (b), (c), (d), (e),
- 10 (f), and (i), Occupations Code, are amended to read as follows:
- 11 (a) The <u>commission</u> [board] shall establish a basic training
- 12 course for commissioned security officers. The course must
- 13 include, at a minimum:
- 14 (1) general security officer training issues;
- 15 (2) classroom instruction on handgun proficiency; and
- 16 (3) range instruction on handgun proficiency.
- 17 (b) The course must be offered and taught by schools and
- 18 instructors approved by the <u>department</u> [board]. To receive
- 19 <u>department</u> [board] approval, a school or an instructor must submit
- 20 an application to the <u>department</u> [board] on a form provided by the
- 21 department [board].
- 22 (c) The basic training course <u>established under this</u>
- 23 section [approved by the board] must consist of a minimum of 30
- 24 hours.
- 25 (d) The general security officer training portion of the
- 26 course must include instruction on:
- 27 (1) [board rules and] applicable rules and state laws;

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- 1 (2) field note taking and report writing; and
- 2 (3) any other topics of security officer training 3 curriculum the <u>department</u> [board] considers necessary.
- 4 (e) The <u>department</u> [<del>board</del>] shall develop a commissioned 5 security officer training manual that contains applicable state 6 laws and [<del>board</del>] rules to be used in the instruction and training of 7 commissioned security officers.
- 8 (f) The <u>commission</u> [<del>board</del>] shall adopt rules necessary to 9 administer the provisions of this section concerning the training 10 requirements of this chapter.
- (i) The <u>commission</u> [board] by rule shall establish minimum standards for handgun proficiency that are at least as stringent as the standards for handgun proficiency developed [by the public safety director] under Section 411.188, Government Code.
- SECTION 5.060. Section 1702.168, Occupations Code, is amended to read as follows:
- Sec. 1702.168. FIREARM REQUIREMENTS. (a) In addition to the requirements of Section 1702.163(a), the <u>commission</u> [board] by rule shall establish other qualifications for individuals who are employed in positions requiring the carrying of firearms. The qualifications may include:
- 22 (1) physical and mental standards; and
- 23 (2) [standards of good moral character; and
- 24 [<del>(3)</del>] other requirements that relate to the competency 25 and reliability of individuals to carry firearms.
- 26 (b) The <u>commission</u> [<del>board</del>] shall prescribe appropriate 27 forms and adopt rules by which evidence is presented that the

- 1 requirements are fulfilled.
- 2 SECTION 5.061. Sections 1702.1685(b) and (d), Occupations
- 3 Code, are amended to read as follows:
- 4 (b) Only a department-approved [board-approved] instructor
- 5 may administer the handgun proficiency examination.
- 6 (d) The school shall maintain the records of the required
- 7 proficiency and make the records available for inspection by the
- 8 department [board].
- 9 SECTION 5.062. Section 1702.171, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 1702.171. SECURITY OFFICER COMMISSION RECORDS. The
- 12 <u>commission</u> [board] shall adopt rules for the maintenance of records
- 13 relating to an individual to whom the department [board] has issued
- 14 a security officer commission.
- SECTION 5.063. The heading to Subchapter H, Chapter 1702,
- 16 Occupations Code, is amended to read as follows:
- 17 SUBCHAPTER H. EMPLOYMENT OF COMMISSIONED SECURITY OFFICER BY
- 18 CERTAIN PERSONS; [LETTER OF AUTHORITY] REQUIREMENTS
- 19 SECTION 5.064. Section 1702.181, Occupations Code, is
- 20 amended to read as follows:
- 21 Sec. 1702.181. NOTICE AND REGISTRATION [LETTER OF
- 22 AUTHORITY] REQUIRED; REGISTRY. (a) The security department of a
- 23 private business or a political subdivision may not employ a
- 24 commissioned security officer unless the security department
- 25 provides notice to the department in the form prescribed by the
- 26 commission of:
- 27 (1) the security department's intent to employ a

- 1 commissioned security officer and register with the department
- 2 under this section;
- 3 (2) the name, title, and contact information of the
- 4 person serving in the security department as the contact for the
- 5 department; and
- 6 (3) any change in the information provided in
- 7 Subdivision (1) or (2) [holds a letter of authority].
- 8 (b) The department shall maintain a registry of security
- 9 departments that provide notice under Subsection (a) and the name,
- 10 title, and contact information of the person serving as contact for
- 11 each security department.
- 12 SECTION 5.065. The heading to Subchapter I, Chapter 1702,
- 13 Occupations Code, is amended to read as follows:
- 14 SUBCHAPTER I. PERSONAL PROTECTION OFFICER LICENSE [ENDORSEMENT]
- 15 REQUIREMENTS
- SECTION 5.066. Section 1702.201, Occupations Code, is
- 17 amended to read as follows:
- 18 Sec. 1702.201. PERSONAL PROTECTION OFFICER LICENSE
- 19 [ENDORSEMENT] REQUIRED. An individual may not act as a personal
- 20 protection officer unless the individual holds a personal
- 21 protection officer <u>license</u> [endorsement].
- 22 SECTION 5.067. Section 1702.203, Occupations Code, is
- 23 amended to read as follows:
- Sec. 1702.203. APPLICATION FOR PERSONAL PROTECTION OFFICER
- 25 LICENSE [ENDORSEMENT]. An applicant for a personal protection
- 26 officer <u>license</u> [endorsement] must submit a written application on
- 27 a form prescribed by the  $\underline{\text{commission}}$  [board].

- 1 SECTION 5.068. Section 1702.204, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1702.204. PERSONAL PROTECTION OFFICER LICENSE
- 4 [ENDORSEMENT]; QUALIFICATIONS. (a) An applicant for a personal
- 5 protection officer license [endorsement] must be at least 21 years
- 6 of age and must provide:
- 7 (1) a certificate of completion of the basic security
- 8 officer training course;
- 9 (2) proof that the applicant:
- 10 (A) has been issued a security officer
- 11 commission;
- 12 (B) is employed at the time of application by an
- 13 investigations company or guard company licensed by the department
- 14 [board]; and
- 15 (C) has completed the required training in
- 16 nonlethal self-defense or defense of a third person; and
- 17 (3) proof of completion and the results of the
- 18 Minnesota Multiphasic Personality Inventory psychological testing.
- 19 (b) The commission [board] by rule shall require an
- 20 applicant for a personal protection officer <u>license</u> [endorsement]
- 21 to complete the Minnesota Multiphasic Personality Inventory test.
- 22 The department [board] may use the results of the test to evaluate
- 23 the applicant's psychological fitness.
- SECTION 5.069. Section 1702.205(a), Occupations Code, is
- 25 amended to read as follows:
- 26 (a) The <u>commission</u> [<del>board</del>] shall establish a 15-hour course
- 27 for a personal protection officer consisting of training in

- 1 nonlethal self-defense or defense of a third person.
- 2 SECTION 5.070. Section 1702.206(a), Occupations Code, is
- 3 amended to read as follows:
- 4 (a) An individual acting as a personal protection officer
- 5 may not carry a firearm unless the officer:
- 6 (1) is either:
- 7 (A) engaged in the exclusive performance of the
- 8 officer's duties as a personal protection officer for the employer
- 9 under whom the officer's personal protection officer <u>license</u>
- 10 [endorsement] is issued; or
- 11 (B) traveling to or from the officer's place of
- 12 assignment; and
- 13 (2) carries the officer's security officer commission
- 14 and personal protection officer license [endorsement] on the
- 15 officer's person while performing the officer's duties or traveling
- 16 as described by Subdivision (1) and presents the commission and
- 17 <u>license</u> [endorsement] on request.
- 18 SECTION 5.071. The heading to Subchapter J, Chapter 1702,
- 19 Occupations Code, is amended to read as follows:
- 20 SUBCHAPTER J. LICENSING AND [RECISTRATION AND ENDORSEMENT
- 21 REQUIREMENTS; DUTIES OF INDIVIDUALS [REGISTRANT AND ENDORSEMENT
- 22 HOLDER
- SECTION 5.072. Section 1702.221, Occupations Code, is
- 24 amended to read as follows:
- Sec. 1702.221. <u>INDIVIDUAL LICENSE</u> [<u>REGISTRATION AND</u>
- 26 ENDORSEMENT] REQUIRED. (a) To perform any activity regulated by
- 27 this chapter, the individual must:

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1
                 (1)
                      [register in accordance with the requirements of
 2
   this chapter and related administrative rules;
 3
                 \left[\frac{(2)}{(2)}\right] obtain
                                 the proper <u>individual</u>
                                                                   license
    [endorsement] under Subsection (b); and
 4
 5
                (2) [(3)] be employed by a company <u>license holder</u>
 6
    [licensed under this chapter].
                An individual must obtain the appropriate individual
 7
           (b)
    license [endorsement] in accordance with the requirements of this
 8
    chapter and related administrative rules if the individual:
 9
10
                (1)
                      is employed as:
                          an alarm instructor;
11
                      (A)
12
                      (B)
                           an alarm systems installer;
                           an alarm systems monitor;
13
                      (C)
14
                      (D)
                           an
                                 electronic
                                               access
                                                         control
                                                                    device
15
    installer;
                      (E)
                           a level 3 classroom or firearm instructor;
16
17
                      (F)
                           a locksmith;
18
                      (G)
                           [a dog trainer;
19
                      [(H) a manager or branch office manager;
20
                      [<del>(I)</del>] a noncommissioned security officer;
21
                      (H) [<del>(J)</del>] a
                                      level
                                             4 personal protection
22
    instructor;
23
                      (I) [<del>(K)</del>] a private investigator; or
24
                      (J) [(L) a private security consultant;
25
                      [(M) a security salesperson; or
26
                      \left[\frac{N}{N}\right]
                            an individual whose
                                                         duties
                                                                   include
    performing another activity for which an <u>individual license</u>
27
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- 1 [endorsement] is required under Subsection (e); or
- 2 (2) is an owner who owns at least a 51 percent interest
- 3 in a company license holder [who oversees the security-related
- 4 aspects of the business, officer, partner, or shareholder of a
- 5 <del>license holder</del>].
- 6 (c) Licensure [Registration and endorsement] under this
- 7 chapter does not preclude an individual from performing additional
- 8 duties or services authorized by the individual's employer that are
- 9 not regulated by this chapter. An individual who performs more than
- 10 one of the services that require an individual license [an
- 11 endorsement] under this section must obtain an individual license
- 12 [an-endorsement] for each service.
- (d) In addition to the services listed in Subsection (b), a
- 14 person holding a security officer commission must also obtain an
- 15 individual license [an endorsement] for personal protection if the
- 16 individual performs the services described by Section 1702.202.
- (e) The commission [board] by rule may require a person to
- 18 hold an individual license [an endorsement] for performing any
- 19 other activity expressly regulated by this chapter.
- SECTION 5.073. Section 1702.2226(b), Occupations Code, is
- 21 amended to read as follows:
- 22 (b) A person <u>licensed</u> [registered] as an electronic access
- 23 control device installer may not install alarm systems unless the
- 24 person holds an individual license [an endorsement] under this
- 25 chapter as an alarm systems installer.
- SECTION 5.074. Section 1702.229, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1702.229. QUALIFICATIONS FOR INDIVIDUAL LICENSE
- 2 [RECISTRATION]. (a) An applicant for an individual license
- 3 [registration] must meet the qualifications required under Section
- 4 1702.113 for a company license applicant.
- 5 (b) The commission [In accordance with the requirements of
- 6 Section 1702.0611, the board] by rule may adopt additional
- 7 qualifications for an individual to obtain an individual license
- 8 [be registered] under this subchapter.
- 9 SECTION 5.075. Section 1702.230, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 1702.230. APPLICATION FOR INDIVIDUAL LICENSE
- 12 [REGISTRATION OR ENDORSEMENT]. (a) An application for an
- 13 individual license [registration or endorsement] must be verified
- 14 and include:
- 15 (1) the applicant's full name, residence address,
- 16 residence telephone number, date and place of birth, and social
- 17 security number;
- 18 (2) a statement that:
- 19 (A) lists each name used by the applicant, other
- 20 than the name by which the applicant is known at the time of
- 21 application, and an explanation stating each place where each name
- 22 was used, the date of each use, and a full explanation of the
- 23 reasons the name was used; or
- 24 (B) states that the applicant has never used a
- 25 name other than the name by which the applicant is known at the time
- 26 of application;
- 27 (3) the name and address of the applicant's employer

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- 1 [and, if applicable, the applicant's consulting firm];
- 2 (4) the date the employment <u>described</u> by <u>Subdivision</u>
- $3 \quad (3) \quad \text{commenced};$
- 4 (5) a letter from the company license holder
- 5 requesting that the applicant be issued an individual license [be
- 6 registered or-endorsed];
- 7 (6) the title of the position occupied by the
- 8 applicant and a description of the applicant's duties;
- 9 (7) the required fees, including the criminal history
- 10 check fee established under Section 1702.282;
- 11 (8) fingerprints of the applicant provided in the
- 12 manner prescribed by the department [board]; and
- 13 (9) any other information, evidence, statement, or
- 14 document required by the department [board].
- 15 (b) The employer of the applicant shall make a reasonable
- 16 attempt to verify the information required under Subsection (a)(1)
- 17 before the earlier of:
- 18 (1) the date the application is submitted; or
- 19 (2) the date the applicant begins to perform the
- 20 duties of employment that require an individual license
- 21 [registration].
- (c) An applicant must submit an application that
- 23 substantially meets the requirements of this section before
- 24 employment in a capacity for which an individual license
- 25 [registration] is required.
- 26 (d) For purposes of Subsection (a), an application is not
- 27 considered to be verified until the department [board] has received

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- 1 electronic verification from the department or the Federal Bureau
- 2 of Investigation, as applicable, that the applicant has submitted
- 3 the applicant's fingerprints.
- 4 (e) The department [board] shall make information available
- 5 to the public concerning whether an applicant for <u>an individual</u>
- 6 <u>license</u> [registration or endorsement] has met the requirements
- 7 under this chapter for performing a service for which the
- 8 individual license [registration or endorsement] is required.
- 9 (f) If information concerning an applicant is not made
- 10 available under Subsection (e) before the 48th hour after the time
- 11 the applicant's fingerprints are submitted in accordance with
- 12 Subsection (a), the applicant may begin performing the duties of
- 13 employment for which the <u>individual license</u> [registration or
- 14 endorsement] is required, other than duties as a commissioned
- 15 security officer, if the employer or its agent:
- 16 (1) verifies through the department's publicly
- 17 accessible website that the applicant is:
- 18 (A) not disqualified for the <u>individual license</u>
- 19 [registration or endorsement] based on the applicant's criminal
- 20 history; and
- 21 (B) not required to register as a sex offender
- 22 under Chapter 62, Code of Criminal Procedure; and
- 23 (2) maintains in the applicant's employee file a copy
- 24 of the search results obtained under Subdivision (1).
- 25 SECTION 5.076. Section 1702.2305, Occupations Code, is
- 26 amended to read as follows:
- 27 Sec. 1702.2305. PROVISIONAL INDIVIDUAL LICENSE

- 1 [REGISTRATION]. (a) The department [board] may issue a
- 2 provisional individual license [registration] to an applicant
- 3 currently licensed [registered] in another jurisdiction who seeks
- 4 an equivalent license [registration] in this state and who:
- 5 (1) has been licensed [registered] in good standing in
- 6 the field in which the individual license [registration] is sought
- 7 for at least two years in another jurisdiction, including a foreign
- 8 country, that has <u>licensing</u> [registration] requirements
- 9 substantially equivalent to the requirements of this chapter;
- 10 (2) has passed a national or other examination
- 11 recognized by the commission [board] relating to practice in the
- 12 field in which the individual license [registration] is sought; and
- 13 (3) is employed by a <u>company license holder</u> [person
- 14 licensed by the board under this chapter] with whom the provisional
- 15 <u>individual license holder [registration holder]</u> will practice
- 16 during the time the person holds a provisional individual license
- 17 [registration].
- 18 (b) A provisional individual license [registration] is
- 19 valid until the date the <u>department</u> [board] approves or denies the
- 20 provisional individual license [registration] holder's application
- 21 for <u>an individual license</u> [<u>a registration</u>]. The <u>department</u> [<del>board</del>]
- 22 shall issue an individual license [a registration] under this
- 23 chapter to the provisional individual license [registration]
- 24 holder if the provisional <u>individual license</u> [registration] holder
- 25 is eligible to be licensed [registered] under this chapter.
- 26 (c) The <u>department</u> [board] must approve or deny a
- 27 provisional individual license [registration] holder's application

- 1 for an individual license [a registration] not later than the 180th
- 2 day after the date the provisional individual license
- 3 [registration] is issued. The department [board] may extend the
- 4 180-day period if the results of an examination have not been
- 5 received by the <u>department</u> [board] before the end of that period.
- 6 (d) The commission [board] may establish a fee for a
- 7 provisional individual license [registration] in an amount
- 8 reasonable and necessary to cover the cost of issuing the
- 9 individual license [registration].
- SECTION 5.077. Section 1702.232, Occupations Code, is
- 11 amended to read as follows:
- Sec. 1702.232. POCKET CARDS. (a) The department [board]
- 13 shall issue a pocket card for each individual license holder
- 14 [registrant] under this chapter. A pocket card for an owner[r
- 15 officer, partner, or shareholder] of a company license holder shall
- 16 be issued to the company license holder.
- 17 (b) The department [board] shall determine the size,
- 18 design, and content of the pocket card.
- 19 (c) The pocket card must:
- 20 (1) state the name of the individual license holder
- 21 [registrant];
- 22 (2) contain a color photograph, affixed to the pocket
- 23 card by the department [board] at the time the card is issued, and
- 24 the signature of the individual license holder [registrant]; and
- 25 (3) state the date the card was issued and the card's
- 26 expiration date[ + and
- [(4) state each endorsement held by the registrant and

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- 1 the date the endorsement expires].
- 2 SECTION 5.078. Section 1702.233, Occupations Code, is
- 3 amended to read as follows:
- 4 Sec. 1702.233. DURATION OF POCKET CARDS. A pocket card
- 5 issued for an individual license holder [a registrant is valid for
- 6 two years and] expires on the date the individual license
- 7 [registration] expires under Section 1702.301(b) [1702.301(d),
- $8 \frac{(e)_{7} \text{ or } (f)}{(f)}$ ].
- 9 SECTION 5.079. Section 1702.234, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 1702.234. [REGISTRATION AND ENDORSEMENT] TRANSFER OF
- 12 INDIVIDUAL LICENSE. An individual license holder [A registrant]
- 13 may transfer the holder's license [registrant's registration and
- 14 endorsements] from one employer to another employer if, not later
- 15 than the 14th day after the date the individual license holder
- 16 [registrant] begins the new employment, the new employer notifies
- 17 the department [board] of the transfer of employment on a form
- 18 prescribed by the commission [board] accompanied by payment of the
- 19 employee information update fee.
- SECTION 5.080. Section 1702.235, Occupations Code, is
- 21 amended to read as follows:
- Sec. 1702.235. PREEMPLOYMENT CHECK FOR NONCOMMISSIONED
- 23 SECURITY OFFICERS. A person may not hire a noncommissioned
- 24 security officer unless the person conducts a preemployment check
- 25 as required by <a href="mailto:commission">commission</a> [board] rule.
- SECTION 5.081. Section 1702.236, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1702.236. EXAMINATION AND TRAINING REQUIREMENTS FOR
- 2 ELECTRONIC ACCESS CONTROL DEVICE INSTALLERS. (a) The department
- 3 [board] shall require an individual who applies for an individual
- 4 <u>license</u> [endorsement] as an electronic access control device
- 5 installer to pass an examination given by the department [board] or
- 6 a person approved by the department [board]. The examination must
- 7 cover material related to access control.
- 8 (b) The commission [On and after September 1, 2005, the
- 9 board] by rule may allow an electronic access control device
- 10 installer to obtain or renew an <u>individual license</u> [endorsement] by
- 11 fulfilling the requirements of a <u>commission-approved</u>
- 12 [board-approved], industry-based educational training program.
- 13 SECTION 5.082. Section 1702.239, Occupations Code, is
- 14 amended to read as follows:
- 15 Sec. 1702.239. TRAINING REQUIREMENTS FOR ALARM SYSTEMS
- 16 INSTALLER [AND SECURITY SALESPERSON]; EXAMINATION. (a) The
- 17 commission [board] may require that an individual employed as an
- 18 alarm systems installer [or security salesperson] hold a
- 19 certification by a commission-approved [board-approved] training
- 20 program to renew an individual license [endorsement]. The
- 21 <u>commission</u> [board] may approve only nationally recognized training
- 22 programs that consist of at least 16 hours of classroom study in the
- 23 areas of work allowed by the individual license [endorsement]. To
- 24 be approved, a training program must offer at least two
- 25 certification programs each year, sufficient to complete the
- 26 requirements of this subsection, within 100 miles of each county in
- 27 the state that has a population of more than 500,000.

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- 1 The commission [board] may require an individual who has 2 completed a training program under Subsection (a) to pass an 3 examination given by the department [board] or by a person approved by the department [board]. The commission [board] may approve 4 5 examinations in conjunction with training programs approved under Subsection (a). The individual's performance on the examination 6 7 must demonstrate the individual's qualifications to perform the duties individual's 8 allowed bу the <u>individual</u> 9 [endorsement].
- 10 (c) [An individual who holds a registration on September 30, 1993, is not required to comply with requirements adopted under 12 Subsections (a) and (b) during the time the individual maintains 13 the registration with the individual's current license holder.
- 14  $[\frac{d}{d}]$  If the commission  $[\frac{board}{d}]$  requires certification or examination under this section, the commission [board] shall adopt 15 16 [implement] rules to require that to renew an individual license 17 [endorsement], an individual who is employed as an alarm systems installer [or a security salesperson] and who has already once 18 19 renewed the individual license [<del>endorsement</del>] must obtain continuing education credits related to the line of work for which 20 the individual is licensed. If the commission [board] requires the 21 continuing education, the chief administrator must approve classes 22 offered by nationally recognized organizations, and participants 23 24 in the classes must qualify according to <a href="commission">commission</a> [board] rules.
- 25 SECTION 5.083. Section 1702.240, Occupations Code, is 26 amended to read as follows:
- Sec. 1702.240. [REGISTRATION] EXEMPTIONS FOR UNDERCOVER

- 1 AGENT. (a) For the purposes of this section, "undercover agent"
- 2 means an individual hired by a person to perform a job in or for that
- 3 person, and while performing that job, to act as an undercover
- 4 agent, an employee, or an independent contractor of a company
- 5 license holder, but supervised by a company license holder.
- 6 (b) An employee of a <u>company</u> license holder who is employed
- 7 exclusively as an undercover agent is not required to obtain an
- 8 individual license [register with the board].
- 9 SECTION 5.084. Section 1702.241, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 1702.241. JURISPRUDENCE EXAMINATION. (a) The
- 12 <u>commission</u> [board] may develop and the department may administer at
- 13 least twice each calendar year a jurisprudence examination to
- 14 determine the knowledge that an applicant for an individual license
- 15 [endorsement] has of this chapter, commission [board] rules, and
- 16 any other applicable laws of this state affecting the applicant's
- 17 activities regulated under this chapter.
- 18 (b) Before the <u>department</u> [board] may administer a
- 19 jurisprudence examination under this section, the commission
- 20 [board] shall adopt rules to implement this section, including
- 21 rules related to the development and administration of the
- 22 examination, examination fees, guidelines for reexamination,
- 23 grading the examination, and providing notice of examination
- 24 results. The department [board] may design different examinations
- 25 for different types of <u>individual licenses</u> [endorsements].
- SECTION 5.085. Section 1702.282, Occupations Code, is
- 27 amended to read as follows:

1 Sec. 1702.282. CRIMINAL HISTORY CHECK. (a) The department 2 [board] shall conduct a criminal history check, including a check 3 of any criminal history record information maintained by the Federal Bureau of Investigation, in the manner provided by 4 Subchapter F, Chapter 411, Government Code, on each applicant for a 5 6 license or [- registration-] security officer commission issued 7 under this chapter [, letter of approval, permit, endorsement, or As part of its criminal history check, the 8 certification]. 9 department [board] may request that the applicant provide certified 10 copies of relevant court documents or other records. The failure to provide the requested records within a reasonable time as 11 12 determined by the department [board] may result in the application being considered incomplete. An applicant is not eligible for a 13 14 license or security officer[-registration-] commission issued under this chapter [, letter of approval, permit, endorsement, or 15 16 certification] if the check reveals that the applicant has 17 committed an act that constitutes grounds for the denial of the 18 license or [ registration r commission [ letter of approval r permit, endorsement, or certification]. 19 Except as provided by 20 Subsection (d), each applicant shall submit at the time of 21 application, including an application for the renewal of a license 22 or security officer[ registration commission issued under this chapter[, letter of approval, permit, endorsement, or 23 24 certification], fingerprints in the manner prescribed by the 25 <u>department</u> [board] accompanied by the fee set by the <u>commission</u> 26 [board].

(b) Before beginning employment as a commissioned security

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- 1 officer, the applicant must be approved by the department [board]
- 2 based on the results of the check under Subsection (a). To continue
- 3 employment in a capacity regulated under this chapter other than as
- 4 a commissioned security officer, the applicant must be approved by
- 5 the department [board] based on the results of the check under
- 6 Subsection (a) not later than the 120th day after the date the
- 7 applicant begins employment in that capacity.
- 8 (c) A license or [-- registration-] security officer
- 9 commission[, letter of approval, permit, endorsement, or
- 10 certification] issued by the department [board] is conditional on
- 11 the <u>department's review</u> [board's receipt] of criminal history
- 12 record information.
- (d) An applicant who is a peace officer is not required to
- 14 submit fingerprints with the applicant's application. On request,
- 15 the law enforcement agency or other entity that employs the peace
- 16 officer or the entity that maintains the peace officer's
- 17 fingerprints shall provide the fingerprints for the peace officer
- 18 to the department [board]. The applicant shall provide sufficient
- 19 information to the department [board] to enable the department
- 20 [board] to obtain the fingerprints under this subsection.
- 21 (e) On receipt of notice that a check of the applicant's
- 22 criminal record has uncovered an unresolved and potentially
- 23 disqualifying arrest that occurred before the 10th anniversary of
- 24 the date the application is filed, the applicant must provide a
- 25 letter of reference from the county sheriff, prosecuting attorney,
- 26 or judge of the county in which the applicant was arrested stating
- 27 that a record of a disposition related to the arrest does not exist,

- 1 and to the best of the county sheriff's, prosecuting attorney's, or
- 2 judge's knowledge the applicant is free of any disqualifying
- 3 convictions. If the applicant fails to provide either the letter of
- 4 reference or documentary proof of the final disposition of the
- 5 arrest, the application is considered incomplete and the applicant
- 6 may not be issued a license or security officer  $[\tau]$  commission  $[\tau]$
- 7 endorsement, or certificate of registration] under this chapter.
- 8 SECTION 5.086. Section 1702.283, Occupations Code, is
- 9 amended to read as follows:
- 10 Sec. 1702.283. CRUELTY TO ANIMALS. A person who has been
- 11 convicted of cruelty to animals under Section 42.09 or 42.092,
- 12 Penal Code, [+
- 13 [(1) is ineligible for a license as a guard dog company
- 14 or for endorsement as a dog trainer; and
- 15  $\left[\frac{(2)}{2}\right]$  may not be employed to work with dogs as a
- 16 security officer by a security services contractor or security
- 17 department of a private business that uses dogs to protect
- 18 individuals or property or to conduct investigations.
- 19 SECTION 5.087. Section 1702.284(a), Occupations Code, is
- 20 amended to read as follows:
- 21 (a) Information contained in alarm systems records
- 22 maintained by a governmental body that concerns the location of an
- 23 alarm system, the name of the occupant of an alarm system location,
- 24 or the type of alarm system used is confidential and may be
- 25 disclosed only to the <u>department</u> [board], to the alarm company to
- 26 which the confidential records relate, or as otherwise required by
- 27 state law or court order.

- 1 SECTION 5.088. Section 1702.285, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1702.285. FALSE REPRESENTATION. A person may not
- 4 represent falsely that the person:
- 5 (1) is employed by a company license holder; or
- 6 (2) <u>has a license or security officer commission</u> [is
- 7 licensed, registered, endorsed, or commissioned] under this
- 8 chapter.
- 9 SECTION 5.089. Sections 1702.288(a), (d), and (f),
- 10 Occupations Code, are amended to read as follows:
- 11 (a) The <u>commission</u> [board] shall adopt rules in accordance
- 12 with this section that require a company license holder acting as an
- 13 alarm systems company under this chapter to inform each of the
- 14 license holder's clients that the client is entitled to receive a
- 15 written contract for alarm system services that contains the
- 16 client's fee arrangement and other relevant information about
- 17 services to be rendered.
- 18 (d) The rules shall require that, not later than the seventh
- 19 day after the date of entering into a contract for services
- 20 regulated by the department [board] with another alarm systems
- 21 company or alarm systems monitor, an alarm systems company shall:
- 22 (1) notify the recipient of those services of the
- 23 name, address, and telephone number and individual to contact at
- 24 the company that purchased the contract;
- 25 (2) notify the recipient of services at the time the
- 26 contract is negotiated that another licensed company may provide
- 27 any of the services requested by subcontracting or outsourcing

- 1 those services; and
- 2 (3) if any of the services are subcontracted or
- 3 outsourced to a licensed third party, notify the recipient of
- 4 services, by mail, of the name, address, phone number, and license
- 5 number of the company providing those services.
- 6 (f) A company license holder acting as an alarm systems
- 7 company does not have to provide the notice required under
- 8 Subsection (d) if the contact information, including the address
- 9 and the telephone numbers for the alarm systems company, has not
- 10 changed.
- 11 SECTION 5.090. Section 1702.289, Occupations Code, is
- 12 amended to read as follows:
- Sec. 1702.289. INSPECTIONS. (a) An employee or agent of
- 14 the department [or board, as applicable,] who enters the place of
- 15 business of a person regulated under this chapter for the purpose of
- 16 conducting an inspection or audit must:
- 17 (1) notify the manager or owner of the business of the
- 18 presence of the person conducting the inspection or audit; and
- 19 (2) present the manager or owner of the business with
- 20 credentials that identify the person conducting the inspection or
- 21 audit as an employee or agent of the department [or board].
- 22 (b) This section does not prohibit the department [or board]
- 23 from conducting an undercover investigation or covert audit in
- 24 order to determine compliance with this chapter or a rule adopted
- 25 under this chapter.
- 26 SECTION 5.091. Sections 1702.301(b), (c), and (h),
- 27 Occupations Code, are amended to read as follows:

- 1 (b) A company license, individual license, and security
- 2 officer commission expire on the dates determined by the commission
- 3 under Section 411.511, Government Code, but not later than [expires
- 4 on the second anniversary of the date the <u>license or</u> commission is
- 5 issued.
- 6 (c) A personal protection officer license [endorsement]
- 7 expires on the date determined by the commission under Section
- 8 411.511, Government Code, but not later than [on] the expiration
- 9 date of the security officer commission under which the <u>license</u>
- 10 [individual's endorsement] is issued.
- 11 (h) A license[ registration, or endorsement] issued under
- 12 this chapter, other than one specified in this section, expires on
- 13 the date determined by the commission under Section 411.511,
- 14 Government Code, but not later than the second anniversary of the
- 15 date the license is issued [specified by this chapter or by board
- 16 rule].
- 17 SECTION 5.092. Sections 1702.302(a), (b), (c), and (e),
- 18 Occupations Code, are amended to read as follows:
- 19 (a) A person who is otherwise eligible to renew a license
- 20 may renew an unexpired license by paying the required renewal fee to
- 21 the department [board] before the expiration date of the license. A
- 22 person whose license has expired may not engage in activities that
- 23 require a license until the license has been renewed.
- (b) A person whose license has been expired for 90 days or
- 25 less may renew the license by paying to the  $\underline{\text{department}}$  [board] a
- 26 renewal fee that is equal to 1-1/2 times the normally required
- 27 renewal fee.

- 1 (c) A person whose license has been expired for longer than
- 2 90 days but less than one year may renew the license by paying to the
- 3 department [board] a renewal fee that is equal to two times the
- 4 normally required renewal fee.
- 5 (e) Not later than the 30th day before the date a person's
- 6 license is scheduled to expire, the department [board] shall send
- 7 written notice of the impending expiration to the person at the
- 8 person's last known address according to the <u>department's</u> [<del>board's</del>]
- 9 records.
- 10 SECTION 5.093. Section 1702.303, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1702.303. RENEWAL OF EXPIRED LICENSE BY OUT-OF-STATE
- 13 PRACTITIONER. A person who was licensed in this state, moved to
- 14 another state, and is currently licensed and has been in practice in
- 15 the other state for the two years preceding the date the person
- 16 applies for renewal may obtain a new license without reexamination.
- 17 The person must pay to the <u>department</u> [board] a fee that is equal to
- 18 two times the normally required renewal fee for the license.
- 19 SECTION 5.094. Sections 1702.308(b) and (c), Occupations
- 20 Code, are amended to read as follows:
- 21 (b) The department [board] shall recognize, prepare, or
- 22 administer continuing education programs for <a href="company">company</a> license
- 23 holders, commissioned security officers, and individual license
- 24 [endorsement] holders. The commission [board] shall set the
- 25 minimum number of hours that must be completed and the types of
- 26 programs that may be offered.
- 27 (c) A company license holder, commissioned security

- 1 officer, or individual license [endorsement] holder must
- 2 participate in the programs to the extent required by the
- 3 commission [board] to keep the person's license  $or[\tau]$  commission[ $\tau$
- 4 or endorsement]. A company license holder, commissioned security
- 5 officer, or individual <u>license</u> [endorsement] holder shall submit
- 6 evidence of compliance with the commission's [board's] continuing
- 7 education requirements in a manner prescribed by the department
- 8 [board].
- 9 SECTION 5.095. Section 1702.309(a), Occupations Code, is
- 10 amended to read as follows:
- 11 (a) The  $\underline{\text{commission}}$  [ $\underline{\text{board}}$ ] by rule shall develop a
- 12 continuing education course required for renewal of a security
- 13 officer commission. Only a <u>department-approved</u> [board-approved]
- 14 instructor may administer the continuing education course. The
- 15 course must include at least six hours of instruction determined by
- 16 the department [chief administrator of the board].
- 17 SECTION 5.096. Sections 1702.321(b), (c), and (e),
- 18 Occupations Code, are amended to read as follows:
- 19 (b) The provisions of this chapter relating to security
- 20 officer commissions apply to a person employed by a political
- 21 subdivision whose duties include serving as a security guard,
- 22 security watchman, or security patrolman on property owned or
- 23 operated by the political subdivision if the governing body of the
- 24 political subdivision files a written request with the department
- 25 [board] for the department [board] to issue a commission to the
- 26 political subdivision's employees with those duties.
- 27 (c) The <u>department</u> [board] may not charge a fee for issuing

- 1 a commission to an officer under Subsection (b). The department
- 2 [board] shall issue to the officer a pocket card designating the
- 3 political subdivision that employs the officer.
- 4 (e) The <u>department</u> [board] may approve a security officer
- 5 training program conducted by the political subdivision in
- 6 accordance with Sections 1702.1675 and 1702.168.
- 7 SECTION 5.097. Sections 1702.323(c) and (c-1), Occupations
- 8 Code, are amended to read as follows:
- 9 (c) The security department of a private business may not
- 10 hire or employ an individual to perform a duty described by Section
- 11 1702.222 if the individual has been convicted of a crime that would
- 12 otherwise preclude the individual from being licensed [registered]
- 13 under this chapter. The private business shall maintain the
- 14 individual's criminal history record on file at the business and
- 15 shall make the record available for inspection by the department
- 16 [Department of Public Safety].
- 17 (c-1) Although the security department of a private
- 18 business that hires or employs an individual as a private security
- 19 officer to possess a firearm in the course and scope of the
- 20 individual's duties is required to apply for a security officer
- 21 commission for the individual under this chapter, the security
- 22 department of a private business is not required to apply [to-the
- 23 board] for any license under this chapter.
- SECTION 5.098. Section 1702.331(b), Occupations Code, is
- 25 amended to read as follows:
- 26 (b) This chapter does not apply to:
- 27 (1) an alarm systems company that sells, installs,

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- 1 services, monitors, or responds to only personal emergency response
- 2 systems;
- 3 (2) an alarm systems installer who installs,
- 4 maintains, or repairs only personal emergency response systems; and
- 5 (3) [a manager or branch office manager of an alarm
- 6 systems company described by Subdivision -(1);
- 7 [(4) a security salesperson who is employed by an
- 8 alarm systems-company described by Subdivision (1) to sell-services
- 9 offered by the company; and
- 10 [(5)] an owner[, officer, partner, or shareholder] of
- 11 an alarm systems company described by Subdivision (1).
- 12 SECTION 5.099. Sections 1702.332(c) and (d), Occupations
- 13 Code, are amended to read as follows:
- 14 (c) To qualify for the exemption provided by Subsection (b),
- 15 a telematics service provider shall[+
- [(1)] establish business practices and procedures
- 17 that are at least as stringent as the guidelines established by the
- 18 Association of Public Safety Communications Officials
- 19 International regarding the communication of information from
- 20 telematics service providers to public safety agencies[; and
- [(2) pay an annual fee of \$2,500 to the department].
- 22 (d) The <u>commission</u> [<del>department</del>] may adopt rules necessary
- 23 to carry out the purposes of this section, including rules to
- 24 determine whether a telematics service provider is complying with
- 25 Subsection (c).
- SECTION 5.100. Section 1702.361, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1702.361. DENIAL AND DISCIPLINARY ACTIONS; GROUNDS.
- 2 (a) The commission [department], for conduct described by
- 3 Subsection (b), may:
- 4 (1) deny an application or revoke, suspend, or refuse
- 5 to renew a license[ registration, endorsement, ] or security
- 6 officer commission;
- 7 (2) reprimand a license holder[-- registrant--] or
- 8 commissioned security officer; or
- 9 (3) place on probation a person whose license[ $\tau$
- 10 registration, endorsement, or security officer commission has
- 11 been suspended.
- 12 (b) The <u>commission</u> [department] shall take disciplinary
- 13 action described by Subsection (a) on proof:
- 14 (1) that the applicant, license holder, [manager or]
- 15 majority owner of a license holder, [registrant, endorsement
- 16 holder, or commissioned security officer has:
- 17 (A) violated this chapter or a rule adopted under
- 18 this chapter;
- 19 (B) become ineligible for licensure[ $\tau$
- 20 registration, or endorsement under Section 1702.113, or a security
- 21 officer commission under Section 1702.163, if applicable, other
- 22 than an action for which the department has taken summary action
- 23 under Section 1702.364;
- (C) engaged in fraud, deceit, or
- 25 misrepresentation;
- (D) made a material misstatement in an
- 27 application for or renewal of a license[ registration,

1 endorsement, or commission; failed to pay in full an administrative 2 penalty assessed under Subchapter R, Chapter 411, Government Code 3  $[\frac{Q}{2}]$ , for which the <u>commission</u>  $[\frac{board}{2}]$  has issued a final order; <u>or</u> 4 5 performed any service for which an individual license [endorsement] is required under this chapter and either: 6 7 (i) was not employed with licensed under this chapter at the time the service was performed; 8 9 or (ii) performed the service for a company 10 11 licensed under this chapter that was not listed on the individual's individual license [registration] without informing the department 12 [board] of the individual's employment with the company within a 13 14 reasonable period; or 15 [(G) failed to qualify a new manager within the 16 time required by board rule following the termination of a manager; 17 <del>or</del>] 18 that the company license holder employing an 19 individual license holder [of a registrant] or commissioned security officer has submitted to the department sufficient 20 evidence that the <u>individual license</u> holder [registrant] 21 22 commissioned security officer: 23 engaged in fraud or deceit while employed by the company license holder; or 24 25 committed theft while performing work as an

individual license holder [a registrant] or commissioned security

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officer.

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- 1 (c) The commission [department] may place on probation a
- 2 person whose license is suspended. If a person's suspension of a
- 3 license is probated, the commission [department] may require the
- 4 person:
- 5 (1) to report regularly to the department on matters
- 6 that are the basis of the suspension;
- 7 (2) to limit practice to the areas prescribed by the
- 8 commission [department]; or
- 9 (3) to continue or review professional education until
- 10 the person attains a degree of skill satisfactory to the commission
- 11 [department] in those areas that are the basis of the probation.
- 12 (d) The commission [department] may revoke a license[ $\tau$
- 13 certificate, registration, endorsement, or security officer
- 14 commission if the person holding that credential under this chapter
- 15 submits payment of a fee or penalty that is returned for
- 16 insufficient funds and the person has received notice and an
- 17 opportunity to provide payment in full.
- 18 SECTION 5.101. Section 1702.363, Occupations Code, is
- 19 amended to read as follows:
- Sec. 1702.363. APPLICATION OF ADMINISTRATIVE PROCEDURE
- 21 ACT. Except as provided by <u>Section</u> [<del>Sections 1702.3615(b) and</del>]
- 22 1702.364, a person regulated under this chapter against whom the
- 23 commission [board] has taken action is entitled to a hearing before
- 24 the State Office of Administrative Hearings. A proceeding under
- 25 this section is a contested case that is governed by Chapter 2001,
- 26 Government Code.
- 27 SECTION 5.102. Sections 1702.364(a), (b), (c), (d), (e),

- 1 and (f), Occupations Code, are amended to read as follows:
- 2 (a) On receiving written notice from a law enforcement
- 3 agency that a person has been charged with or convicted of an
- 4 offense that would make the person ineligible for a license[au
- 5 certificate of registration, endorsement, or security officer
- 6 commission under Section 1702.113 or 1702.163, or a rule adopted
- 7 under Section 1702.004(b), the commission [department] shall:
- 8 (1) summarily deny the person's application for a
- 9 license[<del>, registration, endorsement,</del>] or security officer
- 10 commission;
- 11 (2) in the event of pending charges, summarily suspend
- 12 the person's license[, certificate of registration, endorsement,]
- 13 or security officer commission; or
- 14 (3) in the event of a conviction, summarily revoke the
- 15 person's license[, certificate of registration, endorsement,] or
- 16 security officer commission.
- 17 (b) To initiate a proceeding to take action under Subsection
- 18 (a), the department must serve notice to the person. The notice
- 19 must:
- 20 (1) inform the person of the person's right to a
- 21 [preliminary] hearing before the department or the department's
- 22 <u>designee</u>;
- 23 (2) state the basis for the summary action; and
- 24 (3) be personally served on the person or the person's
- 25 authorized representative, or sent to the person by certified or
- 26 registered mail, return receipt requested, to the person's mailing
- 27 address as it appears in the department's records.

- 1 (c) The action is effective at the time notice is served.
- 2 The person shall immediately surrender to the department any
- 3 [certificate of registration,] security officer commission, pocket
- 4 card, or other form of identification issued by the department.
- 5 (d) At a [preliminary] hearing under this section, the
- 6 person must show cause why:
- 7 (1) the application should not have been denied;
- 8 (2) the [registration,] license[rendersement,] or
- 9 security officer commission should not have been suspended; or
- 10 (3) the [registration,] license[rendorsement,] or
- 11 commission should not have been revoked.
- (e) Chapter 2001, Government Code, applies [does not apply]
- 13 to a proceeding under this section for the summary denial of an
- 14 application for or the summary suspension or revocation of a
- 15 license or security officer commission [the department's initial
- 16 action under this section or to a preliminary hearing before the
- 17 department under this section].
- 18 (f) The dismissal of a complaint, information, or
- 19 indictment or an acquittal releases the person from automatic
- 20 grounds for a summary denial of an application or summary
- 21 suspension of a license or [registration, endorsement, or] security
- 22 officer commission under this section. A conviction for the
- 23 offense giving rise to a summary suspension is automatic grounds
- 24 for immediate, summary revocation.
- SECTION 5.103. Section 1702.365, Occupations Code, is
- 26 amended to read as follows:
- Sec. 1702.365. ABDUCTION OF CHILD. The <u>commission</u> [board]

- 1 shall revoke a person's license[, registration, endorsement,] or
- 2 security officer commission or deny a person's application for, or
- 3 renewal of, a license[ , registration, endorsement, ] or security
- 4 officer commission on proof that the person or an agent of the
- 5 person has, after the date of application for a license[ $_{ au}$
- 6 registration, endorsement, or security officer commission,
- 7 abducted or attempted to abduct by force or the threat of force or
- 8 by misrepresentation, stealth, or unlawful entry a child who at the
- 9 time of the abduction or attempt is under the care and control of a
- 10 person who:
- 11 (1) has custody or physical possession of the child
- 12 under a court order; or
- 13 (2) is exercising the care and control with the
- 14 consent of a person who has custody or physical possession of the
- 15 child under a court order.
- 16 SECTION 5.104. Sections 1702.367(a), (c), (d), and (e),
- 17 Occupations Code, are amended to read as follows:
- 18 (a) For an investigation conducted under this chapter, if
- 19 necessary to enforce this chapter or the <a href="commission">commission</a> [board's] rules
- 20 adopted under this chapter, the department may issue an
- 21 administrative subpoena to any person in this state compelling:
- 22 (1) the production of information or documents; or
- 23 (2) the attendance and testimony of a witness.
- 24 (c) A person required to testify or to produce a record or
- 25 document on any matter properly under inquiry by the <u>department</u>
- 26 [board] who refuses to testify or to produce the record or document
- 27 on the ground that the testimony or the production of the record or

- 1 document would incriminate or tend to incriminate the person is
- 2 nonetheless required to testify or to produce the record or
- 3 document. A person who is required to testify or to produce a
- 4 record or document under this subsection is not subject to
- 5 indictment or prosecution for a transaction, matter, or thing
- 6 concerning which the person truthfully testifies or produces
- 7 evidence.
- 8 (d) If a witness refuses to obey a subpoena or to give
- 9 evidence relevant to proper inquiry by the department [board], the
- 10 <u>department</u> [board] may petition a district court of the county in
- 11 which the hearing is held to compel the witness to obey the subpoena
- 12 or to give the evidence. The court shall immediately issue process
- 13 to the witness and shall hold a hearing on the petition as soon as
- 14 possible.
- (e) An investigator employed by the <u>department</u> [board] may
- 16 take statements under oath in an investigation of a matter covered
- 17 by this chapter.
- 18 SECTION 5.105. Section 1702.368, Occupations Code, is
- 19 amended to read as follows:
- 20 Sec. 1702.368. NOTIFICATION OF CONVICTION FOR CERTAIN
- 21 OFFENSES. The department shall notify the [board and the] police
- 22 department of the municipality and the sheriff's department of the
- 23 county in which a person licensed[, registered,] or commissioned
- 24 under this chapter resides of the conviction of the person for a
- 25 Class B misdemeanor or equivalent offense or a greater offense.
- SECTION 5.106. Section 1702.372, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1702.372. RECUSAL OF COMMISSION [BOARD] MEMBER.
- 2 (a) A commission [board] member who participated in the
- 3 investigation of a complaint of a violation of this chapter or in
- 4 informal settlement negotiations regarding the complaint:
- 5 (1) may not vote on the matter at a <u>commission</u> [board]
- 6 meeting related to the complaint; and
- 7 (2) shall state at the meeting the reason for which the
- 8 member is prohibited from voting on the matter.
- 9 (b) A statement under Subsection (a)(2) shall be entered
- 10 into the minutes of the meeting.
- 11 SECTION 5.107. Section 1702.381(b), Occupations Code, is
- 12 amended to read as follows:
- 13 (b) A person who contracts with or employs a person who is
- 14 required to hold a license[ registration, endorsement, ] or
- 15 security officer commission under this chapter knowing that the
- 16 person does not hold the required license[, registration,
- 17 endorsement, or commission or who otherwise, at the time of
- 18 contract or employment, is in violation of this chapter may be
- 19 assessed a civil penalty to be paid to the state in an amount not to
- 20 exceed \$10,000 for each violation.
- 21 SECTION 5.108. Section 1702.386(a), Occupations Code, is
- 22 amended to read as follows:
- 23 (a) A person commits an offense if the person contracts with
- 24 or employs a person who is required to hold a license[7
- 25 registration, endorsement, or commission under this chapter
- 26 knowing that the person does not hold the required license[au
- 27 registration, endorsement, or commission or who otherwise, at the

- 1 time of contract or employment, is in violation of this chapter.
- 2 SECTION 5.109. Section 1702.3863(a), Occupations Code, is
- 3 amended to read as follows:
- 4 (a) A person commits an offense if the person contracts with
- 5 or is employed by a bail bond surety as defined by Chapter 1704 to
- 6 secure the appearance of a person who has violated Section 38.10,
- 7 Penal Code, unless the person is:
- 8 (1) a peace officer;
- 9 (2) an individual [endorsed-or] licensed as a private
- 10 investigator [or the manager of a licensed investigations company];
- 11 or
- 12 (3) a commissioned security officer employed by a
- 13 licensed guard company.
- SECTION 5.110. Section 1702.387(a), Occupations Code, is
- 15 amended to read as follows:
- 16 (a) A person commits an offense if the person fails to
- 17 surrender or immediately return to the <u>department</u> [board] the
- 18 person's [registration,] commission, pocket card, or other
- 19 identification issued to the person by the department under this
- 20 chapter [board] on notification of a summary suspension or summary
- 21 denial under Section 1702.364.
- SECTION 5.111. Section 1702.3875(a), Occupations Code, is
- 23 amended to read as follows:
- 24 (a) A person commits an offense if the person:
- 25 (1) impersonates a commissioned or noncommissioned
- 26 security officer with the intent to induce another to submit to the
- 27 person's pretended authority or to rely on the person's pretended

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- 1 acts of a security officer; or
- 2 (2) knowingly purports to exercise any function that
- 3 requires licensure [registration] as a noncommissioned security
- 4 officer or a security officer commission.
- 5 SECTION 5.112. Section 1702.388(b), Occupations Code, is
- 6 amended to read as follows:
- 7 (b) An offense under this section is a Class A misdemeanor,
- 8 except that the offense is a felony of the third degree if the
- 9 person has previously been convicted under this chapter of failing
- 10 to hold a license, [registration, endersement,] certificate of
- 11 <u>insurance</u>, or commission that the person is required to hold under
- 12 this chapter.
- 13 SECTION 5.113. Section 411.042(b), Government Code, is
- 14 amended to read as follows:
- 15 (b) The bureau of identification and records shall:
- 16 (1) procure and file for record photographs, pictures,
- 17 descriptions, fingerprints, measurements, and other pertinent
- 18 information of all persons arrested for or charged with a criminal
- 19 offense or convicted of a criminal offense, regardless of whether
- 20 the conviction is probated;
- 21 (2) collect information concerning the number and
- 22 nature of offenses reported or known to have been committed in the
- 23 state and the legal steps taken in connection with the offenses, and
- 24 other information useful in the study of crime and the
- 25 administration of justice, including information that enables the
- 26 bureau to create a statistical breakdown of:
- 27 (A) offenses in which family violence was

- 1 involved;
- 2 (B) offenses under Sections 22.011 and 22.021,
- 3 Penal Code; and
- 4 (C) offenses under Sections 20A.02, 43.02(a),
- 5 43.02(b), 43.03, and 43.05, Penal Code;
- 6 (3) make ballistic tests of bullets and firearms and
- 7 chemical analyses of bloodstains, cloth, materials, and other
- 8 substances for law enforcement officers of the state;
- 9 (4) cooperate with identification and crime records
- 10 bureaus in other states and the United States Department of
- 11 Justice;
- 12 (5) maintain a list of all previous background checks
- 13 for applicants for any position regulated under Chapter 1702,
- 14 Occupations Code, who have undergone a criminal history background
- 15 check as required by that chapter [under Section 411.119], if the
- 16 check indicates a Class B misdemeanor or equivalent offense or a
- 17 greater offense;
- 18 (6) collect information concerning the number and
- 19 nature of protective orders and magistrate's orders of emergency
- 20 protection and all other pertinent information about all persons
- 21 subject to active orders, including pertinent information about
- 22 persons subject to conditions of bond imposed for the protection of
- 23 the victim in any family violence, sexual assault or abuse,
- 24 stalking, or trafficking case. Information in the law enforcement
- 25 information system relating to an active order shall include:
- 26 (A) the name, sex, race, date of birth, personal
- 27 descriptors, address, and county of residence of the person to whom

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- 1 the order is directed;
- 2 (B) any known identifying number of the person to
- 3 whom the order is directed, including the person's social security
- 4 number or driver's license number;
- 5 (C) the name and county of residence of the
- 6 person protected by the order;
- 7 (D) the residence address and place of employment
- 8 or business of the person protected by the order, unless that
- 9 information is excluded from the order under Article 17.292(e),
- 10 Code of Criminal Procedure;
- 11 (E) the child-care facility or school where a
- 12 child protected by the order normally resides or which the child
- 13 normally attends, unless that information is excluded from the
- 14 order under Article 17.292(e), Code of Criminal Procedure;
- 15 (F) the relationship or former relationship
- 16 between the person who is protected by the order and the person to
- 17 whom the order is directed;
- 18 (G) the conditions of bond imposed on the person
- 19 to whom the order is directed, if any, for the protection of a
- 20 victim in any family violence, sexual assault or abuse, stalking,
- 21 or trafficking case;
- 22 (H) any minimum distance the person subject to
- 23 the order is required to maintain from the protected places or
- 24 persons; and
- 25 (I) the date the order expires;
- 26 (7) grant access to criminal history record
- 27 information in the manner authorized under Subchapter F;

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(8) collect and disseminate information regarding
 1
 2
   offenders with mental impairments in compliance with Chapter 614,
   Health and Safety Code; and
 3
               (9) record data and maintain a state database for a
 4
    computerized criminal history record system and computerized
 5
 6
    juvenile justice information system that serves:
 7
                    (A) as the record creation point for criminal
 8
   history record information and juvenile justice information
   maintained by the state; and
 9
                    (B) as the control terminal for the entry of
10
   records, in accordance with federal law and regulations, federal
11
12
    executive orders, and federal policy, into the federal database
   maintained by the Federal Bureau of Investigation.
13
          SECTION 5.114. (a) Section 411.119, Government Code, is
14
    repealed.
15
               The following provisions of the Occupations Code are
16
          (b)
    repealed:
17
               (1)
                    Section 1702.002(1-b);
18
19
               (2)
                    Section 1702.002(3);
20
                    Section 1702.002(6-b);
               (3)
21
               (4)
                    Section 1702.002(11);
                    Section 1702.002(12);
22
               (5)
23
               (6)
                    Section 1702.002(13);
                    Section 1702.002(14);
24
               (7)
               (8)
                    Section 1702.002(19);
25
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(9) Section 1702.002(20);

(10) Section 1702.027(c);

26

27

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(11)
                     Section 1702.030;
 1
 2
                (12)
                     Section 1702.043;
 3
                     Section 1702.047;
                (13)
                     Section 1702.0611;
 4
                (14)
 5
                      Section 1702.0612;
                (15)
 6
                (16)
                      Section 1702.066;
 7
                (17)
                      Section 1702.081;
                     Section 1702.082;
 8
                (18)
 9
                (19)
                     Section 1702.083;
                     Section 1702.1045;
                (20)
10
                      Section 1702.109;
11
                (21)
12
                (22)
                     Section 1702.111;
                (23)
                      Section 1702.113(d);
13
                      Section 1702.116;
14
                (24)
                      Section 1702.119;
15
                (25)
                      Section 1702.120;
16
                (26)
17
                (27)
                      Section 1702.121;
18
                (28)
                      Section 1702.183;
19
                (29)
                      Section 1702.225;
20
                (30)
                      Section 1702.227;
21
                (31)
                      Section 1702.228;
                      Sections 1702.301(a), (d), (e), (f), and (g);
22
                (32)
23
                (33)
                      Section 1702.304;
                      Section 1702.307;
24
                (34)
25
                (35)
                      Section 1702.3615;
26
                (36)
                      Section 1702.362;
27
                      Sections 1702.364(g), (h), and (i);
                (37)
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- 1 (38) Section 1702.371;
- 2 (39) Section 1702.385; and
- 3 (40) Subchapter Q, Chapter 1702.
- 4 SECTION 5.115. (a) On September 1, 2019, the terms of the
- 5 members serving on the Texas Private Security Board expire and the
- 6 Texas Private Security Board is abolished.
- 7 (b) As soon as practicable after the effective date of this
- 8 Act, the Public Safety Commission shall appoint members to the
- 9 Texas Private Security Advisory Committee in accordance with
- 10 Section 1702.021, Occupations Code, as amended by this Act. A board
- 11 member whose term expired under Subsection (a) of this section is
- 12 eligible for reappointment to the advisory committee.
- 13 (c) The members of the Texas Private Security Board whose
- 14 terms expire under Subsection (a) of this section shall continue to
- 15 provide advice to the Department of Public Safety until a majority
- 16 of the members of the Texas Private Security Advisory Committee are
- 17 appointed under Subsection (b) of this section and qualified.
- 18 SECTION 5.116. (a) In this section:
- 19 (1) "Commission" means the Public Safety Commission.
- 20 (2) "Department" means the Department of Public
- 21 Safety.
- 22 (3) "Former board" means the Texas Private Security
- 23 Board.
- 24 (b) On September 1, 2019:
- 25 (1) all functions and activities performed by the
- 26 former board immediately before that date are transferred to the
- 27 department;

- 1 (2) all rules, fees, policies, procedures, decisions,
- 2 and forms adopted by the former board are continued in effect as
- 3 rules, fees, policies, procedures, decisions, and forms of the
- 4 commission or the department, as applicable, and remain in effect
- 5 until amended or replaced by the commission or department;
- 6 (3) a complaint, investigation, contested case, or
- 7 other proceeding before the former board that is pending on
- 8 September 1, 2019, is transferred without change in status to the
- 9 department or the commission, as appropriate;
- 10 (4) all money, contracts, leases, property, and
- 11 obligations of the former board are transferred to the department;
- 12 (5) all property in the custody of the former board is
- 13 transferred to the department; and
- 14 (6) the unexpended and unobligated balance of any
- 15 money appropriated by the legislature for the former board is
- 16 transferred to the department.
- 17 (c) The former board shall provide the department with
- 18 access to any systems or information necessary for the department
- 19 to accept the program transferred under this Act.
- 20 (d) A license, certificate, or other authorization issued
- 21 by the former board is continued in effect as a license,
- 22 certificate, or other authorization of the department.
- SECTION 5.117. On September 1, 2019, the following expire:
- 24 (1) any license, registration, endorsement, or other
- 25 authorization required to operate as a guard dog company or trainer
- 26 of a dog used to protect persons or property or to conduct
- 27 investigations, as described by Chapter 1702, Occupations Code, as

- 1 that chapter existed immediately before the effective date of this
- 2 Act; and
- 3 (2) any license, registration, endorsement, or other
- 4 authorization required to operate as a security salesperson,
- 5 private security consultant, or private security consulting
- 6 company, as described by Chapter 1702, Occupations Code, as that
- 7 chapter existed immediately before the effective date of this Act.
- 8 SECTION 5.118. As soon as practicable after the effective
- 9 date of this Act, the Public Safety Commission shall adopt rules
- 10 necessary to implement the changes in law made by this Act to
- 11 Chapter 1702, Occupations Code.
- 12 SECTION 5.119. The changes in law made by this Act amending
- 13 Chapter 1702, Occupations Code, do not affect the validity of a
- 14 disciplinary action or other proceeding that was initiated before
- 15 the effective date of this Act and that is pending before a court or
- 16 other governmental entity on the effective date of this Act.
- 17 SECTION 5.120. (a) A violation of Chapter 1702,
- 18 Occupations Code, that is repealed or amended by this Act is
- 19 governed by the law in effect when the violation was committed, and
- 20 the former law is continued in effect for that purpose.
- 21 (b) For purposes of this section, a violation was committed
- 22 before the effective date of this Act if any element of the
- 23 violation occurred before that date.
- 24 ARTICLE 6. CONDITIONAL TRANSFER OF DRIVER'S LICENSE PROGRAMS FROM
- 25 DEPARTMENT OF PUBLIC SAFETY TO DEPARTMENT OF MOTOR VEHICLES
- 26 SECTION 6.001. Sections 521.001(a)(1-a) and (2),
- 27 Transportation Code, are amended to read as follows:

- 1 (1-a) "Department" means the Texas Department of Motor
- 2 Vehicles [Public Safety].
- 3 (2) "Director" means the <u>executive</u> [public safety]
- 4 director of the department.
- 5 SECTION 6.002. Section 521.001(c), Transportation Code, is
- 6 amended to read as follows:
- 7 (c) The department by rule may define types of vehicles that
- 8 are "motorcycles" for the purposes of this chapter, in addition to
- 9 those defined under Subsection (a)(6-a), and[. The Texas
- 10 Department of Motor Vehicles by rule may define the types of
- 11 vehicles that are "motorcycles"] for the purposes of Chapters 501,
- 12 502, and 503. This subsection applies only to vehicles
- 13 manufactured by a manufacturer licensed under Chapter 2301,
- 14 Occupations Code.
- SECTION 6.003. Subchapter A, Chapter 521, Transportation
- 16 Code, is amended by adding Section 521.0015 to read as follows:
- Sec. 521.0015. STATUTORY REFERENCES. A statutory reference
- 18 to the Department of Public Safety means the Texas Department of
- 19 Motor Vehicles if the statutory reference concerns:
- 20 (1) the administration of the programs established by
- 21 this chapter, Chapter 522, and other law that license a person to
- 22 operate a motor vehicle, as defined by Section 501.002, or a
- 23 commercial motor vehicle, as defined by Section 522.003, in this
- 24 state; or
- 25 (2) the administration of Chapter 521A.
- 26 SECTION 6.004. (a) In this section:
- 27 (1) "Former administrator" means the Department of

- 1 Public Safety.
- 2 (2) "Licensing program" means:
- 3 (A) the programs established by Chapters 521 and
- 4 522, Transportation Code, and other law, that license a person to
- 5 operate in this state a motor vehicle, as defined by Section
- 6 501.002, Transportation Code, or a commercial motor vehicle, as
- 7 defined by Section 522.003, Transportation Code; and
- 8 (B) the program to issue election identification
- 9 certificates under Chapter 521A, Transportation Code.
- 10 (3) "New administrator" means the Texas Department of
- 11 Motor Vehicles.
- 12 (4) "Work group" means the work group established
- 13 under Subsection (b) of this section.
- 14 (b) As soon as practicable after the effective date of this
- 15 section, the former administrator and the new administrator shall
- 16 establish a work group to plan the transfer of the licensing program
- 17 from the former administrator to the new administrator.
- 18 (c) The work group shall:
- 19 (1) adopt a transition plan to provide for the orderly
- 20 transfer of powers, duties, functions, programs, and activities
- 21 related to the licensing program, including:
- (A) a plan that ensures the transfer of the
- 23 licensing program will be completed on or before August 31, 2021;
- 24 and
- 25 (B) completion dates for substantial phases of
- 26 the licensing program's transfer;
- 27 (2) implement the transition plan described by

- 1 Subdivision (1) of this subsection; and
- 2 (3) provide a quarterly report of the work group's
- 3 progress in developing and implementing the transition plan
- 4 described by Subdivision (1) of this subsection to:
- 5 (A) the presiding officer of each house of the
- 6 legislature;
- 7 (B) the governor; and
- 8 (C) the Sunset Advisory Commission.
- 9 (d) To prepare for the transfer, the former administrator
- 10 shall provide the new administrator with access to any systems,
- 11 information, property, records, or personnel necessary for the new
- 12 administrator to administer the licensing program transferred
- 13 under this article.
- 14 (e) As soon as practicable after the effective date of this
- 15 section:
- 16 (1) the new administrator shall study the most
- 17 effective use of available state and county resources, including
- 18 personnel, property, and resources potentially available through
- 19 the adoption of intergovernmental agreements, to administer the
- 20 licensing program, prioritizing:
- 21 (A) administrative efficiency and cost savings;
- 22 and
- 23 (B) accessibility of the licensing program for
- 24 the citizens of this state, including citizens residing in rural
- 25 areas of this state; and
- 26 (2) the former administrator shall assist in the study
- 27 described by Subdivision (1) of this subsection as requested by the

- 1 new administrator.
- 2 (f) On September 1, 2021:
- 3 (1) all licensing program functions and activities
- 4 performed by the former administrator immediately before that date
- 5 are transferred to the new administrator;
- 6 (2) all licensing program rules, fees, policies,
- 7 procedures, decisions, and forms adopted by the former
- 8 administrator are continued in effect as rules, fees, policies,
- 9 procedures, decisions, and forms of the new administrator and
- 10 remain in effect until amended or replaced by the new
- 11 administrator;
- 12 (3) a licensing program complaint, investigation,
- 13 contested case, or other proceeding before the former administrator
- 14 that is pending on September 1, 2021, is transferred without change
- 15 in status to the new administrator;
- 16 (4) all licensing program money, contracts, leases,
- 17 property, and obligations of the former administrator are
- 18 transferred to the new administrator;
- 19 (5) all licensing program property in the custody of
- 20 the former administrator is transferred to the new administrator;
- 21 and
- 22 (6) the unexpended and unobligated balance of any
- 23 money appropriated by the legislature to the former administrator
- 24 for the purpose of administering the licensing program is
- 25 transferred to the new administrator.
- 26 (g) On September 1, 2021, a license, certificate,
- 27 endorsement, or other form of authorization issued by the former

- 1 administrator and related to the licensing program is continued in
- 2 effect as a license, certificate, endorsement, or other form of
- 3 authorization of the new administrator.
- 4 (h) On September 1, 2021, all full-time equivalent employee
- 5 positions at the former administrator that primarily concern the
- 6 administration or enforcement of the licensing program become
- 7 positions at the new administrator.
- 8 SECTION 6.005. (a) In this section, "driver's license
- 9 program" means:
- 10 (1) the programs established by Chapters 521 and 522,
- 11 Transportation Code, and other law, that license a person to
- 12 operate in this state a motor vehicle, as defined by Section
- 13 501.002, Transportation Code, or a commercial motor vehicle, as
- 14 defined by Section 522.003, Transportation Code; and
- 15 (2) the program to issue election identification
- 16 certificates under Chapter 521A, Transportation Code.
- 17 (b) The Department of Public Safety shall enter into a
- 18 contract with an independent, third-party contractor to conduct a
- 19 feasibility study that examines and makes recommendations on the
- 20 management and operating structure of the driver's license program
- 21 and the opportunities and challenges of transferring the driver's
- 22 license program.
- 23 (b-1) The solicitation documents for the contract described
- 24 by Subsection (b) of this section must be submitted to the contract
- 25 advisory team for review under Subchapter C, Chapter 2262,
- 26 Government Code, before the Department of Public Safety may solicit
- 27 any contractor for the contract, including publishing advertising

- 1 regarding the contract.
- 2 (c) Not later than September 1, 2020, the contractor
- 3 described by Subsection (b) of this section shall submit a report on
- 4 the study conducted under that subsection to the legislature, the
- 5 governor, the Sunset Advisory Commission, the Department of Public
- 6 Safety, and the Texas Department of Motor Vehicles.
- 7 (d) In conducting the study required by Subsection (b) of
- 8 this section, the Department of Public Safety, the Texas Department
- 9 of Motor Vehicles, or the independent, third-party contractor
- 10 described by that subsection may not disclose any personal
- 11 information obtained in conducting the study. In this subsection,
- 12 "personal information" means information that identifies a holder
- 13 of a driver's license or election identification certificate,
- 14 including a name, address, date of birth, social security number,
- 15 telephone number, physical characteristic, or similar identifier.
- 16 SECTION 6.006. (a) Subject to Subsection (b) of this
- 17 section, this article takes effect immediately if this Act receives
- 18 a vote of two-thirds of all the members elected to each house, as
- 19 provided by Section 39, Article III, Texas Constitution. If this
- 20 Act does not receive the vote necessary for immediate effect, this
- 21 article takes effect September 1, 2019.
- 22 (b) Sections 6.001, 6.002, 6.003, and 6.004 of this article
- 23 take effect only if the report required by Section 6.005 of this
- 24 article is not submitted within the period prescribed by that
- 25 section.

- 1 ARTICLE 7. EXPIRATION DATES OF DRIVER'S LICENSES AND COMMERCIAL
- 2 DRIVER'S LICENSES
- 3 SECTION 7.001. Sections 521.271(a) and (b), Transportation
- 4 Code, are amended to read as follows:
- 5 (a) Each original driver's license, provisional license,
- 6 learner license, or occupational driver's license issued to an
- 7 applicant who is a citizen, national, or legal permanent resident
- 8 of the United States or a refugee or asylee lawfully admitted into
- 9 the United States expires as follows:
- 10 (1) except as provided by Section 521.2711, a driver's
- 11 license expires on the first birthday of the license holder
- 12 occurring after the eighth [sixth] anniversary of the date of the
- 13 application;
- 14 (2) a provisional license expires on the 18th birthday
- 15 of the license holder;
- 16 (3) a learner license expires on the 18th birthday of
- 17 the license holder;
- 18 (4) an occupational driver's license expires on the
- 19 first anniversary of the court order granting the license; and
- 20 (5) unless an earlier date is otherwise provided, a
- 21 driver's license issued to a person whose residence or domicile is a
- 22 correctional facility or a parole facility expires on the first
- 23 birthday of the license holder occurring after the first
- 24 anniversary of the date of issuance.
- 25 (b) Except as provided by Section 521.2711, a driver's
- 26 license that is renewed expires on the earlier of:
- 27 (1) the eighth [sixth] anniversary of the expiration

- 1 date before renewal if the applicant is a citizen, national, or
- 2 legal permanent resident of the United States or a refugee or asylee
- 3 lawfully admitted into the United States;
- 4 (1-a) for an applicant not described by Subdivision
- 5 (1):
- 6 (A) the earlier of:
- 7 (i) the eighth [sixth] anniversary of the
- 8 expiration date before renewal; or
- 9 (ii) the expiration date of the applicant's
- 10 authorized stay in the United States; or
- 11 (B) the first anniversary of the date of
- 12 issuance, if there is no definite expiration date for the
- 13 applicant's authorized stay in the United States; or
- 14 (2) for a renewal driver's license issued to a person
- 15 whose residence or domicile is a correctional facility or a parole
- 16 facility, the first birthday of the license holder occurring after
- 17 the first anniversary of the date of issuance unless an earlier date
- 18 is otherwise provided.
- 19 SECTION 7.002. Sections 521.421(a) and (b), Transportation
- 20 Code, are amended to read as follows:
- 21 (a) The fee for issuance or renewal of a license not
- 22 otherwise provided for by this section is \$32 [\$24].
- 23 (b) The fee for renewal of a Class M license or for renewal
- 24 of a license that includes authorization to operate a motorcycle is
- 25 <u>\$43</u> [<del>\$32</del>].
- SECTION 7.003. Section 521.421(f), Transportation Code, as
- 27 added by Chapter 1372 (H.B. No. 1200), Acts of the 75th

- 1 Legislature, Regular Session, 1997, is amended to read as follows:
- 2 (f) If a Class A, B, or C driver's license includes an
- 3 authorization to operate a motorcycle or moped, the fee for the
- 4 driver's license is increased by \$11[\$8].
- 5 SECTION 7.004. Section 522.029, Transportation Code, is
- 6 amended by amending Subsection (a) and adding Subsection (m) to
- 7 read as follows:
- 8 (a) The fee for a commercial driver's license issued by the
- 9 department is \$96 [\$60], except as provided by Subsections (f),
- 10 (h), (j), [and] (k), and (m).
- 11 (m) The fee for a commercial driver's license with a
- 12 hazardous materials endorsement issued by the department is \$60,
- 13 except as provided by Subsections (h), (j), and (k).
- 14 SECTION 7.005. Section 522.051, Transportation Code, is
- 15 amended by amending Subsections (a), (b), (c), (d), and (f) and
- 16 adding Subsections (i), (j), (k), and (l) to read as follows:
- 17 (a) Except as provided by Subsections [Subsection] (f) and
- 18 (i) and Sections 522.013(e), 522.033, and 522.054, an original
- 19 commercial driver's license expires eight [five] years after the
- 20 applicant's next birthday.
- 21 (b) Except as provided by Subsection (j) and Section
- 22 522.054, a commercial driver's license issued to a person holding a
- 23 Texas Class A, B, C, or M license that would expire one year or more
- 24 after the date of issuance of the commercial driver's license
- 25 expires eight [five] years after the applicant's next birthday.
- 26 (c) Except as provided by <u>Subsection (k) and Section</u>
- 27 522.054, a commercial driver's license issued to a person holding a

- 1 Texas Class A, B, C, or M license that would expire less than one
- 2 year after the date of issuance of the commercial driver's license
- 3 or that has been expired for less than one year expires eight [five]
- 4 years after the expiration date shown on the Class A, B, C, or M
- 5 license.
- 6 (d) Except as provided by <u>Subsection (1) and Section</u>
- 7 522.054, a commercial driver's license issued to a person holding a
- 8 Texas Class A, B, C, or M license that has been expired for at least
- 9 one year but not more than two years expires eight [five] years
- 10 after the applicant's last birthday.
- 11 (f) Except as provided by Section 522.013, a non-domiciled
- 12 commercial driver's license other than a temporary non-domiciled
- 13 commercial driver's license under Section 522.013(e) expires on:
- 14 (1) the earlier of:
- 15 (A) the first birthday of the license holder
- 16 occurring after the eighth [fifth] anniversary of the date of the
- 17 application; or
- 18 (B) the expiration date of the license holder's
- 19 lawful presence in the United States as determined by the
- 20 appropriate United States agency in compliance with federal law; or
- 21 (2) the first anniversary of the date of issuance, if
- 22 there is no definitive expiration date for the applicant's
- 23 authorized stay in the United States.
- 24 (i) Except as provided by Subsection (f) and Sections
- 25 522.013(e), 522.033, and 522.054, an original commercial driver's
- 26 <u>license with a hazardous materials endorsement expires five years</u>
- 27 after the applicant's next birthday.

- 1 (j) Except as provided by Section 522.054, a commercial
- 2 driver's license with a hazardous materials endorsement issued to a
- 3 person holding a Texas Class A, B, C, or M license that would expire
- 4 one year or more after the date of issuance of the commercial
- 5 driver's license expires five years after the applicant's next
- 6 birthday.
- 7 (k) Except as provided by Section 522.054, a commercial
- 8 driver's license with a hazardous materials endorsement issued to a
- 9 person holding a Texas Class A, B, C, or M license that would expire
- 10 less than one year after the date of issuance of the commercial
- 11 driver's license or that has been expired for less than one year
- 12 expires five years after the expiration date shown on the Class A,
- 13 B, C, or M license.
- 14 (1) Except as provided by Section 522.054, a commercial
- 15 driver's license with a hazardous materials endorsement issued to a
- 16 person holding a Texas Class A, B, C, or M license that has been
- 17 expired for at least one year but not more than two years expires
- 18 five years after the applicant's last birthday.
- 19 SECTION 7.006. Section 522.052, Transportation Code, is
- 20 amended by amending Subsections (b) and (c) and adding Subsections
- 21 (k) and (l) to read as follows:
- (b) Except as provided by Section 522.054, a renewal of a
- 23 commercial driver's license that has been expired for less than one
- 24 year expires eight [five] years after the expiration date shown on
- 25 the commercial driver's license.
- 26 (c) Except as provided by Section 522.054, a renewal of a
- 27 commercial driver's license that has been expired for at least one

- 1 year but not more than two years expires seven [six] years after the
- 2 applicant's last birthday.
- 3 (k) Except as provided by Section 522.054, a renewal of a
- 4 commercial driver's license with a hazardous materials endorsement
- 5 that has been expired for less than one year expires five years
- 6 after the expiration date shown on the commercial driver's license.
- 7 (1) Except as provided by Section 522.054, a renewal of a
- 8 commercial driver's license with a hazardous materials endorsement
- 9 that has been expired for at least one year but not more than two
- 10 years expires five years after the applicant's last birthday.
- 11 SECTION 7.007. The changes in law made by this Act to
- 12 Sections 521.271 and 521.421, Transportation Code, apply only to a
- 13 driver's license issued or renewed on or after June 1, 2020. A
- 14 driver's license issued or renewed before June 1, 2020, is governed
- 15 by the law in effect immediately before the effective date of this
- 16 Act, and the former law is continued in effect for that purpose.
- 17 SECTION 7.008. The changes in law made by this Act to
- 18 Sections 522.029, 522.051, and 522.052, Transportation Code, apply
- 19 only to a commercial driver's license issued or renewed on or after
- 20 June 1, 2020. A commercial driver's license issued or renewed
- 21 before June 1, 2020, is governed by the law in effect immediately
- 22 before the effective date of this Act, and the former law is
- 23 continued in effect for that purpose.
- 24 ARTICLE 8. MOTORCYCLE AND OFF-HIGHWAY VEHICLE OPERATOR TRAINING
- 25 PROGRAMS
- SECTION 8.001. Chapter 662, Transportation Code, is amended
- 27 by adding Section 662.0005 to read as follows:

- 1 Sec. 662.0005. DEFINITIONS. In this chapter:
- 2 <u>(1) "Commission" means the Texas Commission of</u>
- 3 Licensing and Regulation.
- 4 (2) "Department" means the Texas Department of
- 5 Licensing and Regulation.
- 6 (3) "Institution of higher education" has the meaning
- 7 assigned by Section 61.003, Education Code.
- 8 <u>(4) "Instructor" means an individual who holds a</u>
- 9 license issued under this chapter that entitles the individual to
- 10 provide instruction on motorcycle operation and safety as an
- 11 employee of or under contract with a motorcycle school.
- 12 (5) "Motorcycle school" means a person who holds a
- 13 license issued under this chapter that entitles the person to offer
- 14 and conduct courses on motorcycle operation and safety for
- 15 consideration as part of the motorcycle operator training and
- 16 safety program.
- 17 SECTION 8.002. Section 662.001, Transportation Code, is
- 18 amended to read as follows:
- 19 Sec. 662.001. ADMINISTRATION OF PROGRAM [DESIGNATED STATE
- 20 AGENCY]. The department [governor] shall [designate a state agency
- 21 to establish and administer a motorcycle operator training and
- 22 safety program and enforce the laws governing the program.
- SECTION 8.003. The heading to Section 662.002,
- 24 Transportation Code, is amended to read as follows:
- Sec. 662.002. PURPOSE OF PROGRAM[; CURRICULUM].
- SECTION 8.004. Chapter 662, Transportation Code, is amended
- 27 by adding Sections 662.0033, 662.0035, and 662.0037 to read as

- 1 follows:
- 2 Sec. 662.0033. MINIMUM CURRICULUM STANDARDS. (a) The
- 3 commission by rule shall establish minimum curriculum standards for
- 4 courses provided under the motorcycle operator training and safety
- 5 program.
- 6 (b) The department shall approve all courses that meet the
- 7 curriculum standards established under Subsection (a).
- 8 (c) In establishing the minimum curriculum standards for
- 9 entry-level courses, the commission shall consider the standards
- 10 for motorcycle operator training and safety courses adopted by the
- 11 National Highway Traffic Safety Administration.
- Sec. 662.0035. FEES. The commission may set fees in amounts
- 13 reasonable and necessary to cover the costs of administering this
- 14 chapter, including fees for:
- 15 (1) the issuance and renewal of a motorcycle school
- 16 license and instructor license; and
- 17 (2) courses provided under the motorcycle operator
- 18 training and safety program.
- 19 Sec. 662.0037. MOTORCYCLE SAFETY ADVISORY BOARD. (a) The
- 20 commission shall establish an advisory board to advise the
- 21 department on matters related to the motorcycle operator training
- 22 and safety program established under this chapter.
- 23 (b) The advisory board must consist of nine members
- 24 appointed by the presiding officer of the commission, on approval
- 25 of the commission, as follows:
- 26 (1) three members:
- 27 (A) each of whom must be a licensed instructor or

- 1 represent a licensed motorcycle school; and
- 2 (B) who must collectively represent the
- 3 diversity in size and type of the motorcycle schools licensed under
- 4 this chapter;
- 5 (2) one member who represents the motorcycle dealer
- 6 retail industry;
- 7 (3) one representative of a law enforcement agency;
- 8 (4) one representative of the Texas A&M Transportation
- 9 Institute;
- 10 (5) one representative of the Texas A&M Engineering
- 11 Extension Service; and
- 12 (6) two public members who hold a valid Class M
- 13 <u>driver's license issued under Chapter 521.</u>
- 14 (c) The advisory board members serve staggered six-year
- 15 terms. The terms of three members expire September 1 of each
- 16 odd-numbered year.
- 17 (d) If a vacancy occurs on the advisory board, the presiding
- 18 officer of the commission, on approval of the commission, shall
- 19 appoint a replacement who meets the qualifications for the vacant
- 20 position to serve for the remainder of the term.
- 21 (e) The presiding officer of the commission, on approval of
- 22 the commission, shall designate a member of the advisory board to
- 23 serve as the presiding officer of the advisory board for a one-year
- 24 term. The presiding officer of the advisory board may vote on any
- 25 matter before the advisory board.
- 26 (f) The advisory board shall meet at the call of the
- 27 executive director or the presiding officer of the commission.

- 1 (g) An advisory board member may not receive compensation
- 2 for service on the advisory board but is entitled to reimbursement
- 3 for actual and necessary expenses incurred in performing the
- 4 functions as a member of the advisory board, subject to the General
- 5 Appropriations Act.
- 6 (h) Chapter 2110, Government Code, does not apply to the
- 7 advisory board.
- 8 (i) The department may call a joint meeting of the advisory
- 9 board and the advisory committee established under Section
- 10 1001.058, Education Code, for the committees to collaborate on
- 11 matters determined by the department.
- 12 SECTION 8.005. Section 662.005, Transportation Code, is
- 13 amended to read as follows:
- Sec. 662.005. CONTRACTS. (a) The department [designated
- 15 state agency] may [license or] contract with qualified persons,
- 16 including institutions of higher education, to:
- 17 (1) offer and conduct motorcycle operator training and
- 18 safety courses under the [administer or operate the motorcycle
- 19 operator training and safety] program; or
- 20 (2) research motorcycle safety in this state.
- 21 (b) The department shall consult with the motorcycle safety
- 22 advisory board regarding any proposal to contract under this
- 23 section.
- SECTION 8.006. Section 662.006(a), Transportation Code, is
- 25 amended to read as follows:
- 26 (a) A person may not offer or conduct training in motorcycle
- 27 operation for consideration unless the person:

1	(1)	is	licensed	25	a	motorcycle	school	under	this

- 2 chapter;
- 3 (2) offers and conducts training in accordance with a
- 4 motorcycle operator training curriculum approved by the
- 5 department; and
- 6 (3) employs or contracts with an instructor licensed
- 7 under this chapter to conduct the training [by or contracts with the
- 8 designated state agency].
- 9 SECTION 8.007. Chapter 662, Transportation Code, is amended
- 10 by adding Sections 662.0062, 662.0064, and 662.0068 to read as
- 11 follows:
- 12 Sec. 662.0062. ELIGIBILITY; APPLICATION. (a) To be
- 13 eligible for an instructor license, an applicant must:
- 14 (1) have completed a commission-approved training
- 15 program on motorcycle operator training and safety instruction
- 16 administered by the Texas A&M Engineering Extension Service;
- (2) have held for the two years preceding the date of
- 18 submitting the application a valid driver's license that entitles
- 19 the applicant to operate a motorcycle on a public road; and
- 20 (3) have accumulated less than 10 points under the
- 21 driver responsibility program established by Chapter 708.
- (b) The commission by rule may adopt additional
- 23 requirements for issuance of an instructor license.
- (c) To be eligible for a motorcycle school license, an
- 25 applicant must meet the minimum standards established by commission
- 26 rule for:
- (1) health and safety;

- 1 (2) the school's facility; and
- 2 (3) consumer protection.
- 3 (d) The department shall issue a license to an applicant who
- 4 meets the eligibility requirements established under this chapter
- 5 and department rule and who pays the required fee.
- 6 (e) The department may prescribe an application form for
- 7 applicants to submit when applying for a license under this
- 8 section.
- 9 Sec. 662.0064. INSTRUCTOR TRAINING; ADMINISTRATOR. The
- 10 Texas A&M Engineering Extension Service, in consultation with the
- 11 department, shall administer the training program required by
- 12 Section 662.0062(a)(1).
- Sec. 662.0068. PROGRAM CERTIFICATES. The department shall
- 14 issue a certificate of completion to a person who completes a
- 15 department-approved motorcycle operator training and safety course
- 16 conducted by a motorcycle school on receipt of notice from the
- 17 motorcycle school that conducted the course. The department may
- 18 develop a process that allows a motorcycle school to issue a
- 19 certificate of completion to the person.
- 20 SECTION 8.008. Section 662.008, Transportation Code, is
- 21 amended to read as follows:
- Sec. 662.008. DENIAL, SUSPENSION, OR REVOCATION
- 23 [CANCELLATION] OF INSTRUCTOR OR MOTORCYCLE SCHOOL LICENSE
- 24 [APPROVAL]. (a) The executive director or commission [designated
- 25 state agency] may deny an application for, suspend, or revoke a
- 26 license issued [cancel its approval for a program sponsor to
- 27 conduct or for an instructor to teach a course offered] under this

- 1 chapter if the applicant, instructor, or <a href="motorcycle school">motorcycle school</a>
- 2 [sponsor]:
- 3 (1) does not satisfy the requirements established
- 4 under this chapter to receive or retain the license [approval];
- 5 (2) permits fraud or engages in a fraudulent practice
- 6 with reference to an application for [to] the license [agency];
- 7 (3) induces or countenances fraud or a fraudulent
- 8 practice by a person applying for a driver's license or permit;
- 9 (4) permits fraud or engages in a fraudulent practice
- 10 in an action between the applicant or license holder and the public;
- 11 or
- 12 (5) fails to comply with this chapter or rules adopted
- 13 under this chapter [of the state agency].
- 14 (b) Following denial of an application for a license or
- 15 the  $[\tau]$  suspension  $[\tau]$  or revocation of a license issued under this
- 16 chapter [cancellation of the approval of a program sponsor or an
- 17 instructor], notice and opportunity for a hearing must be given as
- 18 provided by:
- 19 (1) Chapter 2001, Government Code; and
- 20 (2) Chapter 53, Occupations Code.
- 21 SECTION 8.009. Section 662.009, Transportation Code, is
- 22 amended to read as follows:
- Sec. 662.009. RULES. The commission [designated state
- 24 agency] may adopt rules to administer this chapter.
- 25 SECTION 8.010. Section 662.010, Transportation Code, is
- 26 amended to read as follows:
- Sec. 662.010. NONAPPLICABILITY OF CERTAIN OTHER LAW.

- 1 Chapter 1001, Education Code [332, Acts of the 60th Legislature,
- 2 Regular Session, 1967 (Article 4413(29c), Vernon's Texas Civil
- 3 Statutes), does not apply to training offered or conducted under
- 4 this chapter.
- 5 SECTION 8.011. Section 662.011, Transportation Code, is
- 6 amended by amending Subsection (b) and adding Subsection (d) to
- 7 read as follows:
- 8 (b) Money deposited to the credit of the motorcycle
- 9 education fund account may be used only to defray the cost of:
- 10 (1) administering the motorcycle operator training
- 11 and safety program; [and]
- 12 (2) conducting the motorcyclist safety and share the
- 13 road campaign described by Section 201.621; and
- 14 (3) administering the grant program under Section
- 15 662.0115.
- 16 (d) The department may apply for and accept gifts, grants,
- 17 and donations from any organization to be deposited in the
- 18 motorcycle education fund account for the purpose of improving
- 19 motorcycle safety in this state.
- 20 SECTION 8.012. Chapter 662, Transportation Code, is amended
- 21 by adding Section 662.0115 to read as follows:
- Sec. 662.0115. MOTORCYCLE SAFETY GRANT PROGRAM. (a) Using
- 23 money from the motorcycle education fund account, the department
- 24 may establish and administer a grant program to improve motorcycle
- 25 safety in this state.
- (b) The department may award a person a grant to:
- 27 (1) promote the motorcycle operator training and

- 1 safety program or any other motorcycle safety program in this
- 2 state;
- 3 (2) increase the number of individuals seeking
- 4 motorcycle operator training or licensure as an instructor to
- 5 conduct motorcycle operator training; or
- 6 (3) support any other goal reasonably likely to
- 7 <u>improve motorcycle safety in this state.</u>
- 8 (c) To administer the grant program, the department shall
- 9 prescribe:
- 10 (1) grant application procedures;
- 11 (2) guidelines relating to grant amounts; and
- 12 (3) criteria for evaluating grant applications.
- 13 (d) The department shall consult with the motorcycle safety
- 14 advisory board regarding any proposal to award a grant under this
- 15 section.
- (e) An institution of higher education is eligible to
- 17 receive a grant awarded under this section and, if applicable, may
- 18 use the grant money awarded to perform a duty imposed under Section
- 19 662.0064 or 662.013.
- SECTION 8.013. Section 662.012, Transportation Code, is
- 21 amended to read as follows:
- Sec. 662.012. REPORTS. (a) The department [designated
- 23 state agency] shall require each motorcycle school [provider of a
- 24 motorcycle operator training and safety program] to report on the
- 25 school's program in the form and manner prescribed by the
- 26 <u>department</u> [compile and forward to the agency each month a report on
- 27 the provider's programs]. The report must include:

- 1 (1) the number and types of courses provided in the
- 2 reporting period;
- 3 (2) the number of persons who took each course in the
- 4 reporting period;
- 5 (3) the number of instructors available to provide
- 6 training under the school's [provider's] program in the reporting
- 7 period;
- 8 (4) information collected by surveying persons taking
- 9 each course as to the length of any waiting period the person
- 10 experienced before being able to enroll in the course;
- 11 (5) the number of persons on a waiting list for a
- 12 course at the end of the reporting period; and
- 13 (6) any other information the department [agency]
- 14 reasonably requires.
- 15 (b) The department [designated state agency] shall maintain
- 16 [a compilation of] the reports submitted under Subsection (a) on a
- 17 by-site basis. [The agency shall update the compilation as soon as
- 18 practicable after the beginning of each month.
- 19 (c) The <u>department</u> [<u>designated state agency</u>] shall provide
- 20 without charge a copy of the most recent reports submitted
- 21 [compilation] under Subsection (a) [(b)] to any member of the
- 22 legislature on request.
- SECTION 8.014. Chapter 662, Transportation Code, is amended
- 24 by adding Section 662.013 to read as follows:
- Sec. 662.013. RESEARCH, ADVOCACY, AND EDUCATION. The Texas
- 26 A&M Transportation Institute, in consultation with the department,
- 27 shall:

- 1 (1) research motorcycle safety in this state;
- 2 (2) provide advocacy on motorcycle safety issues in
- 3 this state; and
- 4 (3) provide education to the public on motorcycle
- 5 safety issues in this state.
- 6 SECTION 8.015. Section 663.001, Transportation Code, is
- 7 amended by amending Subdivision (1-b) and adding Subdivisions (1-c)
- 8 and (1-d) to read as follows:
- 9 (1-b) "Commission" means the Texas Commission of
- 10 Licensing and Regulation.
- 11 (1-c) "Department" means the Texas Department of
- 12 Licensing and Regulation.
- 13 (1-d) "Off-highway vehicle" means:
- 14 (A) an all-terrain vehicle or recreational
- off-highway vehicle, as those terms are defined by Section 502.001;
- 16 or
- 17 (B) a utility vehicle.
- 18 SECTION 8.016. Section 663.011, Transportation Code, is
- 19 amended to read as follows:
- Sec. 663.011. ADMINISTRATION OF PROGRAM [DESIGNATED
- 21 DIVISION OR STATE AGENCY]. The department [governor] shall
- 22 [designate a division of the governor's office or a state agency to
- 23 establish and] administer an off-highway vehicle operator
- 24 education and certification program and enforce the laws governing
- 25 the program.
- SECTION 8.017. Section 663.013, Transportation Code, is
- 27 amended to read as follows:

- 1 Sec. 663.013. PROGRAM STANDARDS [OFF-HIGHWAY VEHICLE
- 2 SAFETY COORDINATOR]. (a) The <u>department</u> [designated division or
- 3 state agency shall employ an off-highway vehicle safety
- 4 coordinator.
- 5 [(b) The coordinator] shall supervise the off-highway
- 6 vehicle operator education and certification program and shall
- 7 determine:
- 8 (1) locations at which courses will be offered;
- 9 (2) fees for the courses;
- 10 (3) qualifications of instructors;
- 11 (4) course curriculum; and
- 12 (5) standards for operator safety certification.
- (b) [<del>(c)</del>] In establishing standards for instructors,
- 14 curriculum, and operator certification, the department
- 15 [coordinator] shall consult and be guided by standards established
- 16 by recognized off-highway vehicle safety organizations.
- 17 SECTION 8.018. Section 663.014, Transportation Code, is
- 18 amended to read as follows:
- 19 Sec. 663.014. CONTRACTS. To administer the education
- 20 program and certify off-highway vehicle operators, the <u>department</u>
- 21 [designated division or state agency] may contract with nonprofit
- 22 safety organizations, nonprofit educational organizations,
- 23 <u>institutions of higher education</u>, or agencies of local governments.
- SECTION 8.019. Section 663.015(a), Transportation Code, is
- 25 amended to read as follows:
- 26 (a) If the <u>department</u> [off-highway vehicle safety
- 27 coordinator] determines that vehicle operation is not feasible in a

- 1 program component or at a particular program location, the operator
- 2 education and certification program for persons who are at least 14
- 3 years of age may use teaching or testing methods that do not involve
- 4 the actual operation of an off-highway vehicle.
- 5 SECTION 8.020. Section 663.017, Transportation Code, is
- 6 amended to read as follows:
- 7 Sec. 663.017. DENIAL, SUSPENSION, OR CANCELLATION OF
- 8 APPROVAL. (a) The executive director or commission [designated
- 9 division or state agency | may deny, suspend, or cancel its approval
- 10 for a program sponsor to conduct or for an instructor to teach a
- 11 course offered under this chapter if the applicant, sponsor, or
- 12 instructor:
- 13 (1) does not satisfy the requirements established
- 14 under this chapter to receive or retain approval;
- 15 (2) permits fraud or engages in fraudulent practices
- 16 with reference to an application to the department [division or
- 17 agency];
- 18 (3) induces or countenances fraud or fraudulent
- 19 practices by a person applying for a driver's license or permit;
- 20 (4) permits or engages in a fraudulent practice in an
- 21 action between the applicant or license holder and the public; or
- 22 (5) fails to comply with rules of the <u>department</u>
- 23 [division or agency].
- 24 (b) Before the executive director or commission [designated
- 25 division or agency] may deny, suspend, or cancel the approval of a
- 26 program sponsor or an instructor, notice and opportunity for a
- 27 hearing must be given as provided by:

- 1 (1) Chapter 2001, Government Code; and
- 2 (2) Chapter 53, Occupations Code.
- 3 SECTION 8.021. Section 663.018, Transportation Code, is
- 4 amended to read as follows:
- 5 Sec. 663.018. RULES. The commission [designated division
- 6 or state agency] may adopt rules to administer this chapter.
- 7 SECTION 8.022. Section 663.019, Transportation Code, is
- 8 amended to read as follows:
- 9 Sec. 663.019. EXEMPTIONS. The commission [designated
- 10 division or state agency] by rule may temporarily exempt the
- 11 residents of any county from Section 663.015 or from Section
- 12 663.031(a)(1) until the appropriate education and certification
- 13 program is established at a location that is reasonably accessible
- 14 to the residents of that county.
- 15 SECTION 8.023. Section 663.033(d), Transportation Code, is
- 16 amended to read as follows:
- 17 (d) The <u>department or executive director</u> [<del>coordinator</del>] may
- 18 exempt off-highway vehicles that are participating in certain
- 19 competitive events from the requirements of this section.
- SECTION 8.024. Section 663.037(e), Transportation Code, is
- 21 amended to read as follows:
- 22 (e) The commission [director of the Department of Public
- 23 Safety shall adopt standards and specifications that apply to the
- 24 color, size, and mounting position of the flag required under
- 25 Subsections (d)(2) and (g)(2).
- 26 SECTION 8.025. Sections 662.002(b), 662.003, 662.004, and
- 27 662.007, Transportation Code, are repealed.

- 1 SECTION 8.026. (a) In this section:
- 2 (1) "Department" means the Department of Public
- 3 Safety.
- 4 (2) "Program" means the motorcycle operator training
- 5 and safety program established under Chapter 662, Transportation
- 6 Code, as that chapter existed before the effective date of this Act.
- 7 (b) As soon as practicable after the effective date of this
- 8 article and not later than August 31, 2020, the department shall
- 9 dispose of motorcycles and other equipment related to the program
- 10 that the department possesses or has leased to entities offering
- 11 training under the program. The plan must conform with the
- 12 requirements of Subsection (c) of this section.
- 13 (c) The department shall dispose of the motorcycles and
- 14 other equipment related to the program in the following manner:
- 15 (1) not later than February 28, 2020, the department
- 16 shall provide to any entity to whom the department leased a
- 17 motorcycle or other equipment related to the program a reasonable
- 18 period determined by the department to purchase from the department
- 19 or return the motorcycle or other equipment;
- 20 (2) after the expiration of the period described by
- 21 Subdivision (1) of this subsection, but not later than May 31, 2020,
- 22 the department shall:
- 23 (A) determine the need of the Texas Department of
- 24 Licensing and Regulation, the Texas A&M Transportation Institute,
- 25 and the Texas A&M Engineering Extension Service for motorcycles and
- 26 other equipment necessary to provide motorcycle operator training
- 27 for the instructors under the program; and

- 1 (B) subject to the need determined under
- 2 Paragraph (A) of this subdivision and the availability of
- 3 motorcycles and other equipment related to the program, transfer
- 4 the motorcycles and equipment to the Texas Department of Licensing
- 5 and Regulation, institute, or service under that paragraph, as
- 6 applicable; and
- 7 (3) after the determination and any transfer under
- 8 Subdivision (2) of this subsection, but not later than August 31,
- 9 2020, inform the Texas Facilities Commission under Section
- 10 2175.182, Government Code, that any remaining motorcycles and
- 11 related equipment of the program are surplus or salvage property
- 12 and must be disposed of in accordance with Chapter 2175, Government
- 13 Code.
- 14 (d) Except for the fee described by Section 2175.188,
- 15 Government Code, all revenue generated by the disposition of
- 16 motorcycles and other equipment related to the program under this
- 17 section shall be deposited in the motorcycle education fund account
- 18 established under Section 662.011, Transportation Code.
- 19 (e) Not later than August 31, 2020, the department and the
- 20 Texas Department of Licensing and Regulation shall enter into a
- 21 memorandum of understanding regarding any property acquired by the
- 22 department by lease or purchase using money from the motorcycle
- 23 education fund account established under Section 662.011,
- 24 Transportation Code, to ensure that the Department of Public Safety
- 25 appropriately compensates the fund for those assets.
- 26 SECTION 8.027. (a) In this section:
- 27 (1) "Former administrator" means the Texas Department

- 1 of Public Safety.
- 2 (2) "Licensing commission" means the Texas Commission
- 3 of Licensing and Regulation.
- 4 (3) "Licensing department" means the Texas Department
- 5 of Licensing and Regulation.
- 6 (4) "Program" means the:
- 7 (A) motorcycle operator training and safety
- 8 program under Chapter 662, Transportation Code; and
- 9 (B) off-highway vehicle operator education and
- 10 certification program under Chapter 663, Transportation Code.
- 11 (b) On September 1, 2020:
- 12 (1) all functions and activities related to the
- 13 program performed by the former administrator immediately before
- 14 that date are transferred to the licensing department;
- 15 (2) all rules, fees, policies, procedures, decisions,
- 16 and forms related to the program adopted by the former
- 17 administrator are continued in effect as rules, fees, policies,
- 18 procedures, decisions, and forms of the licensing commission or the
- 19 licensing department, as applicable, and remain in effect until
- 20 amended or replaced by the licensing commission or licensing
- 21 department;
- 22 (3) a complaint, investigation, contested case, or
- 23 other proceeding related to the program before the former
- 24 administrator that is pending on September 1, 2020, is transferred
- 25 without change in status to the licensing department or the
- 26 licensing commission, as appropriate;
- 27 (4) all money, contracts, leases, property, and

- 1 obligations related to the program of the former administrator are
- 2 transferred to the licensing department;
- 3 (5) all property related to the program in the custody
- 4 of the former administrator is transferred to the licensing
- 5 department; and
- 6 (6) the unexpended and unobligated balance of any
- 7 money appropriated by the legislature for the former administrator
- 8 for the purpose of administering the program is transferred to the
- 9 licensing department.
- 10 (c) The former administrator shall provide the licensing
- 11 department with access to any systems or information necessary for
- 12 the department to accept the program transferred under this Act.
- 13 (d) A license or certificate issued by the former
- 14 administrator is continued in effect as a license or certificate of
- 15 the licensing department.
- 16 (e) On September 1, 2020, all full-time equivalent employee
- 17 positions at the former administrator that primarily concern the
- 18 administration or enforcement of the program become positions at
- 19 the licensing department.
- SECTION 8.028. (a) Except as provided by Subsection (b) of
- 21 this section, this article takes effect September 1, 2020.
- (b) Section 8.026 of this article takes effect immediately
- 23 if this Act receives a vote of two-thirds of all the members elected
- 24 to each house, as provided by Section 39, Article III, Texas
- 25 Constitution. If this Act does not receive the vote necessary for
- 26 immediate effect, Section 8.026 takes effect on the 91st day after
- 27 the last day of the legislative session.

1 ARTICLE 9. EFFECTIVE DATE

- 2 SECTION 9.001. Except as otherwise provided by this Act,
- 3 this Act takes effect September 1, 2019.

JNEC

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 616 passed the Senate on April 16, 2019, by the following vote: Yeas 31, Nays 0; May 23, 2019, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 23, 2019, House granted request of the Senate; May 25, 2019, Senate adopted Conference Committee Report by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 616 passed the House, with amendments, on May 17, 2019, by the following vote: Yeas 142, Nays O, two present not voting; May 23, 2019, House granted request of the Senate for appointment of Conference Committee; May 26, 2019, House adopted Conference Committee Report by the following vote: Yeas 146, Nays O, one present not voting.

Chief Clerk of the House

Approved:

5-9-7019

Sovernor/

FILED IN THE OFFICE OF THE SECRETARY OF STATE

SECRETARY OF STATE

JUN 1 0 2019

Secretary of State