

BILL ANALYSIS

S.B. 943
By: Williams
Law Enforcement
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the Texas Commission on Private Security (TCOPS) licenses and regulates private investigation services and security services. The Private Security Act prohibits a person from engaging in the business activity of an investigation company unless the person holds a license issued by TCOPS. Mystery shopping is a business practice used to improve business operational and service quality through the use of anonymous resources. The broad interpretation of current statute requires that certain mystery shoppers be licensed under the Act. Senate Bill 943 exempts a person who engages in certain business evaluation services from the Private Security Act, and enumerates the prerequisites for exemption.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

Senate Bill 943 amends Subchapter N, Chapter 1702, Occupations Code, by adding Section 1702.331, which provides that this chapter does not apply to a person who poses or acts anonymously as a customer or client of a business or governmental entity or is in the business of providing the services of another for the purpose of evaluating the following operations or services of the business or government entity:

- a service or product provided to a customer or client;
- compliance with policies and operational procedures;
- the appearance, cleanliness, efficiency, and other operations of the office, facility, or physical plant;
- the friendliness, courtesy, or appearance of an employee;
- the necessity or effectiveness of a training program or employee reward or other incentive program;
- the quality, availability, or price of goods or services; and
- other operations or customer services of the business or governmental entity the evaluation of which is not otherwise prohibited by this chapter.

The person is entitled to the exemption only if the person uses an evaluation tool prescribed or approved by the employer, does not attempt to determine if an employee has committed a crime, and the information obtained is not intended to be used by the employer as the sole basis for the discipline or termination of an employee.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.