

BILL ANALYSIS

Senate Research Center
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S.B. 1394
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

On-demand businesses are on the rise with companies delivering everything directly to your home. Naturally these on-demand businesses have begun to spread to services like dog-walking, house cleaning, and lawn cutting. Under current law, there is an unreasonable barrier to small businesses that want to provide a similar on-demand service for mobile haircuts.

SB 1394 allows the Texas Department of Licensing and Regulation (TDLR) to create a license for a digitally prearranged mobile haircutting business operated by a licensed barber or cosmetologist.

As proposed, S.B. 1394 amends current law relating to the regulation of companies that prearrange barbering and cosmetology services outside of certain facilities; requires an occupational license; and authorizes fees.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 1 (Section 1603.208, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 1603, Occupations Code, by adding Section 1603.208, as follows:

Sec. 1603.208. DIGITALLY PREARRANGED REMOTE SERVICES. (a) Defines "digital network," "digitally prearranged remote service," and "remote service business."

(b) Prohibits a person from operating a remote service business in this state unless the person holds a license under this section.

(c) Requires the Texas Department of Licensing and Regulation (TDLR) to issue a license to operate a remote service business if the applicant meets the eligibility requirements of this section and the rules adopted under this section and pays the required fee.

(d) Requires the Texas Commission of Licensing and Regulation (TCLR) to set fees under this section in amounts reasonable and necessary to cover the costs of administering the licensing program established under this section.

(e) Requires TCLR to adopt rules to administer this section, including rules that establish procedures to govern the application for and issuance of a license under this section, set minimum standards for the operation of a remote service business and the sanitation requirements for performing a digitally prearrange remote service, determine activities within the scope of barbering and cosmetology that are authorized to be performed as a digitally prearranged remote service, and establish procedures for inspecting and auditing the records of a remote service business and of a person who performs a digitally prearranged remote service.

(f) Requires a person who holds a license, certificate of registration, or permit to practice barbering or cosmetology and who performs a digitally prearranged remote service to comply with this section and the rules adopted under this section and practice within the scope of the person's license, certificate of registration, or permit.

(g) Prohibits a remote service business licensed under this section from offering a barbering or cosmetology service that requires treating or removing a person's hair by coloring, processing, bleaching, dyeing, tinting, or using a cosmetic preparation.

(h) Provides that Sections 1604.453 (Location of Practice), 1601.455 (Service at Unlicensed Location), 1602.251(c) (relating to authorizing a person licensed by TDLR to practice cosmetology only at a facility operated by a person holding certain licenses issued by TDLR), and 1602.407 (Service at Unlicensed Location) do not apply to a digitally prearranged remote service scheduled through a remote service business.

(i) Requires a remote service business licensed under this section, before a person licensed, registered, or permitted to practice barbering or cosmetology performs a digitally prearranged remote service for a client requesting the service, to provide through the entity's digital network:

- (1) certain information regarding the person who will perform the service;
- (2) certain information regarding the business; and
- (3) TDLR's Internet website address, telephone number, and notice that the client may contact TDLR to file a complaint against the business or person.

(j) Requires the remote service business, within a reasonable time after completion of a digitally prearranged remote service, to issue to the client who requested the service a receipt that includes:

- (1) the date the service was provided;
- (2) a description of the service;
- (3) the first and last name of the person who performed the service;
- (4) the number of the person's license, certificate of registration, or permit, as applicable;
- (5) certain information regarding the business; and
- (6) TDLR's Internet website address and telephone number and notice that the client may contact TDLR to file a complaint against the business or person.

(k) Requires a remote service business operating under a license issued under this section to maintain each record showing compliance with this section and the rules adopted under this section until at least the fifth anniversary of the date the record was generated.

(l) Requires a remote service business to terminate a person's access to the business's digital network if the business or department determines the person violated this chapter (Regulation of Barbering and Cosmetology), a rule adopted under this chapter, Chapter 1601 (Barbers) or 1602 (Cosmetologists), or a rule adopted under Chapter 1601 or 1602.

SECTION 2. Requires that as soon as practicable after the effective date of this Act, TCLR adopt the rules necessary to implement Section 1603.208, Occupations Code, as added by this Act.

SECTION 3. Effective date: September 1, 2019.