

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 24 2019

Date

Honorable Dan Patrick
President of the Senate

Honorable Dennis Bonnen
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on SB 616 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Brian Bredwell
Bredwell

Ch. Patrick
Patrick

Al Campbell
Campbell

Dan Flynn
Flynn

Bob Hall
Hall

Don Lambert
Lambert

Robert Nichols
Nichols

Poncho Nevarez
NEVAREZ

Mark Watson

On the part of the Senate
Watson

Leif Thompson
On the part of the House
Thompson, S.

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

S.B. No. 616

A BILL TO BE ENTITLED

AN ACT

1
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
24 information regarding:

(1) the law governing ~~[legislation that created]~~ the department's operations ~~[department and the commission]~~;

(2) the programs, functions, rules, and budget of ~~[operated by]~~ the department;

(3) the scope of and limitations on the rulemaking authority of the commission ~~[role and functions of the department]~~;

(4) the results of the most recent formal audit ~~[rules]~~ of the department ~~[, with an emphasis on the rules that relate to disciplinary and investigatory authority]~~;

(5) ~~[the current budget for the department,~~

~~(6) the results of the most recent formal audit of the department,~~

~~(7)]~~ the requirements of:

(A) laws relating to ~~[the]~~ open meetings, ~~[law,~~ Chapter 551,

~~(B) the]~~ public information, ~~[law,~~ Chapter 552,

~~(C) the]~~ administrative procedure, ~~[law,~~ Chapter 2001,

~~(D) other laws relating to public officials, including conflict of interest laws]~~; and

(B) other laws applicable to members of the commission in performing their duties; and

(6) ~~(8)]~~ any applicable ethics policies adopted by the department or the Texas Ethics Commission.

(d) The director shall create a training manual that includes the information required by Subsection (b). The director 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.

14 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

24 SECTION 2.001. Subchapter D, Chapter 411, Government Code,
25 is amended by adding Section 411.055 to read as follows:

26 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.

16 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

10 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.

15 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:

- 19 (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
- 24 (6) Subchapter G, Chapter 548, Transportation Code.

25 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.

18 (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.

22 (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.

14 (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.

24 (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 department; 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

19 (3) place a license holder on probation.

20 (b) A proceeding to impose an administrative sanction as
21 described by Subsection (a) is a contested case under Chapter 2001.

22 (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.

26 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.

13 (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.

17 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.

23 (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.

16 SUBCHAPTER R. ADMINISTRATIVE PENALTY

17 Sec. 411.521. DEFINITION. In this subchapter, "license"
18 has the meaning assigned by Section 411.501.

19 Sec. 411.522. APPLICABILITY. This subchapter applies to a
20 program, and persons regulated under the program, to which Section
21 411.502 applies.

22 Sec. 411.523. IMPOSITION OF PENALTY. The commission may
23 impose an administrative penalty against a person who violates:

24 (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).

1 Sec. 411.524. AMOUNT OF PENALTY. (a) If the relevant law
2 establishing a program subject to this subchapter does not state
3 the maximum amount of an administrative penalty under that law, the
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
6 violation continues or occurs is a separate violation for purposes
7 of imposing a penalty.

8 (b) The amount of the penalty shall be based on:

9 (1) the seriousness of the violation;
10 (2) the respondent's history of previous violations;
11 (3) the amount necessary to deter a future violation;
12 (4) efforts made by the respondent to correct the
13 violation; and

14 (5) any other matter that justice may require.

15 (c) The commission shall establish a written enforcement
16 plan that provides notice to license holders of the specific ranges
17 of penalties that apply to specific alleged violations and the
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
22 with a proceeding to impose an administrative sanction. If a
23 sanction is imposed in a proceeding under this subchapter, the
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

possible violation, the department determines that a violation occurred, the department shall issue to the respondent a notice of alleged violation stating:

- (1) a brief summary of the alleged violation;
- (2) the amount of the recommended administrative penalty; and
- (3) that the respondent has the right to a hearing to contest the alleged violation, the amount of the penalty, or both.

Sec. 411.527. PENALTY TO BE PAID OR HEARING REQUESTED.

(a) Not later than the 20th day after the date the respondent receives the notice, the respondent may:

- (1) accept the department's determination and recommended administrative penalty; or
- (2) make a written request for a hearing on that determination.

(b) If the respondent accepts the department's determination, the commission by order may approve the determination and require the person to pay the recommended penalty.

Sec. 411.528. HEARING ON RECOMMENDATIONS. (a) If the respondent requests a hearing, the hearing shall be conducted by the department or the State Office of Administrative Hearings.

(b) The State Office of Administrative Hearings shall consider the department's applicable substantive rules and policies when conducting a hearing under this subchapter.

(c) A department hearing officer or an administrative law judge at the State Office of Administrative Hearings, as

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 penalty; or

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:

15 (1) separate statements of the findings of fact and
16 conclusions of law;

17 (2) the amount of any penalty imposed;

18 (3) a statement of the right of the respondent to
19 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

1 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
10 judicial review, a sworn statement that the respondent is unable to
11 meet the requirements of Subsection (a)(2).

12 Sec. 411.531. COLLECTION OF PENALTY. If the person on whom
13 the administrative penalty is imposed violates Section 411.530(a),
14 the department or the attorney general may bring an action to
15 collect the penalty.

16 Sec. 411.532. REMITTANCE OF PENALTY AND INTEREST. (a) If,
17 after judicial review, the administrative penalty is reduced or not
18 imposed, the department shall:

19 (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, barter, 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 (g),
21 Transportation Code, are amended to read as follows:

22 (a) The commission [~~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,

1 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~~

23 ~~[(A) felony or Class A or Class B misdemeanor,~~

24 ~~[(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~~

1 ~~[(C) crime under the jurisdiction of another~~
2 ~~state or the federal government that would be a felony or a Class A~~
3 ~~or Class B misdemeanor if the crime were committed in this state].~~

4 (c) If the commission ~~[department]~~ suspends a certificate
5 because of a violation of Subchapter F, the suspension must be for a
6 period of not less than six months. ~~[The suspension may not be~~
7 ~~probated or deferred.]~~

8 (g) The commission ~~[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.

13 SECTION 3.005. Subchapter G, Chapter 548, Transportation
14 Code, is amended by adding Section 548.4055 to read as follows:

15 Sec. 548.4055. RULES REGARDING CRIMINAL CONVICTIONS. The
16 commission shall adopt rules necessary to comply with Chapter 53,
17 Occupations Code, with respect to the certification of persons
18 under this subchapter. The commission's rules must list the
19 specific offenses for each category of persons regulated under this
20 subchapter for which a conviction would constitute grounds for the
21 commission to take action under Section 53.021, Occupations Code.

22 SECTION 3.006. Sections 548.407(d) and (e), Transportation
23 Code, are amended to read as follows:

24 (d) The commission ~~[department]~~ may provide that a
25 revocation or suspension takes effect on receipt of notice under
26 Subsection (b) if the commission ~~[department]~~ finds that the action
27 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.]~~

20 SECTION 3.007. Subchapter G, Chapter 548, Transportation
21 Code, is amended by adding Section 548.410 to read as follows:

22 Sec. 548.410. EXPIRATION OF CERTIFICATE. A certificate
23 issued to an inspector or an inspection station under this
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 initial 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.

14 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:

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:

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 (l), 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.

22 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.

SECTION 3.014. Section 1956.041, Occupations Code, and Sections 548.405 and 548.407, Transportation Code, as amended by this Act, apply only to a proceeding initiated on or after the effective date of this Act. A proceeding initiated before the effective date of this Act is governed by the law in effect on the date the proceeding was initiated, and the former law is continued in effect for that purpose.

ARTICLE 4. CERTAIN PROGRAMS REGULATING CONTROLLED SUBSTANCES,
PRECURSOR CHEMICALS, AND LABORATORY APPARATUSES

SECTION 4.001. Sections 481.077(c), (i), and (k), Health and Safety Code, are amended to read as follows:

(c) This section does ~~[and Section 481.078 do]~~ not apply to a person to whom a registration has been issued by the Federal Drug Enforcement Agency or who is exempt from such registration.

(i) A manufacturer, wholesaler, retailer, or other person who ~~[receives from a source outside this state a chemical precursor subject to Subsection (a) or who]~~ discovers a loss or theft of a chemical precursor subject to Subsection (a) shall:

(1) submit a report of the transaction to the director in accordance with department rule; and

(2) include in the report:

(A) any difference between the amount of the chemical precursor actually received and the amount of the chemical precursor shipped according to the shipping statement or invoice; or

(B) the amount of the loss or theft.

(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]~~ commercial purchaser~~[7]~~ 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.

22 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

supplies the substance to the church [~~must register and maintain appropriate records of receipts and disbursements in accordance with rules adopted by the director~~]. An exemption granted to a member of the Native American Church under this section does not apply to a member with less than 25 percent Indian blood.

SECTION 4.005. Section 481.136(a), Health and Safety Code, is amended to read as follows:

(a) A person commits an offense if the person sells, transfers, furnishes, or receives a chemical precursor subject to Section 481.077(a) and the person:

(1) [~~does not hold a chemical precursor transfer permit as required by Section 481.078 at the time of the transaction,~~

[~~2~~] does not comply with Section 481.077 or 481.0771;

(2) [~~3~~] knowingly makes a false statement in a report or record required by Section 481.077 or [~~7~~] 481.0771[~~7 or 481.078~~]; or

(3) [~~4~~] knowingly violates a rule adopted under Section 481.077 or [~~7~~] 481.0771[~~7 or 481.078~~].

SECTION 4.006. Section 481.138(a), Health and Safety Code, is amended to read as follows:

(a) A person commits an offense if the person sells, transfers, furnishes, or receives a chemical laboratory apparatus subject to Section 481.080(a) and the person:

(1) [~~does not have a chemical laboratory apparatus transfer permit as required by Section 481.081 at the time of the~~

1 ~~transaction,~~

2 ~~[(2)]~~ does not comply with Section 481.080;

3 (2) ~~[(3)]~~ 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~~[, or 481.081]~~ or
12 a rule or order adopted under any of those sections.

13 SECTION 4.008. Section 487.053(b), Health and Safety Code,
14 is amended to read as follows:

15 (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:

22 (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

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

22 (B) at a place other than the principal place of
23 business as shown in department [~~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 department [~~board~~].

(5-a) "Committee" means the Texas Private Security Advisory Committee established under this chapter.

(5-b) "Company license" means a license issued by the department that entitles a person to operate as a security services contractor or investigations company.

(5-c) "Department" means the Department of Public Safety of the State of Texas.

(8-a) "Individual license" means a license issued by the department that entitles an individual to perform a service regulated by this chapter for a company license holder, including a personal protection officer license.

(17) "Personal protection officer license [~~endorsement~~]" means a license [~~permit~~] issued by the department [~~board~~] that entitles an individual to act as a personal protection officer.

(21) "Security officer commission" means an authorization issued by the department [~~board~~] that entitles a security officer to carry a firearm.

SECTION 5.002. Section 1702.004, Occupations Code, is amended to read as follows:

Sec. 1702.004. GENERAL SCOPE OF REGULATION. (a) The department [~~board, in addition to performing duties required by other law or exercising powers granted by other law~~]:

(1) licenses investigations companies and security services contractors;

(2) issues commissions to certain security officers;

(3) licenses [~~issues endorsements to~~] certain

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 company 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 commission [~~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~~].

26 SECTION 5.004. The heading to Subchapter B, Chapter 1702,
27 Occupations Code, is amended to read as follows:

SUBCHAPTER B. TEXAS PRIVATE SECURITY ADVISORY COMMITTEE [~~BOARD~~]

SECTION 5.005. Section 1702.021, Occupations Code, is amended to read as follows:

Sec. 1702.021. COMMITTEE [~~BOARD~~] MEMBERSHIP; APPLICABILITY OF OTHER LAW. (a) The Texas Private Security Advisory Committee [~~Board~~] consists of seven members appointed by the commission [~~governor with the advice and consent of the senate~~] as follows:

(1) three public members, each of whom is a citizen of the United States;

(2) one member who is licensed under this chapter as a private investigator;

(3) one member who is licensed under this chapter as an alarm systems company;

(4) one member who is licensed under this chapter as the owner or operator of a guard company; and

(5) one member who is licensed under this chapter as a locksmith.

(b) Appointments to the committee [~~board~~] shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.

(c) Chapter 2110, Government Code, does not apply to the size, composition, or duration of the advisory committee or to the appointment of the committee's presiding officer.

SECTION 5.006. Section 1702.023, Occupations Code, is amended to read as follows:

Sec. 1702.023. ELIGIBILITY OF PUBLIC MEMBERS. The committee's [~~board's~~] public members must be representatives of the

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 department [~~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 department
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.

17 SECTION 5.007. Sections 1702.024(b) and (c), Occupations
18 Code, are amended to read as follows:

19 (b) A person may not be a committee [~~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:

13 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.

20 SECTION 5.009. Section 1702.026, Occupations Code, is
21 amended to read as follows:

22 Sec. 1702.026. OFFICERS. (a) The commission [~~governor~~]
23 shall designate one committee [~~board~~] member as presiding officer
24 to serve in that capacity at the will of the commission [~~governor~~].
25 The commission [~~governor~~] shall designate the presiding officer
26 without regard to race, creed, color, disability, sex, religion,
27 age, or national origin.

1 (b) The 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 committee [~~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 committee [~~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 committee [~~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 committee [~~board~~].

25 (b) The validity of an action of the committee [~~board~~] is
26 not affected by the fact that it is taken when a ground for removal
27 of a committee [~~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 [~~(b)~~] A committee member may not receive compensation for
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:

15 Sec. 1702.029. MEETINGS. The committee [~~board~~] 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:

21 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.

25 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 committee ~~[board]~~ members and to
16 department ~~[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.

21 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]~~

24 SECTION 5.017. Section 1702.061, Occupations Code, is
25 amended to read as follows:

26 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 department ~~[agency]~~ in the administration of
4 this chapter.

5 (b) ~~[(c)]~~ 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 (c) ~~[(d)]~~ The commission ~~[board]~~ 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.

22 ~~[(e) The board shall have a seal in the form prescribed by~~
23 ~~the board.]~~

24 SECTION 5.018. Section 1702.062, Occupations Code, is
25 amended to read as follows:

26 Sec. 1702.062. FEES. (a) The commission ~~[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 department
6 [~~board~~] during the application process for a company license,
7 individual license, [~~registration, endorsement,~~] or security
8 officer commission. The commission [~~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 licensed [~~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 commission [~~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 department [~~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 department
12 [~~board~~] is not required to give an appeal bond in any cause arising
13 under this chapter.

14 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 department [~~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 department [~~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 department ~~[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.

23 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:

14 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[~~+~~

24 [~~(6) Class P: private business letter of authority~~
25 ~~license,~~

26 [~~(7) Class X: government letter of authority license,~~

27 ~~and~~

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.

14 (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:

21 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 department ~~[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;

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 department
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 company 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 company 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:

23 Sec. 1702.113. GENERAL QUALIFICATIONS FOR COMPANY
24 LICENSE[, ~~CERTIFICATE OF REGISTRATION,~~] OR SECURITY OFFICER
25 COMMISSION.

26 SECTION 5.034. Section 1702.113(a), Occupations Code, is
27 amended to read as follows:

(a) An applicant for a company license~~[, certificate of registration, endorsement,]~~ or security officer commission ~~[or the applicant's manager]~~ must be at least 18 years of age and must not:

(1) at the time of application be charged under an information or indictment with the commission of a Class A or Class B misdemeanor or felony offense determined to be disqualifying by commission ~~[board]~~ rule;

(2) have been found by a court to be incompetent by reason of a mental defect or disease and not have been restored to competency;

(3) have been dishonorably discharged from the United States armed services, discharged from the United States armed services under other conditions determined by the commission ~~[board]~~ to be prohibitive, or dismissed from the United States armed services if a commissioned officer in the United States armed services; or

(4) be required to register in this or any other state as a sex offender~~[, unless the applicant is approved by the board under Section 1702.3615].~~

SECTION 5.035. Section 1702.114, Occupations Code, is amended to read as follows:

Sec. 1702.114. ADDITIONAL QUALIFICATIONS FOR INVESTIGATIONS COMPANY LICENSE. (a) An applicant for a company license to engage in the business of an investigations company ~~[or the applicant's manager]~~ must have, before the date of the application, three consecutive years' experience in the 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 department [~~board or the chief~~
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[,
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

22 (2) determined to be adequate to qualify the applicant
23 to engage in the business of a security services contractor.

24 SECTION 5.037. Section 1702.117, Occupations Code, is
25 amended to read as follows:

26 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 commission ~~[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:

18 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 department ~~[board]~~ shall notify the person of
25 the examination results not later than the 14th day after the date
26 the department ~~[board]~~ receives the results from the testing
27 service; and

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 department [~~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 commission [~~board~~] may waive any prerequisite to obtaining a
23 company license for, and credit experience for a company license
24 requirement to, an individual who the commission [~~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.

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 commission [~~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 company 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 company license is issued. The department [~~board~~] may extend the
14 180-day period if the results of an examination have not been
15 received by the department [~~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:

21 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.

27 SECTION 5.042. Section 1702.123, Occupations Code, is

1 amended to read as follows:

2 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

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:

23 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 department [~~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 license holder [~~registrant~~], 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 department [~~board~~].

20 SECTION 5.046. Section 1702.128, Occupations Code, is
21 amended to read as follows:

22 Sec. 1702.128. POSTING OF COMPANY LICENSE REQUIRED. A
23 company license holder shall at all times post[+]

24 [~~(1)~~] the person's license in a conspicuous place in:

25 (1) the principal place of business of the company
26 license holder; and

27 (2) each branch office [~~license in a conspicuous place~~]

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 company 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.

23 SECTION 5.051. Section 1702.133, Occupations Code, is
24 amended to read as follows:

25 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.

17 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

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 department [~~board~~] has issued a
14 security officer commission to the individual.

15 SECTION 5.055. Section 1702.162, Occupations Code, is
16 amended to read as follows:

17 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 department [~~board~~].

22 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:

(1) completed the basic training course at a school or under an instructor approved by the department ~~[board]~~;

(2) met each qualification established by this chapter and administrative rule;

(3) achieved the score required by the department ~~[board]~~ on the examination under Section 1702.1685; and

(4) demonstrated to the satisfaction of the firearm training instructor that the applicant has complied with other department ~~[board]~~ standards for minimum marksmanship competency with a handgun.

SECTION 5.057. Section 1702.165, Occupations Code, is amended to read as follows:

Sec. 1702.165. ISSUANCE OF SECURITY OFFICER COMMISSION; POCKET CARD. (a) The ~~[board, with the concurrence of the]~~ department:

(1) may issue a security officer commission to an individual employed as a uniformed security officer; and

(2) shall issue a security officer commission to a qualified employee of an armored car company that is a carrier conducting the armored car business under a federal or state permit or certificate.

(b) A security officer commission issued under this section must be in the form of a pocket card designed by the department ~~[board]~~ that identifies the security officer.

SECTION 5.058. Section 1702.167, Occupations Code, is amended to read as follows:

Sec. 1702.167. TERMINATION OF EMPLOYMENT AS COMMISSIONED

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 commission [~~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 department [~~board~~]. To receive
19 department [~~board~~] approval, a school or an instructor must submit
20 an application to the department [~~board~~] on a form provided by the
21 department [~~board~~].

22 (c) The basic training course established under this
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;

(2) field note taking and report writing; and

(3) any other topics of security officer training curriculum the department [~~board~~] considers necessary.

(e) The department [~~board~~] shall develop a commissioned security officer training manual that contains applicable state laws and [~~board~~] rules to be used in the instruction and training of commissioned security officers.

(f) The commission [~~board~~] shall adopt rules necessary to administer the provisions of this section concerning the training requirements of this chapter.

(i) The commission [~~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 commission [~~board~~] by rule shall establish other qualifications for individuals who are employed in positions requiring the carrying of firearms. The qualifications may include:

(1) physical and mental standards; and

(2) [~~standards of good moral character; and~~]

[~~(3)~~] other requirements that relate to the competency and reliability of individuals to carry firearms.

(b) The commission [~~board~~] shall prescribe appropriate 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 commission [~~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.

15 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

16 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 license [~~endorsement~~].

22 SECTION 5.067. Section 1702.203, Occupations Code, is
23 amended to read as follows:

24 Sec. 1702.203. APPLICATION FOR PERSONAL PROTECTION OFFICER
25 LICENSE [~~ENDORSEMENT~~]. An applicant for a personal protection
26 officer license [~~endorsement~~] must submit a written application on
27 a form prescribed by the 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 license ~~[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.

24 SECTION 5.069. Section 1702.205(a), Occupations Code, is
25 amended to read as follows:

26 (a) The commission ~~[board]~~ 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 license
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 license ~~[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 ~~[REGISTRATION AND ENDORSEMENT~~
21 ~~REQUIREMENTS,]~~ DUTIES OF INDIVIDUALS ~~[REGISTRANT AND ENDORSEMENT~~
22 HOLDER]

23 SECTION 5.072. Section 1702.221, Occupations Code, is
24 amended to read as follows:

25 Sec. 1702.221. INDIVIDUAL LICENSE ~~[REGISTRATION AND~~
26 ~~ENDORSEMENT]~~ REQUIRED. (a) To perform any activity regulated by
27 this chapter, the individual must:

1 (1) ~~[register in accordance with the requirements of~~
2 ~~this chapter and related administrative rules,~~
3 ~~[(2)]~~ obtain the proper individual license
4 ~~[endorsement]~~ under Subsection (b); and
5 (2) ~~[(3)]~~ be employed by a company license holder
6 ~~[licensed under this chapter]~~.
7 (b) An individual must obtain the appropriate individual
8 license ~~[endorsement]~~ in accordance with the requirements of this
9 chapter and related administrative rules if the individual:
10 (1) is employed as:
11 (A) an alarm instructor;
12 (B) an alarm systems installer;
13 (C) an alarm systems monitor;
14 (D) an electronic access control device
15 installer;
16 (E) a level 3 classroom or firearm instructor;
17 (F) a locksmith;
18 (G) ~~[a dog trainer,~~
19 ~~[(H)] a manager or branch office manager,~~
20 ~~[(I)]~~ a noncommissioned security officer;
21 (H) ~~[(J)]~~ a level 4 personal protection
22 instructor;
23 (I) ~~[(K)]~~ a private investigator; or
24 (J) ~~[(L)] a private security consultant,~~
25 ~~[(M)] a security salesperson, or~~
26 ~~[(N)]~~ an individual whose duties include
27 performing another activity for which an individual license

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 ~~license holder]~~.

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.

13 (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.

17 (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.

20 SECTION 5.073. Section 1702.2226(b), Occupations Code, is
 21 amended to read as follows:

22 (b) A person licensed ~~[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.

26 SECTION 5.074. Section 1702.229, Occupations Code, is
 27 amended to read as follows:

1 Sec. 1702.229. QUALIFICATIONS FOR INDIVIDUAL LICENSE
2 ~~[REGISTRATION]~~. (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

1 ~~[and, if applicable, the applicant's consulting firm];~~

2 (4) the date the employment described by Subdivision
3 (3) 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]~~.

22 (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

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 an individual
6 license [~~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 individual license [~~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 individual license
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 licensing ~~[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 company license holder ~~[person~~
14 ~~licensed by the board under this chapter]~~ with whom the provisional
15 individual license holder ~~[registration holder]~~ 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 department ~~[board]~~ approves or denies the
20 provisional individual license ~~[registration]~~ holder's application
21 for an individual license ~~[a registration]~~. The department ~~[board]~~
22 shall issue an individual license ~~[a registration]~~ under this
23 chapter to the provisional individual license ~~[registration]~~
24 holder if the provisional individual license ~~[registration]~~ holder
25 is eligible to be licensed ~~[registered]~~ under this chapter.

26 (c) The department ~~[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 department [~~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~~].

10 SECTION 5.077. Section 1702.232, Occupations Code, is
 11 amended to read as follows:

12 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[
 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~~

27 [~~(4) state each endorsement held by the registrant and~~

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 ~~(e), or (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.

20 SECTION 5.080. Section 1702.235, Occupations Code, is
21 amended to read as follows:

22 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 commission [~~board~~] rule.

26 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 license ~~[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 individual license ~~[endorsement]~~ by
11 fulfilling the requirements of a commission-approved
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 commission ~~[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.

1 (b) 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
 4 by the department [~~board~~]. The commission [~~board~~] may approve
 5 examinations in conjunction with training programs approved under
 6 Subsection (a). The individual's performance on the examination
 7 must demonstrate the individual's qualifications to perform the
 8 duties allowed by the individual's individual license
 9 [~~endorsement~~].

10 (c) [~~An individual who holds a registration on September 30,~~
 11 ~~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 [~~(d)~~] If the commission [~~board~~] requires certification or
 15 examination under this section, the commission [~~board~~] shall adopt
 16 [~~implement~~] rules to require that to renew an individual license
 17 [~~endorsement~~], an individual who is employed as an alarm systems
 18 installer [~~or a security salesperson~~] and who has already once
 19 renewed the individual license [~~endorsement~~] must obtain
 20 continuing education credits related to the line of work for which
 21 the individual is licensed. If the commission [~~board~~] requires the
 22 continuing education, the chief administrator must approve classes
 23 offered by nationally recognized organizations, and participants
 24 in the classes must qualify according to commission [~~board~~] rules.

25 SECTION 5.083. Section 1702.240, Occupations Code, is
 26 amended to read as follows:

27 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 company 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 commission [~~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 department [~~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 individual licenses [~~endorsements~~].

26 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
4 Federal Bureau of Investigation, in the manner provided by
5 Subchapter F, Chapter 411, Government Code, on each applicant for a
6 license or ~~[, registration,]~~ security officer commission issued
7 under this chapter ~~[, letter of approval, permit, endorsement, or~~
8 ~~certification]~~. As part of its criminal history check, the
9 department ~~[board]~~ may request that the applicant provide certified
10 copies of relevant court documents or other records. The failure to
11 provide the requested records within a reasonable time as
12 determined by the department ~~[board]~~ may result in the application
13 being considered incomplete. An applicant is not eligible for a
14 license or security officer ~~[, registration,]~~ commission issued
15 under this chapter ~~[, letter of approval, permit, endorsement, or~~
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,]~~ commission ~~[, letter of approval,~~
19 ~~permit, endorsement, or certification]~~. 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
23 chapter ~~[, letter of approval, permit, endorsement, or~~
24 ~~certification]~~, fingerprints in the manner prescribed by the
25 department ~~[board]~~ accompanied by the fee set by the commission
26 ~~[board]~~.

27 (b) Before beginning employment as a commissioned security

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 department's review [~~board's receipt~~] of criminal history
12 record information.

13 (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~~[7]~~ commission~~[7]~~
 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 ~~[(2)]~~ 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 department ~~[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) has a license or security officer commission [~~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 commission [~~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:

13 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 license or 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 license
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.

24 (b) A person whose license has been expired for 90 days or
25 less may renew the license by paying to the 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 department's [~~board's~~]
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 department [~~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 company 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 [~~7~~] commission [~~7~~
 4 ~~or endorsement~~]. A company license holder, commissioned security
 5 officer, or individual license [~~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 commission [~~board~~] by rule shall develop a
 12 continuing education course required for renewal of a security
 13 officer commission. Only a department-approved [~~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 department [~~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 department [~~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.

24 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,

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[+

16 ~~[(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~~

21 ~~[(2) pay an annual fee of \$2,500 to the department].~~

22 (d) The commission ~~[department]~~ 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).

26 SECTION 5.100. Section 1702.361, Occupations Code, is
27 amended to read as follows:

Sec. 1702.361. DENIAL AND DISCIPLINARY ACTIONS; GROUNDS.

(a) The commission [~~department~~], for conduct described by Subsection (b), may:

(1) deny an application or revoke, suspend, or refuse to renew a license[, ~~registration, endorsement,~~] or security officer commission;

(2) reprimand a license holder[, ~~registrant,~~] or commissioned security officer; or

(3) place on probation a person whose license[, ~~registration, endorsement,~~] or security officer commission has been suspended.

(b) The commission [~~department~~] shall take disciplinary action described by Subsection (a) on proof:

(1) that the applicant, license holder, [~~manager or~~] majority owner of a license holder, [~~registrant, endorsement holder,~~] or commissioned security officer has:

(A) violated this chapter or a rule adopted under this chapter;

(B) become ineligible for licensure[, ~~registration, or endorsement under Section 1702.113,~~] or a security officer commission under Section 1702.163, if applicable, other than an action for which the department has taken summary action under Section 1702.364;

(C) engaged in fraud, deceit, or misrepresentation;

(D) made a material misstatement in an application for or renewal of a license[, ~~registration,~~

1 ~~endorsement,~~] or commission;

2 (E) failed to pay in full an administrative
3 penalty assessed under Subchapter R, Chapter 411, Government Code
4 [Q], for which the commission ~~board~~ has issued a final order; or

5 (F) performed any service for which an individual
6 license ~~endorsement~~ is required under this chapter and either:

7 (i) was not employed with a company
8 licensed under this chapter at the time the service was performed;
9 or

10 (ii) performed the service for a company
11 licensed under this chapter that was not listed on the individual's
12 individual license ~~registration~~ without informing the department
13 ~~board~~ of the individual's employment with the company within a
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 ~~or]~~

18 (2) that the company license holder employing an
19 individual license holder ~~[of a registrant]~~ or commissioned
20 security officer has submitted to the department sufficient
21 evidence that the individual license holder ~~[registrant]~~ or
22 commissioned security officer:

23 (A) engaged in fraud or deceit while employed by
24 the company license holder; or

25 (B) committed theft while performing work as an
26 individual license holder ~~[a registrant]~~ or commissioned security
27 officer.

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[,
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:

20 Sec. 1702.363. APPLICATION OF ADMINISTRATIVE PROCEDURE
21 ACT. Except as provided by Section [~~Sections 1702.3615(b) and~~
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[,
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[, ~~registration, endorsement,~~] 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 designee;

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~~[, endorsement]~~ or
9 security officer commission should not have been suspended; or

10 (3) the ~~[registration]~~ license~~[, endorsement]~~ or
11 commission should not have been revoked.

12 (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.

25 SECTION 5.103. Section 1702.365, Occupations Code, is
26 amended to read as follows:

27 Sec. 1702.365. ABDUCTION OF CHILD. The commission ~~[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[~~,
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 commission [~~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 department
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 department ~~[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.

15 (e) An investigator employed by the department ~~[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.

26 SECTION 5.106. Section 1702.372, Occupations Code, is
27 amended to read as follows:

Sec. 1702.372. RECUSAL OF COMMISSION [~~BOARD~~] MEMBER.

(a) A commission [~~board~~] member who participated in the investigation of a complaint of a violation of this chapter or in informal settlement negotiations regarding the complaint:

(1) may not vote on the matter at a commission [~~board~~] meeting related to the complaint; and

(2) shall state at the meeting the reason for which the member is prohibited from voting on the matter.

(b) A statement under Subsection (a)(2) shall be entered into the minutes of the meeting.

SECTION 5.107. Section 1702.381(b), Occupations Code, is amended to read as follows:

(b) A person who contracts with or employs a person who is required to hold a license[~~, registration, endorsement,~~] or security officer commission under this chapter knowing that the person does not hold the required license[~~, registration, endorsement,~~] or commission or who otherwise, at the time of contract or employment, is in violation of this chapter may be assessed a civil penalty to be paid to the state in an amount not to exceed \$10,000 for each violation.

SECTION 5.108. Section 1702.386(a), Occupations Code, is amended to read as follows:

(a) A person commits an offense if the person contracts with or employs a person who is required to hold a license[~~, registration, endorsement,~~] or commission under this chapter knowing that the person does not hold the required license[~~, 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.

14 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 department [~~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.

22 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

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, endorsement,~~] certificate of
11 insurance, 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

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;

(8) collect and disseminate information regarding offenders with mental impairments in compliance with Chapter 614, Health and Safety Code; and

(9) record data and maintain a state database for a computerized criminal history record system and computerized juvenile justice information system that serves:

(A) as the record creation point for criminal history record information and juvenile justice information maintained by the state; and

(B) as the control terminal for the entry of records, in accordance with federal law and regulations, federal executive orders, and federal policy, into the federal database maintained by the Federal Bureau of Investigation.

SECTION 5.114. (a) Section 411.119, Government Code, is repealed.

(b) The following provisions of the Occupations Code are repealed:

(1) Section 1702.002(1-b);

(2) Section 1702.002(3);

(3) Section 1702.002(6-b);

(4) Section 1702.002(11);

(5) Section 1702.002(12);

(6) Section 1702.002(13);

(7) Section 1702.002(14);

(8) Section 1702.002(19);

(9) Section 1702.002(20);

(10) Section 1702.027(c);

- 1 (11) Section 1702.030;
- 2 (12) Section 1702.043;
- 3 (13) Section 1702.047;
- 4 (14) Section 1702.0611;
- 5 (15) Section 1702.0612;
- 6 (16) Section 1702.066;
- 7 (17) Section 1702.081;
- 8 (18) Section 1702.082;
- 9 (19) Section 1702.083;
- 10 (20) Section 1702.1045;
- 11 (21) Section 1702.109;
- 12 (22) Section 1702.111;
- 13 (23) Section 1702.113(d);
- 14 (24) Section 1702.116;
- 15 (25) Section 1702.119;
- 16 (26) Section 1702.120;
- 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;
- 22 (32) Sections 1702.301(a), (d), (e), (f), and (g);
- 23 (33) Section 1702.304;
- 24 (34) Section 1702.307;
- 25 (35) Section 1702.3615;
- 26 (36) Section 1702.362;
- 27 (37) Sections 1702.364(g), (h), and (i);

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.

23 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-a) "Department" means the Texas Department of Motor Vehicles ~~[Public Safety]~~.

(2) "Director" means the executive ~~[public safety]~~ director of the department.

SECTION 6.002. Section 521.001(c), Transportation Code, is amended to read as follows:

(c) The department by rule may define types of vehicles that are "motorcycles" for the purposes of this chapter, in addition to those defined under Subsection (a)(6-a), and ~~[The Texas Department of Motor Vehicles by rule may define the types of vehicles that are "motorcycles"]~~ for the purposes of Chapters 501, 502, and 503. This subsection applies only to vehicles manufactured by a manufacturer licensed under Chapter 2301, Occupations Code.

SECTION 6.003. Subchapter A, Chapter 521, Transportation Code, is amended by adding Section 521.0015 to read as follows:

Sec. 521.0015. STATUTORY REFERENCES. A statutory reference to the Department of Public Safety means the Texas Department of Motor Vehicles if the statutory reference concerns:

(1) the administration of the programs established by this chapter, Chapter 522, and other law that license a person to operate a motor vehicle, as defined by Section 501.002, or a commercial motor vehicle, as defined by Section 522.003, in this state; or

(2) the administration of Chapter 521A.

SECTION 6.004. (a) In this section:

(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:

22 (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.

ARTICLE 7. EXPIRATION DATES OF DRIVER'S LICENSES AND COMMERCIAL

DRIVER'S LICENSES

SECTION 7.001. Sections 521.271(a) and (b), Transportation Code, are amended to read as follows:

(a) Each original driver's license, provisional license, learner license, or occupational driver's license issued to an applicant who is a citizen, national, or legal permanent resident of the United States or a refugee or asylee lawfully admitted into the United States expires as follows:

(1) except as provided by Section 521.2711, a driver's license expires on the first birthday of the license holder occurring after the eighth [~~sixth~~] anniversary of the date of the application;

(2) a provisional license expires on the 18th birthday of the license holder;

(3) a learner license expires on the 18th birthday of the license holder;

(4) an occupational driver's license expires on the first anniversary of the court order granting the license; and

(5) unless an earlier date is otherwise provided, a driver's license issued to a person whose residence or domicile is a correctional facility or a parole facility expires on the first birthday of the license holder occurring after the first anniversary of the date of issuance.

(b) Except as provided by Section 521.2711, a driver's license that is renewed expires on the earlier of:

(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 \$43 [~~\$32~~].

26 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 Subsection (k) and Section
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 Subsection (1) and Section
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 license with a hazardous materials endorsement expires five years
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 (l) 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:

22 (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 (l) 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

26 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 (1) "Commission" means the Texas Commission of
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 (4) "Instructor" means an individual who holds a
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.

23 SECTION 8.003. The heading to Section 662.002,
24 Transportation Code, is amended to read as follows:

25 Sec. 662.002. PURPOSE OF PROGRAM [~~+~~ ~~CURRICULUM~~].

26 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.

12 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 driver's license issued under Chapter 521.

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:

14 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.

24 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 as 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;

17 (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.

22 (b) The commission by rule may adopt additional
23 requirements for issuance of an instructor license.

24 (c) To be eligible for a motorcycle school license, an
25 applicant must meet the minimum standards established by commission
26 rule for:

27 (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).

13 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:

22 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 motorcycle school
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 ~~[r]~~ suspension ~~[r]~~ 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:

23 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:

27 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:

22 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.

26 (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 improve motorcycle safety in this state.

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.

16 (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.

20 SECTION 8.013. Section 662.012, Transportation Code, is
21 amended to read as follows:

22 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 department [~~compile and forward to the agency each month a report on~~
27 ~~the provider's programs~~]. The report must include:

(1) the number and types of courses provided in the reporting period;

(2) the number of persons who took each course in the reporting period;

(3) the number of instructors available to provide training under the school's ~~[provider's]~~ program in the reporting period;

(4) information collected by surveying persons taking each course as to the length of any waiting period the person experienced before being able to enroll in the course;

(5) the number of persons on a waiting list for a course at the end of the reporting period; and

(6) any other information the department ~~[agency]~~ reasonably requires.

(b) The department ~~[designated state agency]~~ shall maintain ~~[a compilation of]~~ the reports submitted under Subsection (a) on a by-site basis. ~~[The agency shall update the compilation as soon as practicable after the beginning of each month.]~~

(c) The department ~~[designated state agency]~~ shall provide without charge a copy of the most recent reports submitted ~~[compilation]~~ under Subsection (a) ~~[(b)]~~ to any member of the legislature on request.

SECTION 8.014. Chapter 662, Transportation Code, is amended by adding Section 662.013 to read as follows:

Sec. 662.013. RESEARCH, ADVOCACY, AND EDUCATION. The Texas A&M Transportation Institute, in consultation with the department, 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
15 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:

20 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.

26 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 department ~~[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.

13 (b) ~~[(c)]~~ 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 department
21 ~~[designated division or state agency]~~ may contract with nonprofit
22 safety organizations, nonprofit educational organizations,
23 institutions of higher education, or agencies of local governments.

24 SECTION 8.019. Section 663.015(a), Transportation Code, is
25 amended to read as follows:

26 (a) If the department ~~[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 department
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 department or executive director [~~coordinator~~] may
18 exempt off-highway vehicles that are participating in certain
19 competitive events from the requirements of this section.

20 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.

SECTION 8.026. (a) In this section:

(1) "Department" means the Department of Public Safety.

(2) "Program" means the motorcycle operator training and safety program established under Chapter 662, Transportation Code, as that chapter existed before the effective date of this Act.

(b) As soon as practicable after the effective date of this article and not later than August 31, 2020, the department shall dispose of motorcycles and other equipment related to the program that the department possesses or has leased to entities offering training under the program. The plan must conform with the requirements of Subsection (c) of this section.

(c) The department shall dispose of the motorcycles and other equipment related to the program in the following manner:

(1) not later than February 28, 2020, the department shall provide to any entity to whom the department leased a motorcycle or other equipment related to the program a reasonable period determined by the department to purchase from the department or return the motorcycle or other equipment;

(2) after the expiration of the period described by Subdivision (1) of this subsection, but not later than May 31, 2020, the department shall:

(A) determine the need of the Texas Department of Licensing and Regulation, the Texas A&M Transportation Institute, and the Texas A&M Engineering Extension Service for motorcycles and other equipment necessary to provide motorcycle operator training 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.

20 SECTION 8.028. (a) Except as provided by Subsection (b) of
21 this section, this article takes effect September 1, 2020.

22 (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.

ARTICLE 9. EFFECTIVE DATE

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

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ARTICLES 1-2.

ARTICLE 3. METAL RECYCLING, VEHICLE INSPECTION, AND PROVISIONS APPLYING TO MORE THAN ONE REGULATORY PROGRAM

SECTION 3.002. Chapter 411, Government Code, is amended by adding Subchapters Q and R to read as follows:
SUBCHAPTER Q. POWERS AND DUTIES RELATED TO CERTAIN REGULATORY PROGRAMS

Sec. 411.501. DEFINITION.

Sec. 411.502. APPLICABILITY. This subchapter applies to a program, and persons regulated under the program, administered by the department under the following laws, including rules adopted under those laws:

- (1) Section 411.0625;
- (2) Chapter 487, Health and Safety Code;
- (3) Chapter 1702, Occupations Code;
- (4) Chapter 1956, Occupations Code;
- (5) Section 521.2476, Transportation Code; and
- (6) Subchapter G, Chapter 548, Transportation Code.

Sec. 411.503. FINAL ENFORCEMENT AUTHORITY.

HOUSE VERSION (IE)

ARTICLES 1-2. Same as Senate version.

ARTICLE 3. Same as Senate version, except as indicated below.

SECTION 3.002. Same as Senate version except as follows:

Sec. 411.502. APPLICABILITY. ***Except as otherwise provided by this subchapter,*** this subchapter applies to a program, and persons regulated under the program, administered by the department under the following laws, including rules adopted under those laws:

- (1) Section 411.0625;
- (2) Chapter 487, Health and Safety Code;
- (3) Chapter 1702, Occupations Code;
- (4) Chapter 1956, Occupations Code;
- (5) Section 521.2476, Transportation Code; and
- (6) Subchapter G, Chapter 548, Transportation Code.

Sec. 411.503. FINAL ENFORCEMENT AUTHORITY.
(a) This section does not apply to an administrative action against a person who violates a law or rule governing the

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ARTICLES 1-2. Same as Senate version.

ARTICLE 3. Same as Senate version, except as indicated below.

SECTION 3.002. Same as Senate version.

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(a) Except as provided by Section 411.506(b), the commission shall make the final determination in an administrative action against a person for a violation of a law or rule governing a program or person subject to this subchapter.

(b) The commission may not delegate the duty under Subsection (a).

Sec. 411.504. COMPLAINTS.

Sec. 411.505. INVESTIGATIONS.

Sec. 411.506. INFORMAL COMPLAINT RESOLUTION AND INFORMAL PROCEEDINGS.

Sec. 411.507. LICENSE DENIAL; ADMINISTRATIVE SANCTION.

Sec. 411.508. RIGHT TO NOTICE AND HEARING; ADMINISTRATIVE PROCEDURE. (a) For each program subject to this subchapter, a person is entitled to notice and a hearing if the commission proposes to:

(1) deny an application for, revoke, suspend, or refuse to renew a license;

(2) reprimand a license holder; or

(3) place a license holder on probation.

(b) A proceeding to impose an administrative sanction as described by Subsection (a) is a contested case under Chapter 2001.

HOUSE VERSION (IE)

program administered by the department under Chapter 1702, Occupations Code.

(b) Except as provided by Section 411.506(b), the commission shall make the final determination in an administrative action against a person for a violation of a law or rule governing a program or person subject to this subchapter.

(c) The commission may not delegate the duty under Subsection (b).

Sec. 411.508. RIGHT TO NOTICE AND HEARING; ADMINISTRATIVE PROCEDURE. (a) For each program subject to this subchapter, a person is entitled to notice and a hearing if the commission proposes to:

(1) deny an application for, revoke, suspend, or refuse to renew a license;

(2) reprimand a license holder; or

(3) place a license holder on probation.

(b) *Except as provided by Subchapter R, Chapter 1702, Occupations Code*, a proceeding to impose an administrative sanction as described by Subsection (a) is a contested case under Chapter 2001.

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(c) Unless otherwise provided by law, judicial review of an administrative sanction or penalty imposed by the commission is under the substantial evidence rule as provided by Subchapter G, Chapter 2001.

Sec. 411.522. APPLICABILITY. This subchapter applies to a program, and persons regulated under the program, to which Section 411.502 applies.

Sec. 411.523. IMPOSITION OF PENALTY.

Sec. 411.524. AMOUNT OF PENALTY.

Sec. 411.525. IMPOSITION OF SANCTION.

Sec. 411.526. NOTICE OF VIOLATION AND PENALTY.

Sec. 411.527. PENALTY TO BE PAID OR HEARING REQUESTED.

Sec. 411.528. HEARING ON RECOMMENDATIONS.

Sec. 411.529. DECISION BY COMMISSION.

HOUSE VERSION (IE)

(c) Unless otherwise provided by law, judicial review of an administrative sanction or penalty imposed by the commission is under the substantial evidence rule as provided by Subchapter G, Chapter 2001.

Sec. 411.522. APPLICABILITY. (a) *Except as provided by Subsection (b)*, this subchapter applies to a program, and persons regulated under the program, to which Section 411.502 applies.

(b) The procedures of this subchapter governing a proceeding to impose an administrative penalty on a person who violates a law or rule of the program administered by the department under Chapter 1702, Occupations Code, apply to the extent the procedures are consistent with Subchapter R, Chapter 1702, Occupations Code.

CONFERENCE

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Sec. 411.530. OPTIONS FOLLOWING DECISION: PAY OR APPEAL.

Sec. 411.531. COLLECTION OF PENALTY.

Sec. 411.532. REMITTANCE OF PENALTY AND INTEREST.

Sec. 411.533. ADMINISTRATIVE PROCEDURE.

SECTION 3.008. Section 548.506, Transportation Code, is amended to read as follows:

Sec. 548.506. FEE FOR CERTIFICATION AS INSPECTOR AND INSPECTION STATION. The commission by rule shall establish reasonable and necessary fees for certification as an inspector *or inspection station.*

~~[An applicant for certification as an inspector must submit with the applicant's first application a fee of \$25 for certification until August 31 of the even-numbered year following the date of certification.~~

~~To be certified after August 31 of that year, the applicant must pay \$25 as a certificate fee for each subsequent two-year period.]~~

No equivalent provision. (Section 548.507, Transportation Code, repealed in SECTION 3.009, below.)

SECTION 3.008. Section 548.506, Transportation Code, is amended to read as follows:

Sec. 548.506. FEE FOR CERTIFICATION AS INSPECTOR. (a) The commission by rule shall establish reasonable and necessary fees for certification as an inspector.

(b) The fees established under this section may not be less than an amount equal to:

(1) [An applicant for certification as an inspector must submit with the applicant's first application a fee of] \$25 for initial certification until August 31 of the even-numbered year following the date of certification; and

(2) [To be certified after August 31 of that year, the applicant must pay] \$25 as a certificate fee for each subsequent two-year period.

SECTION 3.009. Section 548.507, Transportation Code, is amended to read as follows:

Sec. 548.507. FEE FOR CERTIFICATION AS INSPECTION STATION. (a) The commission by rule shall

SECTION 3.008. Same as House version.

SECTION 3.009. Same as House version.

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establish reasonable and necessary fees for certification as an inspection station.

(b) The fees established under this section may not be less than:

(1) except [Except] as provided by Subdivision (2) or (3):

(A) [Subsection (b) or (c), after an applicant for certification as an inspection station is notified that the application will be approved, the applicant must pay a fee of] \$100 for certification until August 31 of the odd-numbered year after the date of appointment as an inspection station; and

(B) [To be certified after August 31 of that year, the applicant must pay a fee of] \$100 for certification for each subsequent two-year period;

(2) if [-(b) If] an applicant for certification as an inspection station has been convicted of a violation of this chapter relating to an emissions inspection under Subchapter F:

(A) [, after notification that the application will be approved, the applicant must pay a fee of] \$500 for certification until August 31 of the odd-numbered year after the date of appointment as an inspection station; and

(B) [To be certified after August 31 of that year, the applicant must pay a fee of] \$100 for certification for each subsequent two-year period; and

(3) if [-(c) If] an applicant for certification as an inspection station has been convicted of two or more violations of this chapter relating to an emissions inspection under Subchapter F:

(A) [, after notification that the application will be approved, the applicant must pay a fee of] \$1,500 for certification until August 31 of the odd-numbered year after the date of appointment as an inspection station; and

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~~(B) [—To be certified after August 31 of that year, the applicant must pay a fee of]~~ \$100 for certification for each subsequent two-year period.

SECTION 3.009. The following provisions are repealed:
(1) Sections 1956.014(b) and (c), Occupations Code;
(2) Sections 1956.041(b-2), (c), (d), (e), and (f), Occupations Code;
(3) Section 1956.152, Occupations Code;
(4) Sections 548.405(b), (h), and (i), Transportation Code;
(5) Section 548.406, Transportation Code;
(6) Sections 548.407(f), (g), (h), (i), (j), (k), and (l), Transportation Code;
(7) Section 548.409, Transportation Code; and

(8) Section 548.507, Transportation Code.

ARTICLE 4.

ARTICLE 5. PRIVATE SECURITY

No equivalent provision.

SECTION 3.010. The following provisions are repealed:
(1) Sections 1956.014(b) and (c), Occupations Code;
(2) Sections 1956.041(b-2), (c), (d), (e), and (f), Occupations Code;
(3) Section 1956.152, Occupations Code;
(4) Sections 548.405(b), (h), and (i), Transportation Code;
(5) Section 548.406, Transportation Code;
(6) Sections 548.407(f), (g), (h), (i), (j), (k), and (l), Transportation Code; and
(7) Section 548.409, Transportation Code.

No equivalent provision. (Section 548.507, Transportation Code, amended in SECTION 3.009, above.)

ARTICLE 4. Same as Senate version.

ARTICLE 5. Article is the same as Senate version, except as indicated below.

SECTION 5.____. Section 1702.028, Occupations Code, is amended to read as follows:
Sec. 1702.028. ~~[PER DIEM:] REIMBURSEMENT. [(a) A board member is entitled to a per diem as set by legislative~~

SECTION 3.010. Same as House version.

ARTICLE 4. Same as Senate version.

ARTICLE 5. Article is the same as Senate version, except as indicated below.

SECTION 5.011. Same as House version.

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~~appropriation for each day the member engages in the business of the board.~~

~~[(b)] A committee member may not receive compensation for service on the advisory committee but is entitled to reimbursement for actual and necessary [travel] expenses incurred in performing the functions as a member of the committee, subject to [while conducting board business, including expenses for transportation, meals, and lodging, as prescribed by] the General Appropriations Act. [FA1(1)]~~

SECTION 5.100. Section 1702.363, Occupations Code, is amended to read as follows:

Sec. 1702.363. ***APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.*** Except as provided by Section ~~[Sections 1702.3615(b) and]~~ 1702.364, a person regulated under this chapter against whom the commission ~~[board]~~ has taken action is entitled to a hearing before the State Office of Administrative Hearings. ***A proceeding under this section is a contested case that is governed by Chapter 2001, Government Code.***

SECTION 5.101. Sections 1702.364(a), (b), (c), (d), (e), and (f), Occupations Code, are amended to read as follows:

(a) On receiving written notice from a law enforcement agency that a person has been charged with or convicted of an offense that would make the person ineligible for a license~~[-, certificate of registration, endorsement,]~~ or security officer commission under Section 1702.113 or 1702.163, or a rule adopted under Section 1702.004(b), the commission ~~[department]~~ shall:

SECTION 5.100. Section 1702.363, Occupations Code, is amended to read as follows:

Sec. 1702.363. ***RIGHT TO HEARING [APPLICATION OF ADMINISTRATIVE PROCEDURE ACT]***. Except as provided by Section ~~[Sections 1702.3615(b) and]~~ 1702.364, a person regulated under this chapter against whom the commission ~~[board]~~ has taken action is entitled to a hearing before the State Office of Administrative Hearings. ***[A proceeding under this section is a contested case that is governed by Chapter 2001, Government Code.]***

SECTION 5.101. Sections 1702.364(a), (b), (c), (d), (e), and (f), Occupations Code, are amended to read as follows:

(a) On receiving written notice from a law enforcement agency that a person has been charged with or convicted of an offense that would make the person ineligible for a license~~[-, certificate of registration, endorsement,]~~ or security officer commission under Section 1702.113 or 1702.163, or a rule adopted under Section 1702.004(b), the commission ~~[department]~~ shall:

SECTION 5.101. Same as Senate version.

SECTION 5.102. Same as Senate version.

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- (1) summarily deny the person's application for a license[, ~~registration, endorsement,~~] or security officer commission;
 - (2) in the event of pending charges, summarily suspend the person's license[, ~~certificate of registration, endorsement,~~] or security officer commission; or
 - (3) in the event of a conviction, summarily revoke the person's license[, ~~certificate of registration, endorsement,~~] or security officer commission.
- (b) To initiate a proceeding to take action under Subsection (a), the department must serve notice to the person. The notice must:
- (1) inform the person of the person's right to a [~~preliminary~~] hearing before the department or the department's designee;
 - (2) state the basis for the summary action; and
 - (3) be personally served on the person or the person's authorized representative, or sent to the person by certified or registered mail, return receipt requested, to the person's mailing address as it appears in the department's records.
- (c) The action is effective at the time notice is served. The person shall immediately surrender to the department any [~~certificate of registration,~~] security officer commission, pocket card, or other form of identification issued by the department.
- (d) At a [~~preliminary~~] hearing under this section, the person must show cause why:
- (1) the application should not have been denied;
 - (2) the [~~registration,~~] license[, ~~endorsement,~~] or security officer commission should not have been suspended; or
 - (3) the [~~registration,~~] license[, ~~endorsement,~~] or commission should not have been revoked.
- (e) *Chapter 2001, Government Code*, applies [~~does not apply~~] to a proceeding under this section for the summary

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- (1) summarily deny the person's application for a license[, ~~registration, endorsement,~~] or security officer commission;
 - (2) in the event of pending charges, summarily suspend the person's license[, ~~certificate of registration, endorsement,~~] or security officer commission; or
 - (3) in the event of a conviction, summarily revoke the person's license[, ~~certificate of registration, endorsement,~~] or security officer commission.
- (b) To initiate a proceeding to take action under Subsection (a), the department must serve notice to the person. The notice must:
- (1) inform the person of the person's right to a [~~preliminary~~] hearing before the department or the department's designee;
 - (2) state the basis for the summary action; and
 - (3) be personally served on the person or the person's authorized representative, or sent to the person by certified or registered mail, return receipt requested, to the person's mailing address as it appears in the department's records.
- (c) The action is effective at the time notice is served. The person shall immediately surrender to the department any [~~certificate of registration,~~] security officer commission, pocket card, or other form of identification issued by the department.
- (d) At a [~~preliminary~~] hearing under this section, the person must show cause why:
- (1) the application should not have been denied;
 - (2) the [~~registration,~~] license[, ~~endorsement,~~] or security officer commission should not have been suspended; or
 - (3) the [~~registration,~~] license[, ~~endorsement,~~] or commission should not have been revoked.
- (e) *Subchapter R* applies [~~Chapter 2001, Government Code, does not apply~~] to a proceeding under this section for

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denial of an application for or the summary suspension or revocation of a license or security officer commission ~~[the department's initial action under this section or to a preliminary hearing before the department under this section].~~

(f) The dismissal of a complaint, information, or indictment or an acquittal releases the person from automatic grounds for a summary denial of an application or summary suspension of a license or ~~[registration, endorsement, or]~~ security officer commission under this section. A conviction for the offense giving rise to a summary suspension is automatic grounds for immediate, summary revocation.

No equivalent provision.

SECTION 5.113. (a) Section 411.119, Government Code, is repealed.

(b) The following provisions of the Occupations Code are repealed:

- (1) Section 1702.002(1-b);
- (2) Section 1702.002(3);
- (3) Section 1702.002(6-b);
- (4) Section 1702.002(11);
- (5) Section 1702.002(12);
- (6) Section 1702.002(13);
- (7) Section 1702.002(14);
- (8) Section 1702.002(19);
- (9) Section 1702.002(20);
- (10) Section 1702.027(c);

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the summary denial of an application for or the summary suspension or revocation of a license or security officer commission ~~[the department's initial action under this section or to a preliminary hearing before the department under this section].~~

(f) The dismissal of a complaint, information, or indictment or an acquittal releases the person from automatic grounds for a summary denial of an application or summary suspension of a license or ~~[registration, endorsement, or]~~ security officer commission under this section. A conviction for the offense giving rise to a summary suspension is automatic grounds for immediate, summary revocation.

SECTION 5.112. Chapter 1702, Occupations Code, is amended by adding Subchapter R relating to hearing and appeals procedure.

SECTION 5.114. (a) Section 411.119, Government Code, is repealed.

(b) The following provisions of the Occupations Code are repealed:

- (1) Section 1702.002(1-b);
- (2) Section 1702.002(3);
- (3) Section 1702.002(6-b);
- (4) Section 1702.002(11);
- (5) Section 1702.002(12);
- (6) Section 1702.002(13);
- (7) Section 1702.002(14);
- (8) Section 1702.002(19);
- (9) Section 1702.002(20);
- (10) Section 1702.027(c);

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Same as Senate version.

SECTION 5.114. Substantially the same as House version.

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(11) Section 1702.028;	(11) <i>[Deleted by FA1(2)]</i>	
(12) Section 1702.030;	(12) Section 1702.030;	
(13) Section 1702.043;	(13) Section 1702.043;	
(14) Section 1702.047;	(14) Section 1702.047;	
(15) Section 1702.0611;	(15) Section 1702.0611;	
(16) Section 1702.0612;	(16) Section 1702.0612;	
(17) Section 1702.066;	(17) Section 1702.066;	
(18) Section 1702.081;	(18) Section 1702.081;	
(19) Section 1702.082;	(19) Section 1702.082;	
(20) Section 1702.083;	(20) Section 1702.083;	
(21) Section 1702.1045;	(21) Section 1702.1045;	
(22) Section 1702.109;	(22) Section 1702.109;	
(23) Section 1702.111;	(23) Section 1702.111;	
(24) Section 1702.113(d);	(24) Section 1702.113(d);	
(25) Section 1702.116;	(25) Section 1702.116;	
(26) Section 1702.119;	(26) Section 1702.119;	
(27) Section 1702.120;	(27) Section 1702.120;	
(28) Section 1702.121;	(28) Section 1702.121;	
(29) Section 1702.183;	(29) Section 1702.183;	
(30) Section 1702.225;	(30) Section 1702.225;	
(31) Section 1702.227;	(31) Section 1702.227;	
(32) Section 1702.228;	(32) Section 1702.228;	
(33) Sections 1702.301(a), (d), (e), (f), and (g);	(33) Sections 1702.301(a), (d), (e), (f), and (g);	
(34) Section 1702.304;	(34) Section 1702.304;	
(35) Section 1702.307;	(35) Section 1702.307;	
(36) Section 1702.3615;	(36) Section 1702.3615;	
(37) Section 1702.362;	(37) Section 1702.362;	
(38) Sections 1702.364(g), (h), and (i);	(38) Sections 1702.364(g), (h), and (i);	
(39) Section 1702.371;	(39) Section 1702.371;	
(40) Section 1702.385; and	(40) Section 1702.385; and	
(41) Subchapter Q, Chapter 1702.	(41) Subchapter Q, Chapter 1702.	

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SECTION 5.117. As soon as practicable after the effective date of this Act, the Public Safety Commission shall adopt rules necessary to implement the changes in law made by this Act to Chapter 1702, Occupations Code.

ARTICLE 6. CONDITIONAL TRANSFER OF DRIVER'S LICENSE PROGRAMS FROM DEPARTMENT OF PUBLIC SAFETY TO DEPARTMENT OF MOTOR VEHICLES

SECTION 6.005. (a) In this section, "driver's license program" means:

(1) the programs established by Chapters 521 and 522, Transportation Code, and other law, that license a person to operate in this state a motor vehicle, as defined by Section 501.002, Transportation Code, or a commercial motor vehicle, as defined by Section 522.003, Transportation Code; and

(2) the program to issue election identification certificates under Chapter 521A, Transportation Code.

(b) The Department of Public Safety shall enter into a contract with an independent, third-party contractor **designated by the comptroller of public accounts** to conduct a feasibility study that examines and makes recommendations on the management and operating structure of the driver's license program and the opportunities and challenges of transferring the driver's license program.

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SECTION 5.118. As soon as practicable after the effective date of this Act:

(1) the Public Safety Commission shall adopt rules necessary to implement the changes in law made by this Act to Chapter 1702, Occupations Code; **and**

(2) **the State Office of Administrative Hearings shall adopt rules necessary to implement Subchapter R, Chapter 1702, Occupations Code, as added by this Act.**

ARTICLE 6. Article is the same as Senate version, except as indicated below.

SECTION 6.005. (a) In this section, "driver's license program" means:

(1) the programs established by Chapters 521 and 522, Transportation Code, and other law, that license a person to operate in this state a motor vehicle, as defined by Section 501.002, Transportation Code, or a commercial motor vehicle, as defined by Section 522.003, Transportation Code; and

(2) the program to issue election identification certificates under Chapter 521A, Transportation Code.

(b) The Department of Public Safety shall enter into a contract with an independent, third-party contractor to conduct a feasibility study that examines and makes recommendations on the management and operating structure of the driver's license program and the opportunities and challenges of transferring the driver's license program. [FA2(1)]

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SECTION 5.118. Same as Senate version.

ARTICLE 6. Article is the same as Senate version, except as indicated below.

SECTION 6.005. Same as House version.

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(b-1) The solicitation documents for the contract described by Subsection (b) of this section must be submitted to the contract advisory team for review under Subchapter C, Chapter 2262, Government Code, before the Department of Public Safety may solicit any contractor for the contract, including publishing advertising regarding the contract.
[FA2(2)]

(c) Not later than September 1, 2020, the contractor described by Subsection (b) of this section shall submit a report on the study conducted under that subsection to the legislature, the governor, the Sunset Advisory Commission, the Department of Public Safety, and the Texas Department of Motor Vehicles.

(d) In conducting the study required by Subsection (b) of this section, the Department of Public Safety, the Texas Department of Motor Vehicles, or the independent, third-party contractor described by that subsection may not disclose any personal information obtained in conducting the study. In this subsection, "personal information" means information that identifies a holder of a driver's license or election identification certificate, including a name, address, date of birth, social security number, telephone number, physical characteristic, or similar identifier.

(c) Not later than September 1, 2020, the contractor described by Subsection (b) of this section shall submit a report on the study conducted under that subsection to the legislature, the governor, the Sunset Advisory Commission, the Department of Public Safety, and the Texas Department of Motor Vehicles.

(d) In conducting the study required by Subsection (b) of this section, the Department of Public Safety, the Texas Department of Motor Vehicles, or the independent, third-party contractor described by that subsection may not disclose any personal information obtained in conducting the study. In this subsection, "personal information" means information that identifies a holder of a driver's license or election identification certificate, including a name, address, date of birth, social security number, telephone number, physical characteristic, or similar identifier.

ARTICLE 7. EXPIRATION DATES OF DRIVER'S LICENSES

ARTICLE 7. EXPIRATION DATES OF DRIVER'S LICENSES **AND COMMERCIAL DRIVER'S LICENSES**

ARTICLE 7. Same as House version.

SECTION 7.001. Section 521.271(a), Transportation Code, is amended to read as follows:

SECTION 7.001. Sections 521.271(a) and (b), Transportation Code, are amended to read as follows:

SECTION 7.001. Same as House version.

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(a) Each original driver's license, provisional license, learner license, or occupational driver's license issued to an applicant who is a citizen, national, or legal permanent resident of the United States or a refugee or asylee lawfully admitted into the United States expires as follows:

- (1) except as provided by Section 521.2711, a driver's license expires on the first birthday of the license holder occurring after the eighth [~~sixth~~] anniversary of the date of the application;
- (2) a provisional license expires on the 18th birthday of the license holder;
- (3) a learner license expires on the 18th birthday of the license holder;
- (4) an occupational driver's license expires on the first anniversary of the court order granting the license; and
- (5) unless an earlier date is otherwise provided, a driver's license issued to a person whose residence or domicile is a correctional facility or a parole facility expires on the first birthday of the license holder occurring after the first anniversary of the date of issuance.

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(a) Each original driver's license, provisional license, learner license, or occupational driver's license issued to an applicant who is a citizen, national, or legal permanent resident of the United States or a refugee or asylee lawfully admitted into the United States expires as follows:

- (1) except as provided by Section 521.2711, a driver's license expires on the first birthday of the license holder occurring after the eighth [~~sixth~~] anniversary of the date of the application;
- (2) a provisional license expires on the 18th birthday of the license holder;
- (3) a learner license expires on the 18th birthday of the license holder;
- (4) an occupational driver's license expires on the first anniversary of the court order granting the license; and
- (5) unless an earlier date is otherwise provided, a driver's license issued to a person whose residence or domicile is a correctional facility or a parole facility expires on the first birthday of the license holder occurring after the first anniversary of the date of issuance.

(b) Except as provided by Section 521.2711, a driver's license that is renewed expires on the earlier of:

(1) the eighth [~~sixth~~] anniversary of the expiration date before renewal if the applicant is a citizen, national, or legal permanent resident of the United States or a refugee or asylee lawfully admitted into the United States;

(1-a) for an applicant not described by Subdivision (1):

(A) the earlier of:

(i) the eighth [~~sixth~~] anniversary of the expiration date before renewal; or

(ii) the expiration date of the applicant's authorized stay in the United States; or

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(B) the first anniversary of the date of issuance, if there is no definite expiration date for the applicant's authorized stay in the United States; or
(2) for a renewal driver's license issued to a person whose residence or domicile is a correctional facility or a parole facility, the first birthday of the license holder occurring after the first anniversary of the date of issuance unless an earlier date is otherwise provided.

SECTION 7.002. Section 521.421(a), Transportation Code, is amended to read as follows:
(a) The fee for issuance or renewal of a license not otherwise provided for by this section is \$32 [\$24].

SECTION 7.002. Sections 521.421(a) and (b), Transportation Code, are amended to read as follows:
(a) The fee for issuance or renewal of a license not otherwise provided for by this section is \$32 [\$24].
(b) The fee for renewal of a Class M license or for renewal of a license that includes authorization to operate a motorcycle is \$43 [~~\$32~~].

SECTION 7.002. Same as House version.

No equivalent provision.

SECTION 7.003. Section 521.421(f), Transportation Code, as added by Chapter 1372 (H.B. No. 1200), Acts of the 75th Legislature, Regular Session, 1997, is amended to read as follows:
(f) If a Class A, B, or C driver's license includes an authorization to operate a motorcycle or moped, the fee for the driver's license is increased by \$11 [~~\$8~~].

SECTION 7.003. Same as House version.

No equivalent provision.

SECTION 7.004. Section 522.029, Transportation Code, is amended by amending Subsection (a) and adding Subsection (m) to read as follows:
(a) The fee for a commercial driver's license issued by the department is \$96 [~~\$60~~], except as provided by Subsections (f), (h), (j), [~~and~~] (k), and (m).

SECTION 7.004. Same as House version.

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(m) The fee for a commercial driver's license with a hazardous materials endorsement issued by the department is \$60, except as provided by Subsections (h), (j), and (k).

SECTION 7.005. Section 522.051, Transportation Code, is amended by amending Subsections (a), (b), (c), (d), and (f) and adding Subsections (i), (j), (k), and (l) to read as follows:

(a) Except as provided by Subsections ~~[Subsection]~~ (f) and (i) and Sections 522.013(e), 522.033, and 522.054, an original commercial driver's license expires eight ~~[five]~~ years after the applicant's next birthday.

(b) Except as provided by Subsection (j) and Section 522.054, a commercial driver's license issued to a person holding a Texas Class A, B, C, or M license that would expire one year or more after the date of issuance of the commercial driver's license expires eight ~~[five]~~ years after the applicant's next birthday.

(c) Except as provided by Subsection (k) and Section 522.054, a commercial driver's license issued to a person holding a Texas Class A, B, C, or M license that would expire less than one year after the date of issuance of the commercial driver's license or that has been expired for less than one year expires eight ~~[five]~~ years after the expiration date shown on the Class A, B, C, or M license.

(d) Except as provided by Subsection (l) and Section 522.054, a commercial driver's license issued to a person holding a Texas Class A, B, C, or M license that has been expired for at least one year but not more than two years expires eight ~~[five]~~ years after the applicant's last birthday.

(f) Except as provided by Section 522.013, a non-domiciled commercial driver's license other than a temporary non-

SECTION 7.005. Same as House version.

No equivalent provision.

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domiciled commercial driver's license under Section 522.013(e) expires on:

(1) the earlier of:

(A) the first birthday of the license holder occurring after the eighth ~~fifth~~ anniversary of the date of the application; or

(B) the expiration date of the license holder's lawful presence in the United States as determined by the appropriate United States agency in compliance with federal law; or

(2) the first anniversary of the date of issuance, if there is no definitive expiration date for the applicant's authorized stay in the United States.

(i) Except as provided by Subsection (f) and Sections 522.013(e), 522.033, and 522.054, an original commercial driver's license with a hazardous materials endorsement expires five years after the applicant's next birthday.

(j) Except as provided by Section 522.054, a commercial driver's license with a hazardous materials endorsement issued to a person holding a Texas Class A, B, C, or M license that would expire one year or more after the date of issuance of the commercial driver's license expires five years after the applicant's next birthday.

(k) Except as provided by Section 522.054, a commercial driver's license with a hazardous materials endorsement issued to a person holding a Texas Class A, B, C, or M license that would expire less than one year after the date of issuance of the commercial driver's license or that has been expired for less than one year expires five years after the expiration date shown on the Class A, B, C, or M license.

(l) Except as provided by Section 522.054, a commercial driver's license with a hazardous materials endorsement issued to a person holding a Texas Class A, B, C, or M

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license that has been expired for at least one year but not more than two years expires five years after the applicant's last birthday.

SECTION 7.006. Section 522.052, Transportation Code, is amended by amending Subsections (b) and (c) and adding Subsections (k) and (l) to read as follows:

(b) Except as provided by Section 522.054, a renewal of a commercial driver's license that has been expired for less than one year expires eight ~~[five]~~ years after the expiration date shown on the commercial driver's license.

(c) Except as provided by Section 522.054, a renewal of a commercial driver's license that has been expired for at least one year but not more than two years expires seven ~~[six]~~ years after the applicant's last birthday.

(k) Except as provided by Section 522.054, a renewal of a commercial driver's license with a hazardous materials endorsement that has been expired for less than one year expires five years after the expiration date shown on the commercial driver's license.

(l) Except as provided by Section 522.054, a renewal of a commercial driver's license with a hazardous materials endorsement that has been expired for at least one year but not more than two years expires five years after the applicant's last birthday.

SECTION 7.007. Same as Senate version.

SECTION 7.008. The changes in law made by this Act to Sections 522.029, 522.051, and 522.052, Transportation

SECTION 7.006. Same as House version.

SECTION 7.007. Same as Senate version.

SECTION 7.008. Same as House version.

No equivalent provision.

SECTION 7.003. Section 521.421(f), Transportation Code, as added by Chapter 1372 (H.B. No. 1200), Acts of the 75th Legislature, Regular Session, 1997, is amended.

No equivalent provision.

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Code, apply only to a commercial driver's license issued or renewed on or after June 1, 2020. A commercial driver's license issued or renewed before June 1, 2020, is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

ARTICLE 8. MOTORCYCLE AND OFF-HIGHWAY
VEHICLE OPERATOR TRAINING PROGRAMS

ARTICLE 8. Same as Senate version, except as indicated below.

ARTICLE 8. Same as Senate version, except as indicated below.

SECTION 8.005. Section 662.005, Transportation Code, is amended to read as follows:

Sec. 662.005. CONTRACTS. (a) The department ~~[designated state agency]~~ may ~~[license or]~~ contract with qualified persons, including institutions of higher education, to:

(1) offer and conduct motorcycle operator training and safety courses under the ~~[administer or operate the motorcycle operator training and safety]~~ program; or

(2) research motorcycle safety in this state.

(b) The department shall consult with the motorcycle safety advisory board regarding any ***proposed*** contract under this section.

SECTION 8.005. Section 662.005, Transportation Code, is amended to read as follows:

Sec. 662.005. CONTRACTS. (a) The department ~~[designated state agency]~~ may ~~[license or]~~ contract with qualified persons, including institutions of higher education, to:

(1) offer and conduct motorcycle operator training and safety courses under the ~~[administer or operate the motorcycle operator training and safety]~~ program; or

(2) research motorcycle safety in this state.

(b) The department shall consult with the motorcycle safety advisory board regarding any ***proposal to*** contract under this section.

SECTION 8.005. Same as House version.

SECTION 8.012. Chapter 662, Transportation Code, is amended by adding Section 662.0115 to read as follows:

Sec. 662.0115. MOTORCYCLE SAFETY GRANT PROGRAM. (a) Using money from the motorcycle education fund account, the department may establish and

SECTION 8.012. Chapter 662, Transportation Code, is amended by adding Section 662.0115 to read as follows:

Sec. 662.0115. MOTORCYCLE SAFETY GRANT PROGRAM. (a) Using money from the motorcycle education fund account, the department may establish and

SECTION 8.012. Same as House version.

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administer a grant program to improve motorcycle safety in this state.

(b) The department may award a person a grant to:

(1) promote the motorcycle operator training and safety program or any other motorcycle safety program in this state;

(2) increase the number of individuals seeking motorcycle operator training or licensure as an instructor to conduct motorcycle operator training; or

(3) support any other goal reasonably likely to improve motorcycle safety in this state.

(c) To administer the grant program, the department shall prescribe:

(1) grant application procedures;

(2) guidelines relating to grant amounts; and

(3) criteria for evaluating grant applications.

(d) The department shall consult with the motorcycle safety advisory board regarding any **proposed** award of a grant under this section.

(e) An institution of higher education is eligible to receive a grant awarded under this section and, if applicable, may use the grant money awarded to perform a duty imposed under Section 662.0064 or 662.013.

SECTION 8.026. (a) In this section:

(1) "Department" means the Department of Public Safety.

(2) "Program" means the motorcycle operator training and safety program established under Chapter 662, Transportation Code, as that chapter existed before the effective date of this Act.

(b) As soon as practicable after the effective date of this article and not later than August 31, 2020, the department shall dispose of motorcycles and other equipment related to

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administer a grant program to improve motorcycle safety in this state.

(b) The department may award a person a grant to:

(1) promote the motorcycle operator training and safety program or any other motorcycle safety program in this state;

(2) increase the number of individuals seeking motorcycle operator training or licensure as an instructor to conduct motorcycle operator training; or

(3) support any other goal reasonably likely to improve motorcycle safety in this state.

(c) To administer the grant program, the department shall prescribe:

(1) grant application procedures;

(2) guidelines relating to grant amounts; and

(3) criteria for evaluating grant applications.

(d) The department shall consult with the motorcycle safety advisory board regarding any **proposal to** award a grant under this section.

(e) An institution of higher education is eligible to receive a grant awarded under this section and, if applicable, may use the grant money awarded to perform a duty imposed under Section 662.0064 or 662.013.

SECTION 8.026. (a) In this section:

(1) "Department" means the Department of Public Safety.

(2) "Program" means the motorcycle operator training and safety program established under Chapter 662, Transportation Code, as that chapter existed before the effective date of this Act.

(b) As soon as practicable after the effective date of this article and not later than August 31, 2020, the department shall dispose of motorcycles and other equipment related to

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SECTION 8.026. Same as House version.

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the program that the department possesses or has leased to entities offering training under the program. The plan must conform with the requirements of Subsection (c) of this section.

(c) The department shall dispose of the motorcycles and other equipment related to the program in the following manner:

(1) not later than February 28, 2020, the department shall provide to any entity to whom the department leased a motorcycle or other equipment related to the program a reasonable period determined by the department to purchase from the department or return the motorcycle or other equipment;

(2) after the expiration of the period described by Subdivision (1) of this subsection, but not later than May 31, 2020, the department shall:

(A) determine the need of the Texas Department of Licensing and Regulation, the Texas A&M Transportation Institute, and the Texas A&M Engineering Extension Service for motorcycles and other equipment necessary to provide motorcycle operator training for the instructors under the program; and

(B) subject to the need determined under Paragraph (A) of this subdivision and the availability of motorcycles and other equipment related to the program, transfer the motorcycles and equipment to the Texas Department of Licensing and Regulation, institute, or service under that paragraph, as applicable; and

(3) after the determination and any transfer under Subdivision (2) of this subsection, but not later than August 31, 2020, *sell* any remaining motorcycles and related

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the program that the department possesses or has leased to entities offering training under the program. The plan must conform with the requirements of Subsection (c) of this section.

(c) The department shall dispose of the motorcycles and other equipment related to the program in the following manner:

(1) not later than February 28, 2020, the department shall provide to any entity to whom the department leased a motorcycle or other equipment related to the program a reasonable period determined by the department to purchase from the department or return the motorcycle or other equipment;

(2) after the expiration of the period described by Subdivision (1) of this subsection, but not later than May 31, 2020, the department shall:

(A) determine the need of the Texas Department of Licensing and Regulation, the Texas A&M Transportation Institute, and the Texas A&M Engineering Extension Service for motorcycles and other equipment necessary to provide motorcycle operator training for the instructors under the program; and

(B) subject to the need determined under Paragraph (A) of this subdivision and the availability of motorcycles and other equipment related to the program, transfer the motorcycles and equipment to the Texas Department of Licensing and Regulation, institute, or service under that paragraph, as applicable; and

(3) after the determination and any transfer under Subdivision (2) of this subsection, but not later than August 31, 2020, *inform the Texas Facilities Commission under Section 2175.182, Government Code, that* any remaining

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equipment of the program in accordance with Chapter 2175, Government Code.

(d) Except for the fee described by Section 2175.188, Government Code, all revenue generated by the disposition of motorcycles and other equipment related to the program under this section shall be deposited in the motorcycle education fund account established under Section 662.011, Transportation Code.

(e) Not later than August 31, 2020, the department and the Texas Department of Licensing and Regulation shall enter into a memorandum of understanding regarding any property acquired by the department by lease or purchase using money from the motorcycle education fund account established under Section 662.011, Transportation Code, to ensure that the Department of Public Safety appropriately compensates the fund for those assets.

ARTICLE 9. EFFECTIVE DATE

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motorcycles and related equipment of the program ***are surplus or salvage property and must be disposed of*** in accordance with Chapter 2175, Government Code.

(d) Except for the fee described by Section 2175.188, Government Code, all revenue generated by the disposition of motorcycles and other equipment related to the program under this section shall be deposited in the motorcycle education fund account established under Section 662.011, Transportation Code.

(e) Not later than August 31, 2020, the department and the Texas Department of Licensing and Regulation shall enter into a memorandum of understanding regarding any property acquired by the department by lease or purchase using money from the motorcycle education fund account established under Section 662.011, Transportation Code, to ensure that the Department of Public Safety appropriately compensates the fund for those assets.

ARTICLE 9. Same as Senate version.

CONFERENCE

ARTICLE 9. Same as Senate version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 25, 2019

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: SB616 by Birdwell (Relating to the continuation and functions of the Department of Public Safety of the State of Texas, the conditional transfer of the driver licensing program to the Texas Department of Motor Vehicles, the abolition of the Texas Private Security Board, the transfer of the motorcycle and off-highway vehicle operator training programs to the Texas Department of Licensing and Regulation, and the regulation of other programs administered by the Department of Public Safety; imposing an administrative penalty; authorizing and repealing the authorization for fees.), **Conference Committee Report**

The General Revenue fiscal impact of the bill cannot be determined at this time due to the unavailability of certain fiscal estimates associated with the transfer of the driver license program. There would be fiscal impacts to the Texas Mobility Fund and the Motorcycle Education Account which are described in the text below.

Fiscal Analysis

Regulatory Functions and Activities

The bill authorizes the Department of Public Safety (DPS) to obtain and use criminal history record information maintained by the FBI or DPS for certain regulatory functions for applicants for licensure. The bill authorizes DPS to require applicants to submit fingerprints for the purpose of obtaining criminal history record information.

The bill removes statutory criminal history disqualifiers and requires the adoption of disqualifying offenses for vehicle inspections. The bill also repeals the definition of certain convictions and authorizes the establishment of licensing fees for inspector and station certifications and repeals certain statutory fees.

The bill establishes a two year expiration date for certificates issued to an inspector or inspection station, repeals the requirement to register with DPS as a peyote distributor, and repeals: fees for issuance of certificate of registration and renewal in metals; certain administrative penalties in metals; authority to investigate metal recyclers; certain provisions related to denial and revocation or suspension of certain certificates; authority to require certificate holders on probation to report to DPS; certain provisions related to hearings on denial, revocation, suspension of certain certificates; provisions regarding complaints related to inspectors; and fees for certain certifications.

The bill requires the Public Safety Commission to adopt physical fitness programs and a resolution certifying that DPS' programs are consistent with scientific standards and meet state and federal labor and employment law.

The bill requires DPS to develop and implement best practices for the collection, protection, and sharing of personal information held by the department. The bill requires DPS to submit a report no later than September 1, 2020 regarding the development and implementation of the best practices.

Controlled Substances

The bill repeals the requirement of a permit, and the offense for failing to obtain a permit, for chemical and laboratory apparatus equipment. The bill establishes reporting requirements in case of loss or theft, to maintain records and inventories in accordance with department rules, and to allow a member of the department or a peace officer to conduct audits and inspect records.

Private Security Functions and Activities

The bill abolishes the Private Security Board and replaces it with an advisory committee and authorizes members of the committee to receive reimbursement for certain meeting expenses. The bill defines company and individual licenses and eliminates the terms "registrations" and "endorsements." The bill eliminates the licensing/registration requirements for the following: guard dog companies and guard dog trainers; qualified managers, supervisors, and branch office managers of security companies; security and alarm salespersons; security consulting companies and consultants; employees of a license holder; and private business or government letters of authority. The bill stipulates the company and individual licenses will have a two year expiration period.

Further, the bill directs DPS to create a registry of certain commissioned security officers; requires an individual license for each service; repeals statute regarding the procedures for appeal of administrative actions; and sets the expiration date for certain certifications to September 1, 2019.

Driver License Functions and Activities

The bill requires DPS to contract with an independent third party to conduct a study that examines and makes recommendations on the management and operating structure of the driver's license program and the opportunities and challenges of transferring the driver license program. The solicitation documents for the contract would be required to be submitted to the contract advisory team before DPS would be able to solicit any contractor for the contract, including publishing advertising regarding the contract. The report would be required to be submitted on or before September 1, 2020 to the Governor, the Sunset Advisory Commission, DPS, and the Texas Department of Motor Vehicles (DMV). The bill also prohibits DPS, DMV, or the third-party contractor from disclosing any personal information obtained in conducting the study, and clarifies that the study is a "feasibility" study.

The bill transfers all DPS' driver license FTEs, funds, property, contracts, etc. to the DMV on September 1, 2021. However, this provision takes effect only in the case where the transfer study report is not submitted by September 1, 2020.

Expiration Dates and Fee for Driver Licenses

The bill extends the expiration date of an original driver license from six to eight years for most applicants. The bill also changes the fee for an original and renewal driver license from \$24 to \$32, increasing the renewal fee for a class M license or certain licenses with an authorization to operate a motorcycle or moped from \$32 to \$43.

The bill extends the expiration date of a commercial driver license (CDL) from five to eight years and increases the fee from \$60 to \$96. The hazardous materials endorsement is stipulated to be five years after the applicant's next birthday.

Motorcycle and Off-Road Vehicle Operator Training Functions and Activities

The bill transfers the motorcycle safety and off-highway vehicle programs, and any associated material and financial assets, to the Texas Department of License and Regulation (TDLR) on September 1, 2020. The bill requires TDLR to establish curriculum standards, approve courses that meet these standards, and set fee amounts reasonable and necessary to cover the costs of administering the program.

The bill also: requires TDLR to establish an Advisory Board; establishes eligibility criteria for an instructor license, including a mandatory training program administered by the Texas Engineering Extension Service; creates a new motorcycle grant program out of the Motorcycle Education Fund; and requires the Texas Transportation Institute to promulgate research, advocacy, and education on motorcycle safety.

Methodology

Regulatory Functions and Activities

According to DPS, there will be an estimated increase in Appropriated Receipts revenue of \$766,649 in fiscal year 2020, and \$758,880 in each fiscal year thereafter, to reflect the increase in fingerprinting background checks authorized in Article III of the bill.

Controlled Substances

It is assumed the provisions in this article can be performed using existing resources.

Private Security Functions and Activities

The elimination of certain licenses and registrations, and the extension of renewal licenses to two years, results in a loss in revenue to the General Revenue Fund. The elimination of some private security registrations are estimated to reduce revenue by \$555,655 in each fiscal year, and the change from a one-year license period to a two-year license period for some private security licenses is estimated to reduce revenue by \$3,273,710 in each even-numbered fiscal year.

According to DPS, there would be a small cost savings to General Revenue because of the elimination of certain licenses and registrations.

Driver License Functions and Activities

If the third party study is not submitted by September 1, 2020, the transfer of the driver license program will result in a significant All Funds decrease for DPS, with a corresponding increase for DMV.

Should the report not be submitted by this date, DPS estimates the transfer of the driver license program in fiscal year 2022 will result in a decrease to DPS of 2,236.8 FTEs and \$140,170,655

in All Funds, of which \$135,560,337 in General Revenue and \$4,610,318 is Appropriated Receipts, with a corresponding increase to the Department of Motor Vehicles.

According to DPS, the study to transfer the driver license program to DMV would cost \$250,000 in fiscal year 2020.

The operational cost to administer the driver license program is expected to be cost neutral or be absorbed using existing resources; the appropriation for the driver license program would be appropriated to DMV in fiscal year 2021, as discussed above. The transition of the program from DPS to DMV, however, is expected to have a significant fiscal impact.

DPS has not given a complete analysis of anticipated transition costs. The agency assumes the third-party study would provide an accurate estimate of costs to transfer the program. Potential obstacles with significant cost to the state may include: consideration of building or leasing contracts that must be modified to include a different agency; DPS owned buildings that contain law enforcement capabilities that also provide driver license services; consideration of commercial driver license (CDL) enforcement; any memorandums of understanding (MOU) with other governmental entities or municipalities that would need to be transferred; DMV building capacity for driver license employees that are located at DPS headquarters; or administrative or human resources staff that serve multiple DPS administrative functions outside the driver license program.

Further, DPS is not required to house their data center services through the Department of Information Resources (DIR), while DMV is required to do so. DIR indicates the additional costs to expanding DCS to include the driver license function at DMV cannot be estimated at this time.

According to DPS, an estimate of the full impact of changes to the infrastructure and applications that support the Driver License System (DLS), and associated vendor applications, cannot be determined, and will be determined by the third-party study.

DMV assumed an additional 346.0 FTEs would be required to provide the support services indicated above. DMV's analysis also assumed DPS staff and funding that support the administrative license revocation hearings function would not be transferred from DPS to DMV. DMV estimated it would need an additional 56.0 FTEs, including attorneys and legal support staff, to accommodate this function.

Based on DMV's analysis, total costs for an additional 402.0 FTEs, including salaries and wages, associated operating costs, and employee benefits are estimated to be \$41.7 million from the General Revenue Fund in each fiscal year beginning in fiscal year 2021. However, if ultimately the administrative functions and FTEs associated with the driver license program were transferred to DMV, the DMV cost estimate would likely be significantly offset. As a result, the General Revenue fiscal impact of the program transfer cannot be determined.

Expiration Dates and Fees for Drivers Licenses

The bill extends the term of an original driver license from six to eight years and increases the fee for an original or renewal driver license from \$24 to \$32.

The bill would increase the cost of renewal for a Class M license or certain other licenses that have a motorcycle authorization from \$32 to \$43. The bill would increase the fee for a CDL

from \$60 to \$96 while extending the term of the license from five to eight years.

As provided by DPS, there are approximately 3,182,000 driver licenses, 98,000 CDLs, and 985,000 motorcycle licenses and authorization renewals to which the provisions of the bill would apply in fiscal year 2020.

According to Comptroller of Public Accounts' analysis, these changes are estimated to increase revenues to the Texas Mobility Fund by \$9,416,000 in fiscal year 2020 and \$38,231,000 in fiscal year 2021. As the current CDL is valid for five years and a Class C driver license is valid for six years, and the bill's effective date is June 1, 2020, the first seven years after the implementation of the bill would see an increase in revenue to the Texas Mobility Fund. Year eight would see a decrease of \$86,457,000.

Motorcycle and Off-Road Vehicle Operator Training Functions and Activities

The transfer of the motorcycle safety and off-highway vehicle programs to TDLR results in a savings to General Revenue and the Motorcycle Safety Education Account for, with corresponding increases for TDLR. This analysis assumes that any increased cost to TDLR, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

The bill transfers the motorcycle operator safety training program, and any associated material and financial assets, from DPS to TDLR. According to DPS, there will be minimal impact to DPS' Education, Training, and Research (ETR) Division. ETR's Motorcycle Safety Unit provides its own training to meet statutory requirements, and the transfer of this Unit will not have an impact on any other training by other units in ETR. There would be a small savings to DPS from the Motorcycle Education Account No. 501 resulting from the decrease of 9.0 FTEs.

TDLR reports it would need to hire 9.0 FTEs to fulfill the motorcycle program requirements. TDLR also reports it would need to contract for the printing of the MSB-8 and estimates this would result in a cost for the approximately 34,000 cards issued annually. In addition, DPS currently contracts for the use of a licensing system and database called REMS for the regulation of the motorcycle program. Taking over the contract and making the changes necessary to reflect TDLR as the agency regulating the program would result in an annual cost of \$20,000 beginning in fiscal year 2021. Finally, TDLR estimates a cost of \$100,000 in each fiscal year 2021 and 2022 for a staff augmentation contract to have the motorcycle safety training information transferred into TDLR's existing licensing systems. These costs would no longer appear after fiscal year 2022 as the motorcycle licenses would be within the existing TDLR database.

The bill authorizes TDLR to set fees to cover costs of administering the program. TDLR expects to set a renewal license fee of \$100 for a motorcycle school and \$50 for an instructor license. According to TDLR analysis, approximately 80 schools and 400 instructors renew each year and about 25 instructors and 2 schools submit new applications each year. Based on TDLR's response, this analysis assumes new application fees for schools will be \$200 and new application fees for instructors will be \$100. This would result in a General Revenue gain of approximately \$30,700 per fiscal year. As an agency that has its appropriations limited to revenue collections, TDLR is statutorily required to generate sufficient revenue to cover its costs of operation. However, this analysis assumes the disparity between annual expenses and licensing fees for this program would come from the Motorcycle Education Fund Account (General Revenue Dedicated Fund 0501) because current statute (Section 662) authorizes funds

from this account to be used to defray the cost of administering the motorcycle operator training and safety program.

The ATV safety program currently operates through a no-cost cooperative agreement with the All Terrain Vehicle Safety Institute, which will be continued at TDLR, resulting in no fiscal impact.

Note: The bill would reduce, rescind, or repeal the dedication of a specific source or portion of revenue dedicated to the Texas Mobility Fund. Article 3, Section 49-k, of the Texas Constitution, specifies that while money in the Texas Mobility Fund is pledged for the payment of any outstanding debt obligations, the Legislature may not reduce, rescind, or repeal the dedication of a specific source or portion of revenue dedicated to the Texas Mobility Fund unless the Legislature by law dedicates a substitute or different source of revenue that is projected by the Comptroller to be of a value equal to or greater than the source or amount being reduced, rescinded, or repealed.

Technology

The bill requires programming to the Driver License System (DLS) to extend expiration dates from six to eight years for original driver licenses only, update fees and financial files, and testing with the Comptroller of Public Accounts. Additionally, DIR will be required to program the Over the Counter (OTC) application for the fee changes. Information Technology (IT) resources include a DLS developer, finance developer, and quality assurance resources to test the changes in DLS and OTC.

The bill also requires modifications to the Private Security program's online licensing application (TOPS). Several registration types will need to be removed, most notably the company manager registration, which would require a major change from application through licensing as this is integrated into the company rules. There is also a change for Letter of Authority registry which would include application and fee changes.

DPS' Information Technology Division will need contractors to provide programming support for development, security, networking and project management.

Should the driver license functions be transferred to DMV in fiscal year 2022, there would be significant, if undetermined, one time IT costs associated with the program transfer. DPS assumes these costs will be addressed in the study required by this bill. Currently, the Driver License Division includes \$5,152,555 in General Revenue Funds specifically for ongoing IT operations related to the maintenance and improvement of the driver license program.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 302 Office of the Attorney General, 303 Facilities Commission, 304 Comptroller of Public Accounts, 360 State Office of Administrative Hearings, 405 Department of Public Safety, 452 Department of Licensing and Regulation, 608 Department of Motor Vehicles, 716 Texas A&M Engineering Extension Service, 727 Texas

A&M Transportation Institute, 313 Department of Information Resources

LBB Staff:

WP, LBO, CMa, DFR, AI, SMi, MMF, SLE, AF, JMO, SD

**Certification of Compliance with
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under House Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not subject to a point of order under Rule 13.

I certify that a copy of the conference committee report on SB 616 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

Chris Padden
(name)

5/24/19
(date)