



1 dealing with mutual business or professional problems and in  
2 promoting their common interest.

3 (b) A person may not be a member of the board and may not be a  
4 board employee employed in a "bona fide executive, administrative,  
5 or professional capacity," as that phrase is used for purposes of  
6 establishing an exemption to the overtime provisions of the federal  
7 Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

8 (1) the person is an officer, employee, or paid  
9 consultant of a Texas trade association in the field of health care;  
10 or

11 (2) the person's spouse is an officer, manager, or paid  
12 consultant of a Texas trade association in the field of health care  
13 ~~[An officer, employee, or paid consultant of a Texas trade~~  
14 ~~association in the health care industry may not be a member of the~~  
15 ~~board and may not be an employee of the board who is exempt from the~~  
16 ~~state's position classification plan or is compensated at or above~~  
17 ~~the amount prescribed by the General Appropriations Act for step 1,~~  
18 ~~salary group A17, of the position classification salary schedule].~~

19 ~~(c) [A person who is the spouse of an officer, manager, or~~  
20 ~~paid consultant of a Texas trade association in the health care~~  
21 ~~industry may not be a board member and may not be an employee of the~~  
22 ~~board who is exempt from the state's position classification plan~~  
23 ~~or is compensated at or above the amount prescribed by the General~~  
24 ~~Appropriations Act for step 1, salary group A17, of the position~~  
25 ~~classification salary schedule.~~

26 ~~[(d)]~~ A person may not be ~~[serve as]~~ a member of the board  
27 ~~[member]~~ or act as the general counsel to the board if the person is

1 required to register as a lobbyist under Chapter 305, Government  
2 Code, because of the person's activities for compensation on behalf  
3 of a profession related to the operation of the board.

4 SECTION 4. Subsections (a) and (c), Section 202.056,  
5 Occupations Code, are amended to read as follows:

6 (a) It is a ground for removal from the board that a member:

7 (1) does not have at the time of taking office  
8 [~~appointment~~] the qualifications required by Section 202.051 or  
9 202.053;

10 (2) does not maintain during service on the board the  
11 qualifications required by Section 202.051 or 202.053;

12 (3) is ineligible for membership under [~~violates a~~  
13 ~~prohibition established by~~] Section 202.054;

14 (4) cannot, because of illness or disability,  
15 discharge the member's duties for a substantial part of the member's  
16 term; or

17 (5) is absent from more than half of the regularly  
18 scheduled board meetings that the member is eligible to attend  
19 during a calendar year unless the absence is excused by a majority  
20 vote of the board.

21 (c) If the executive director has knowledge that a potential  
22 ground for removal exists, the executive director shall notify the  
23 president of the board of the potential ground. The president shall  
24 then notify the governor and the attorney general that a potential  
25 ground for removal exists. If the potential ground for removal  
26 involves the president, the executive director shall notify the  
27 next highest ranking officer of the board, who shall then notify the

1 governor and the attorney general that a potential ground for  
2 removal exists.

3 SECTION 5. Subsection (b), Section 202.057, Occupations  
4 Code, is amended to read as follows:

5 (b) A member may ~~[not]~~ receive reimbursement for travel  
6 expenses, including expenses for meals, ~~[and]~~ lodging, ~~and~~~~[, other~~  
7 ~~than]~~ transportation, ~~[expenses. A member is entitled to~~  
8 ~~reimbursement for transportation expenses]~~ as prescribed by the  
9 General Appropriations Act.

10 SECTION 6. Section 202.058, Occupations Code, is amended to  
11 read as follows:

12 Sec. 202.058. OFFICERS. (a) The governor shall designate  
13 a member of the board as the president of the board to serve in that  
14 capacity at the pleasure of the governor.

15 (b) At the first regular scheduled meeting of each biennium,  
16 the board shall elect from its members a ~~[president,~~ vice  
17 president~~[,]~~ and secretary.

18 SECTION 7. Section 202.061, Occupations Code, is amended to  
19 read as follows:

20 Sec. 202.061. TRAINING. (a) A person who is appointed to  
21 and qualifies for office as a member of the board may not vote,  
22 deliberate, or be counted as a member in attendance at a meeting of  
23 the board until the person completes a training program that  
24 complies with this section.

25 (b) The training program must provide the person with  
26 information regarding:

27 (1) this chapter and the programs, functions, rules,

1 and budget of the board;

2 (2) the results of the most recent formal audit of the  
3 board;

4 (3) the requirements of laws relating to open  
5 meetings, public information, administrative procedure, and  
6 conflicts of interest; and

7 (4) any applicable ethics policies adopted by the  
8 board or the Texas Ethics Commission.

9 (c) A person appointed to the board may be entitled to  
10 reimbursement, as provided by the General Appropriations Act, for  
11 the travel expenses incurred in attending the training program  
12 regardless of whether the attendance at the program occurs before  
13 or after the person qualifies for office [~~If another state agency is~~  
14 ~~given authority to establish training requirements for the board,~~  
15 ~~each board member shall comply with those training requirements~~].

16 SECTION 8. Section 202.101, Occupations Code, is amended to  
17 read as follows:

18 Sec. 202.101. DIVISION OF RESPONSIBILITIES. The board  
19 shall develop and implement policies that clearly separate [~~define~~]  
20 the policymaking [~~respective~~] responsibilities of the board and the  
21 management responsibilities of the executive director and the  
22 staff of the board.

23 SECTION 9. Subchapter D, Chapter 202, Occupations Code, is  
24 amended by adding Section 202.1525 to read as follows:

25 Sec. 202.1525. RULES ON CONSEQUENCES OF CRIMINAL  
26 CONVICTION. (a) The board shall adopt rules necessary to comply  
27 with Chapter 53.

1        (b) In its rules under this section, the board shall list  
2 the specific offenses for which a conviction would constitute  
3 grounds for the board to take action under Section 53.021.

4        SECTION 10. Subchapter D, Chapter 202, Occupations Code, is  
5 amended by adding Section 202.1545 to read as follows:

6        Sec. 202.1545. ADVISORY COMMITTEE MEMBERSHIP. (a) This  
7 section does not apply to a committee created under Section 202.154  
8 exclusively composed of board members.

9        (b) A board member is not eligible to serve as a voting  
10 member on a task force or advisory committee that makes  
11 recommendations to the board.

12        SECTION 11. Subchapter D, Chapter 202, Occupations Code, is  
13 amended by adding Sections 202.162 and 202.163 to read as follows:

14        Sec. 202.162. USE OF TECHNOLOGY. The board shall implement  
15 a policy requiring the board to use appropriate technological  
16 solutions to improve the board's ability to perform its functions.  
17 The policy must ensure that the public is able to interact with the  
18 board on the Internet.

19        Sec. 202.163. NEGOTIATED RULEMAKING AND ALTERNATIVE  
20 DISPUTE RESOLUTION PROCEDURES. (a) The board shall develop and  
21 implement a policy to encourage the use of:

22                (1) negotiated rulemaking procedures under Chapter  
23 2008, Government Code, for the adoption of board rules; and

24                (2) appropriate alternative dispute resolution  
25 procedures under Chapter 2009, Government Code, to assist in the  
26 resolution of internal and external disputes under the board's  
27 jurisdiction.

1        (b) The board's procedures relating to alternative dispute  
2 resolution must conform, to the extent possible, to any model  
3 guidelines issued by the State Office of Administrative Hearings  
4 for the use of alternative dispute resolution by state agencies.

5        (c) The board shall designate a trained person to:

6            (1) coordinate the implementation of the policy  
7 adopted under Subsection (a);

8            (2) serve as a resource for any training needed to  
9 implement the procedures for negotiated rulemaking or alternative  
10 dispute resolution; and

11            (3) collect data concerning the effectiveness of those  
12 procedures, as implemented by the board.

13        SECTION 12. Section 202.202, Occupations Code, is amended  
14 by adding Subsection (c) to read as follows:

15        (c) The board shall make information available describing  
16 its procedures for complaint investigation and resolution.

17        SECTION 13. Section 202.203, Occupations Code, is amended  
18 to read as follows:

19        Sec. 202.203. COMPLAINT RECORDS. (a) The board shall  
20 maintain a system to promptly and efficiently act on complaints  
21 filed with the board. The board shall maintain information about  
22 parties to the complaint, the subject matter of the complaint, a  
23 summary of the results of the review or investigation of the  
24 complaint, and the disposition of the complaint [~~The board shall~~  
25 ~~keep an information file about each complaint filed with the board.~~  
26 ~~The information file must be kept current and contain a record for~~  
27 ~~each complaint of:~~

1           ~~[(1) each person contacted in relation to the~~  
2 ~~complaint,~~

3           ~~[(2) a summary of findings made at each step of the~~  
4 ~~complaint process,~~

5           ~~[(3) an explanation of the legal basis and reason for a~~  
6 ~~complaint that is dismissed,~~

7           ~~[(4) the schedule established for the complaint under~~  
8 ~~Section 202.204 and a notation of a change in the schedule, and~~

9           ~~[(5) other relevant information].~~

10           (b) The board shall periodically notify the complaint  
11 parties of the status of the complaint until final disposition [~~If a~~  
12 ~~written complaint is filed with the board, the board, at least~~  
13 ~~quarterly and until final disposition of the complaint, shall~~  
14 ~~notify the parties to the complaint of the status of the complaint]~~  
15 unless the notification would jeopardize an undercover  
16 investigation. The board may provide a copy of the complaint to the  
17 license holder unless providing a copy would jeopardize an  
18 investigation.

19           SECTION 14. Section 202.260, Occupations Code, is amended  
20 by amending Subsection (c) and adding Subsection (e) to read as  
21 follows:

22           (c) A provisional license is valid until the date the board  
23 approves or denies the provisional license holder's application for  
24 a license. Except as provided by Subsection (e), the [~~The~~] board  
25 shall issue a license under this chapter to the holder of a  
26 provisional license under this section if:

27           (1) the provisional license holder passes the

1 examination required by Section 202.254;

2 (2) the board verifies that the provisional license  
3 holder has the academic and experience requirements for a license  
4 under this chapter; and

5 (3) the provisional license holder satisfies any other  
6 license requirements under this chapter.

7 (e) A provisional license holder is not required to pass a  
8 part of an examination related to the testing of clinical skills  
9 that an applicant for an original license under this chapter with  
10 substantially equivalent experience is not required to pass.

11 SECTION 15. Subsection (d), Section 202.301, Occupations  
12 Code, is amended to read as follows:

13 (d) A person whose license has been expired for 90 days or  
14 less may renew the license by paying to the board a fee equal to  
15 1-1/2 times the required renewal fee [~~the required renewal fee and a~~  
16 ~~fee equal to half of the amount charged for examination for the~~  
17 ~~license~~]. If a license has been expired for more than 90 days but  
18 less than one year, the person may renew the license by paying to  
19 the board a fee equal to two times the required renewal fee [~~all~~  
20 ~~unpaid renewal fees and a fee equal to the amount charged for~~  
21 ~~examination for the license~~].

22 SECTION 16. Subsection (b), Section 202.302, Occupations  
23 Code, is amended to read as follows:

24 (b) The person must pay to the board a fee equal to the  
25 amount charged for renewal of [~~examination for~~] the license.

26 SECTION 17. Subsection (b), Section 202.508, Occupations  
27 Code, is amended to read as follows:

1 (b) Rules adopted under this section must:

2 (1) provide the complainant and the license holder an  
3 opportunity to be heard; and

4 (2) require the presence of:

5 (A) a representative of the office of the  
6 attorney general or the board's legal counsel to advise the board or  
7 the board's employees; and

8 (B) a public member of the board at an informal  
9 settlement conference.

10 SECTION 18. Subchapter K, Chapter 202, Occupations Code, is  
11 amended by adding Sections 202.5085 and 202.510 to read as follows:

12 Sec. 202.5085. REFUND. (a) Subject to Subsection (b),  
13 the board may order a person licensed under this chapter to pay a  
14 refund to a consumer as provided in an agreement resulting from an  
15 informal settlement conference instead of or in addition to  
16 imposing an administrative penalty under this chapter.

17 (b) The amount of a refund ordered as provided in an  
18 agreement resulting from an informal settlement conference may not  
19 exceed the amount the consumer paid to the person for a service  
20 regulated by this chapter. The board may not require payment of  
21 other damages or estimate harm in a refund order.

22 Sec. 202.510. TEMPORARY SUSPENSION OF LICENSE. (a) The  
23 president of the board shall appoint a disciplinary panel  
24 consisting of three board members to determine whether a person's  
25 license to practice podiatry should be temporarily suspended.

26 (b) If the disciplinary panel determines from the evidence  
27 presented to the panel that a person licensed to practice podiatry

1 would, by the person's continuation in practice, constitute a  
2 continuing threat to the public welfare, the disciplinary panel  
3 shall temporarily suspend the license of that person.

4 (c) A license may be suspended by a disciplinary panel under  
5 this section without notice or hearing if:

6 (1) the board immediately provides notice of the  
7 suspension to the license holder; and

8 (2) a hearing on the temporary suspension before a  
9 disciplinary panel of the board is scheduled for the earliest  
10 possible date after the 10th day after the notice of hearing.

11 (d) Notwithstanding Chapter 551, Government Code, the  
12 disciplinary panel may hold a meeting by telephone conference call  
13 if immediate action is required and convening of the panel at one  
14 location is inconvenient for any member of the disciplinary panel.

15 (e) After the hearing before the disciplinary panel  
16 described by Subsection (c), if the disciplinary panel affirms the  
17 temporary suspension of the license holder's license, the board  
18 shall schedule an informal compliance meeting that meets the  
19 requirements of Section 2001.054(c), Government Code, and Section  
20 202.508 of this code to be held as soon as practicable, unless the  
21 license holder waives the informal meeting or an informal meeting  
22 has already been held with regard to the issues that are the basis  
23 for the temporary suspension.

24 (f) If the license holder is unable to show compliance at  
25 the informal meeting described by Subsection (e) regarding the  
26 issues that are the basis for the temporary suspension, a board  
27 representative shall initiate a disciplinary procedure under

1 Section 202.501 as soon as practicable.

2 (g) If, after the hearing described by Subsection (c), the  
3 disciplinary panel does not temporarily suspend the license  
4 holder's license, the facts that were the basis for the temporary  
5 suspension may not be the sole basis of another proceeding to  
6 temporarily suspend the license holder's license. The board may  
7 use those same facts in a subsequent investigation to obtain new  
8 information that may be the basis for the temporary suspension of  
9 the license holder's license. For purposes of this subsection,  
10 facts that are the basis for the temporary suspension of a license  
11 holder's license include facts presented to the disciplinary panel  
12 and facts presented by the board or a representative of the board at  
13 the time evidence was presented to the disciplinary panel.

14 SECTION 19. Section 202.552, Occupations Code, is amended  
15 by amending Subsection (a) and adding Subsection (c) to read as  
16 follows:

17 (a) The amount of an administrative penalty may not exceed  
18 \$5,000 [~~\$2,500~~]. Each day a violation continues or occurs is a  
19 separate violation for purposes of imposing a penalty.

20 (c) The board by rule shall develop a standardized penalty  
21 schedule based on the criteria listed in Subsection (b).

22 SECTION 20. Subchapter M, Chapter 202, Occupations Code, is  
23 amended by adding Section 202.6015 to read as follows:

24 Sec. 202.6015. CEASE AND DESIST ORDER. (a) If it appears  
25 to the board that a person who is not licensed under this chapter is  
26 violating or has violated this chapter, a rule adopted under this  
27 chapter, or another state statute or rule relating to the practice

1 of podiatry, the board after providing to the person notice and the  
2 opportunity for a hearing may issue a cease and desist order  
3 prohibiting the conduct described in the notice.

4 (b) If the person does not request a hearing before the 22nd  
5 day after the date of receiving notice under Subsection (a), the  
6 board may:

7 (1) issue a cease and desist order; and

8 (2) refer the violation to the attorney general for  
9 further action.

10 (c) If the person requests a hearing before the 22nd day  
11 after the date of receiving notice under Subsection (a), the board  
12 shall hold the hearing not later than the 30th day after the date  
13 the board receives the request for the hearing.

14 (d) A hearing under this section is subject to Chapter 2001,  
15 Government Code.

16 (e) Notwithstanding Section 202.551, the board may impose  
17 an administrative penalty under Subchapter L against a person who  
18 violates an order issued under this section.

19 (f) The board shall adopt rules necessary to implement this  
20 section.

21 SECTION 21. Section 202.602, Occupations Code, is amended  
22 to read as follows:

23 Sec. 202.602. MONITORING AND INSPECTION OF LICENSE HOLDER.

24 (a) The board by rule shall develop a system to monitor a  
25 podiatrist's compliance with this chapter. The system must  
26 include:

27 (1) procedures for determining whether a podiatrist is

1 in compliance with an order issued by the board; and

2 (2) a method of identifying and monitoring each  
3 podiatrist who represents a risk to the public.

4 (b) The board, during reasonable business hours, may enter  
5 the business premises of a person regulated by the board without  
6 notice to:

7 (1) investigate a complaint filed with the board; or

8 (2) determine compliance with an order of the board.

9 SECTION 22. (a) The Texas State Board of Podiatric Medical  
10 Examiners shall adopt rules as required by this Act not later than  
11 March 1, 2006.

12 (b) The changes in law made by this Act to Subsection (d),  
13 Section 202.301, Occupations Code, apply only to the fee for the  
14 renewal of a license that is applied for on or after the effective  
15 date of this Act. A renewal of a license applied for before the  
16 effective date of this Act is covered by the law in effect on the  
17 date the application for renewal was made, and the former law is  
18 continued in effect for that purpose.

19 (c) The changes in law made by this Act in the prohibitions  
20 or qualifications applying to a member of the Texas State Board of  
21 Podiatric Medical Examiners do not affect the entitlement of a  
22 member serving on the board immediately before the effective date  
23 of this Act to continue to serve and function as a member of the  
24 board for the remainder of the member's term. Those changes in law  
25 apply only to a member appointed on or after the effective date of  
26 this Act.

27 (d) Section 202.1545, Occupations Code, as added by this

1 Act, applies only to a vote of a task force or advisory committee  
2 taken on or after the effective date of this Act.

3 (e) The changes in law made by this Act to Chapter 202,  
4 Occupations Code, relating to the investigation of a complaint  
5 filed with the Texas State Board of Podiatric Medical Examiners  
6 apply only to a complaint filed on or after the effective date of  
7 this Act. A complaint filed with the board before the effective  
8 date of this Act is governed by the law as it existed immediately  
9 before that date, and the former law is continued in effect for that  
10 purpose.

11 (f) The changes in law made by this Act governing  
12 eligibility of a person for a license under Chapter 202,  
13 Occupations Code, apply only to the issuance of a license by the  
14 Texas State Board of Podiatric Medical Examiners under Chapter 202,  
15 Occupations Code, as amended by this Act, on or after the effective  
16 date of this Act. A license issued by the Texas State Board of  
17 Podiatric Medical Examiners under that chapter before the effective  
18 date of this Act is governed by the licensing requirements in effect  
19 when the license was last issued until the license expires or is  
20 renewed as provided by Chapter 202, Occupations Code, as amended by  
21 this Act.

22 (g) The change in law made by this Act relating to  
23 imposition of an administrative penalty applies only to a violation  
24 that occurs on or after the effective date of this Act. A violation  
25 that occurs before the effective date of this Act is governed by the  
26 law in effect on the date the violation occurred, and the former law  
27 is continued in effect for that purpose.

1 (h) The change in law made by this Act with respect to  
2 conduct that is grounds for imposition of a disciplinary sanction,  
3 including a refund, temporary license suspension, or cease and  
4 desist order, applies to conduct that occurs on or after the  
5 effective date of this Act. Conduct that occurs before the  
6 effective date of this Act is governed by the law in effect on the  
7 date the conduct occurred, and the former law is continued in effect  
8 for that purpose.

9 SECTION 23. This Act takes effect September 1, 2005.

David Newkurt  
President of the Senate

Tom Craddick  
Speaker of the House

I hereby certify that S.B. No. 402 passed the Senate on  
March 31, 2005, by the following vote: Yeas 30, Nays 0.

Lacey Saw  
Secretary of the Senate

I hereby certify that S.B. No. 402 passed the House on  
April 26, 2005, by a non-record vote.

Robert Haney  
Chief Clerk of the House

Approved:

9 MAY '05

Date

Rick Perry  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
6:00 PM O'CLOCK

MAY 09 2005  
Roger Hillman  
Secretary of State