

By: Geren

H.B. No. 504

A BILL TO BE ENTITLED

1 AN ACT

2 relating to an exemption from the private security law for certain
3 nonprofit businesses or civic organizations.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 1702.327, Occupations Code, is amended
6 to read as follows:

7 Sec. 1702.327. NONPROFIT AND CIVIC ORGANIZATIONS. This
8 chapter does not apply to:

9 (1) a nonprofit business or civic organization that:

10 (A) employs a peace officer who meets the
11 qualifications of Section 1702.322(1) as a patrolman, guard, or
12 watchman;

13 (B) provides the services of the peace officer
14 only to:

15 (i) the organization's members; or

16 (ii) if the organization does not have
17 members, the members of the communities served by the organization
18 as described in the organization's articles of incorporation or
19 other organizational documents;

20 (C) devotes the net receipts from all charges for
21 the services exclusively to the cost of providing the services or to
22 the costs of other services for the enhancement of the security or
23 safety of:

24 (i) the organization's members; or

1 (ii) if the organization does not have
2 members, the members of the communities served by the organization
3 as described in the organization's articles of incorporation or
4 other organizational documents; and

5 (D) does not perform any other service that
6 requires a license under this chapter; ~~or~~

7 (2) a charitable, nonprofit organization that
8 maintains a system of records to aid in the location of missing
9 children and that:

10 (A) is exempt from the payment of federal income
11 taxes under Section 501(a) of the Internal Revenue Code of 1986 and
12 its subsequent amendments by being listed as an exempt entity under
13 Section 501(c)(3) of that code;

14 (B) exclusively provides services related to
15 locating missing children; and

16 (C) does not perform any other service that
17 requires a license under this chapter; or

18 (3) a nonprofit business or civic organization that
19 employs or contracts with a person to provide parking guard and
20 other facility management services during an event conducted by the
21 business or organization.

22 SECTION 2. This Act takes effect September 1, 2003.