By: TruittH.B. No. 1015Substitute the following for H.B. No. 1015:Example 100 StructureBy: LaubenbergC.S.H.B. No. 1015

A BILL TO BE ENTITLED

1 AN ACT 2 relating to the continuation and functions of the Texas State Board 3 of Examiners of Psychologists. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Section 501.005, Occupations Code, is amended to read as follows: 6 Sec. 501.005. APPLICATION OF SUNSET ACT. The Texas State 7 Board of Examiners of Psychologists is subject to Chapter 325, 8 Government Code (Texas Sunset Act). Unless continued in existence 9 as provided by that chapter, the board is abolished and this chapter 10 expires September 1, 2017 [2005]. 11 12 SECTION 2. Section 501.052, Occupations Code, is amended to 13 read as follows: Sec. 501.052. ELIGIBILITY OF PUBLIC MEMBERS. A person is 14 not eligible for appointment as a public member of the board if: 15 (1) the person [or the person's spouse: 16 [(1)] is registered, certified, or licensed by an 17 occupational regulatory agency in the field of health services; 18 the person's spouse is registered, certified, or 19 (2) licensed by an occupational regulatory agency in the field of 20 21 mental health; or 22 (3) the person or the person's spouse: 23 (A) is employed by or participates in the management of a business entity or other organization regulated by 24

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1 the board or receiving funds from the board;

2 (B) [(3)] owns or controls, directly or 3 indirectly, more than a 10 percent interest in a business entity or 4 other organization regulated by the board or receiving funds from 5 the board; or

6 <u>(C)</u> [(1)] uses or receives a substantial amount 7 of tangible goods, services, or funds from the board, other than 8 compensation or reimbursement authorized by law for board 9 membership, attendance, or expenses.

SECTION 3. Section 501.053, Occupations Code, is amended to read as follows:

Sec. 501.053. MEMBERSHIP AND EMPLOYEE RESTRICTIONS. (a) In this section, "Texas trade association" means a [nonprofit₇] cooperative[₇] and voluntarily joined <u>statewide</u> association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) <u>A person</u> [An officer, employee, or paid consultant of a Texas trade association in the field of health services] may not be a member [or employee] of the board and may not be a board employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

26 (1) the person is an officer, employee, or paid 27 consultant of a Texas trade association in the field of health

1 services; or

2 (2) the person's spouse is an officer, manager, or paid 3 consultant of a Texas trade association in the field of mental 4 <u>health</u> [who is exempt from the state's position classification plan 5 or is compensated at or above the amount prescribed by the General 6 Appropriations Act for step 1, salary group A17, of the position 7 classification salary schedule].

8 (c) [A person who is the spouse of an officer, manager, or 9 paid consultant of a Texas trade association in the field of health 10 services may not be a board member and may not be an employee of the 11 board who is exempt from the state's position classification plan 12 or is compensated at or above the amount prescribed by the General 13 Appropriations Act for step 1, salary group A17, of the position 14 classification salary schedule.

15 [(d)] A person may not <u>be</u> [serve as] a member of the board or 16 act as the general counsel to the board if the person is required to 17 register as a lobbyist under Chapter 305, Government Code, because 18 of the person's activities for compensation on behalf of a 19 profession related to the operation of the board.

20 SECTION 4. Sections 501.055(a) and (c), Occupations Code, 21 are amended to read as follows:

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

(1) does not have at the time of <u>taking office</u>
[appointment] the qualifications required by Sections 501.051 and
501.052;

26 (2) does not maintain during [the member's] service on
 27 the board the qualifications required by Sections 501.051 and

1 501.052;

2 (3) <u>is ineligible for membership under</u> [violates a 3 prohibition established by] Section 501.053;

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

(5) is absent from more than half of the regularly
8 scheduled board meetings that the member is eligible to attend
9 during a calendar year <u>without an excuse approved</u> [, unless the
10 absence is excused] by <u>a</u> majority vote of the board.

(c) If the executive director has knowledge that a potential 11 ground for removal exists [may exist], the executive director shall 12 notify the presiding officer of the board of the potential ground. 13 The presiding officer [On a determination that a potential ground 14 15 for removal exists, the board] shall then notify the governor and the attorney general that a potential ground for removal exists. If 16 17 the potential ground for removal involves the presiding officer, the executive director shall notify the next highest ranking 18 officer of the board, who shall then notify the governor and the 19 attorney general that a potential ground for removal exists. 20

21 SECTION 5. Section 501.057(a), Occupations Code, is amended 22 to read as follows:

(a) <u>The governor shall designate a member of the board as</u>
the presiding officer of the board to serve in that capacity at the
pleasure of the governor. The board shall hold an annual meeting
during which the board shall select from its members [a presiding
officer and] an assistant presiding officer.

C.S.H.B. No. 1015 SECTION 6. Section 501.059, Occupations Code, is amended to 1 2 read as follows: Sec. 501.059. TRAINING PROGRAM FOR MEMBERS. (a) 3 A person who is appointed to and qualifies for office as [Before] a [board] 4 member of the board may not vote, deliberate, or be counted as a 5 6 member in attendance at a meeting of [assume the member's duties or 7 be confirmed by the senate, the member must complete at least one 8 course of the training program established by] the board until the person completes a training program that complies with [under] this 9 10 section. The training program must provide the person with 11 (b) 12 information [to a participant] regarding: this chapter and the programs, functions, rules, 13 (1)14 and budget of the board; 15 (2) [the programs operated by the board; [(3) the role and functions of the board; 16 [(4) the rules of the board, with an emphasis on the 17 rules that relate to disciplinary and investigatory authority; 18 [(5) the current budget for the board; 19 $\left[\frac{(6)}{(6)}\right]$ the results of the most recent formal audit of 20 21 the board; (3) [(7)] the requirements of laws relating to open 22 meetings, public information, administrative procedure, and 23 24 conflicts of interest [Chapters 551, 552, and 2001, Government Code; 25 [(8) the requirements of the conflict of interest laws 26 and other laws relating to public officials]; and 27

(4) [(9)] any applicable ethics policies adopted by
 the board or the Texas Ethics Commission.

3 (c) <u>A person appointed to the board is entitled to</u> 4 <u>reimbursement, as provided by the General Appropriations Act, for</u> 5 <u>the travel expenses incurred in attending the training program</u> 6 <u>regardless of whether the attendance at the program occurs before</u> 7 <u>or after the person qualifies for office.</u> [In developing the 8 <u>program, the board shall consult with the governor, attorney</u> 9 <u>general, and Texas Ethics Commission.</u>

10 [(d) If another state agency or entity is authorized to 11 establish the training requirements for board members, the board 12 shall adopt that training instead of developing its own program.]

13 SECTION 7. Section 501.103, Occupations Code, is amended to 14 read as follows:

Sec. 501.103. DIVISION OF RESPONSIBILITIES. The board shall develop and implement policies that clearly <u>separate</u> [define] the <u>policymaking</u> [respective] responsibilities of the board and the <u>management responsibilities of the executive director and the</u> staff of the board.

20 SECTION 8. Subchapter D, Chapter 501, Occupations Code, is 21 amended by adding Section 501.160 to read as follows:

Sec. 501.160. USE OF TECHNOLOGY. The board shall implement a policy requiring the use of appropriate technological solutions to improve the board's ability to perform its functions. The policy must ensure that the public is able to interact with the board on the Internet.

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SECTION 9. Subchapter D, Chapter 501, Occupations Code, is

1	amended by adding Section 501.161 to read as follows:
2	Sec. 501.161. NEGOTIATED RULEMAKING AND ALTERNATIVE
3	DISPUTE RESOLUTION. (a) The board shall develop and implement a
4	policy to encourage the use of:
5	(1) negotiated rulemaking procedures under Chapter
6	2008, Government Code, for the adoption of board rules; and
7	(2) appropriate alternative dispute resolution
8	procedures under Chapter 2009, Government Code, to assist in the
9	resolution of internal and external disputes under the board's
10	jurisdiction.
11	(b) The board's procedures relating to alternative dispute
12	resolution must conform, to the extent possible, to any model
13	guidelines issued by the State Office of Administrative Hearings
14	for the use of alternative dispute resolution by state agencies.
15	(c) The board shall designate a trained person to:
16	(1) coordinate the implementation of the policy
17	adopted under Subsection (a);
18	(2) serve as a resource for any training needed to
19	implement the procedures for negotiated rulemaking or alternative
20	dispute resolution; and
21	(3) collect data concerning the effectiveness of those
22	procedures, as implemented by the board.
23	SECTION 10. Subchapter D, Chapter 501, Occupations Code, is
24	amended by adding Section 501.162 to read as follows:
25	Sec. 501.162. DEVELOPMENT OF PROPOSED RULES. (a) This
26	section applies to the process by which the board develops proposed
27	rules before the proposed rules are published in the Texas Register

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Ŧ	and before the board complies with the rulemaking requirements of
2	the administrative procedure law, Chapter 2001, Government Code.
3	This section does not affect the duty of the board to comply with
4	the rulemaking requirements of that law.
5	(b) The board shall establish methods under which the board,
6	to the extent appropriate, will seek input early in the rule
7	development process from the public and from persons who will be
8	most affected by a proposed rule. Methods shall include
9	identifying persons who will be most affected and soliciting, at a
10	minimum, the advice and opinions of those persons.
11	(c) Methods may include negotiated rulemaking, informal
12	conferences, advisory committees, and any other appropriate
13	method.
14	(d) A rule adopted by the board may not be challenged on the
15	grounds that the board did not comply with this section. If the
16	board was unable to solicit a significant amount of advice and
16 17	board was unable to solicit a significant amount of advice and opinion from the public or from affected persons early in the rule
17	opinion from the public or from affected persons early in the rule
17 18	opinion from the public or from affected persons early in the rule development process, the board shall state in writing the reasons
17 18 19	opinion from the public or from affected persons early in the rule development process, the board shall state in writing the reasons why the board was unable to do so.
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17 18 19 20 21	opinion from the public or from affected persons early in the rule development process, the board shall state in writing the reasons why the board was unable to do so. SECTION 11. Section 501.201(a), Occupations Code, is amended to read as follows:
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17 18 19 20 21 22 23	<pre>opinion from the public or from affected persons early in the rule development process, the board shall state in writing the reasons why the board was unable to do so. SECTION 11. Section 501.201(a), Occupations Code, is amended to read as follows: (a) The board shall prepare information of public interest describing the functions of the board [and the procedures by which</pre>
17 18 19 20 21 22 23 24	<pre>opinion from the public or from affected persons early in the rule development process, the board shall state in writing the reasons why the board was unable to do so. SECTION 11. Section 501.201(a), Occupations Code, is amended to read as follows: (a) The board shall prepare information of public interest describing the functions of the board [and the procedures by which complaints are filed with and resolved by the board].</pre>
17 18 19 20 21 22 23 24 25	<pre>opinion from the public or from affected persons early in the rule development process, the board shall state in writing the reasons why the board was unable to do so. SECTION 11. Section 501.201(a), Occupations Code, is amended to read as follows: (a) The board shall prepare information of public interest describing the functions of the board [and the procedures by which complaints are filed with and resolved by the board]. SECTION 12. Section 501.203, Occupations Code, is amended</pre>

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1	OF COMPLAINTS]. (a) The board shall maintain a system to promptly
2	and efficiently act on complaints filed with the board. The board
3	shall maintain information about parties to a complaint, the
4	subject matter of the complaint, a summary of the results of the
5	review or investigation of the complaint, and the disposition of
6	the complaint [keep an information file about each complaint
7	relating to a license holder filed with the board. The information
8	file must be kept current and contain a record for each complaint
9	of:
10	[(1) each person contacted regarding the complaint;
11	[(2) a summary of findings made at each step of the
12	complaint process;
13	[(3) an explanation of the legal basis and reason for
14	dismissing a complaint;
15	[(4) the schedule established for the complaint under
16	Section 501.204 and a notation of any change in the schedule; and
17	[(5) other relevant information].
18	(b) The board shall make information available describing
19	its procedures for complaint investigation and resolution.
20	(c) The board shall periodically notify the complaint
21	parties of the status of the complaint [If a written complaint is
22	filed with the board that the board has authority to resolve, the
23	board, at least quarterly and] until final disposition [of the
24	complaint, shall notify the parties to the complaint of the status
25	of the complaint unless the notice would jeopardize an undercover
26	investigation].
27	(d) The board shall analyze complaints filed with the board

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1	to identify any trends or issues related to certain violations,
2	including:
3	(1) the reason for each complaint;
4	(2) how each complaint was resolved; and
5	(3) the subject matter of each complaint that was not
6	within the jurisdiction of the board and how the board responded to
7	the complaint.
8	SECTION 13. Section 501.204, Occupations Code, is amended
9	by adding Subsection (e) to read as follows:
10	(e) The board shall assign priorities and investigate
11	complaints based on:
12	(1) the severity of the conduct alleged in the
13	complaint; and
14	(2) the degree of harm to public health and safety.
15	SECTION 14. Section 501.253, Occupations Code, is amended
16	by amending Subsection (b) and adding Subsections (e) and (f) to
17	read as follows:
18	(b) A provisional license holder is entitled to practice
19	psychology under the supervision of a psychologist to meet the
20	requirements for issuance of a license under Section 501.252. <u>A</u>
21	provisional license holder who is licensed in another state to
22	independently practice psychology and is in good standing in that
23	state and who seeks a license in this state is entitled to practice
24	psychology without the supervision of a psychologist during the
25	time that the board is processing the person's application for a
26	license.
27	(e) The board may not restrict the issuance of a license or

provisional license to an applicant who is licensed in another 1 2 state to independently practice psychology and is in good standing in that state based on the number of years the applicant has been 3 4 licensed in good standing in that state. (f) If an applicant who is licensed in another state to 5 6 independently practice psychology and is in good standing in that state presents credentials from a national accreditation 7 organization to the board and the board determines that the 8 requirements for obtaining those credentials from that 9 organization are sufficient to protect the public, the board may 10 issue a provisional license to the applicant. An applicant who 11

12 <u>obtains a provisional license under this subsection must have</u> 13 <u>passed the examination described by Section 501.256(b)(2).</u> 14 SECTION 15. Section 501.256, Occupations Code, is amended

15 by amending Subsection (c) and adding Subsections (f) and (g) to 16 read as follows:

17 (c) The board may waive the discipline and professional18 segment of the examination requirement for an applicant who:

19 (1) is a <u>specialist</u> [diplomate] of the American Board
 20 of Professional Psychology; or

(2) in the board's judgment, has demonstratedcompetence in the areas covered by the examination.

23 (f) On the oral examination administered under this section 24 the board may only assess knowledge of psychological principles and 25 techniques, applicable laws and regulations, and ethical 26 principles. The board may not assess personal characteristics 27 through the oral examination.

(g) For purposes of the oral examination, the board shall by 1 2 rule clearly define the standards used by the board to determine whether a person has demonstrated sufficient entry-level knowledge 3 4 of the practice of psychology to have passed the examination. 5 SECTION 16. Subchapter F, Chapter 501, Occupations Code, is 6 amended by adding Section 501.2561 to read as follows: 7 Sec. 501.2561. EVALUATION OF ORAL EXAMINATION. (a) The board by rule shall establish a work group to evaluate the oral 8 9 examination for the purpose of improving the consistency of the administration and the objectivity of the examination. The work 10 group must include persons interested in or affected by the 11 regulation of the practice of psychology under this chapter, 12 including faculty members of college or university psychology 13 14 departments and licensees with varying levels of experience. The 15 work group shall: (1) review audiotapes of passed and 16 failed 17 examinations; (2) review analyses of the performance of persons who 18 failed the examination provided under Section 501.256(e); 19 20 (3) assess scoring criteria and clinical scenarios 21 used in the administration of the examination; 22 (4) recommend improvements to standardize the administration of the examination; and 23 24 (5) conduct other appropriate tasks. 25 (b) Members of the board may not participate in the 26 evaluation of the oral examination but may otherwise participate in 27 the work group.

(c) The work group shall report biennially to the board the 1 2 group's recommendations for improving the consistency of the administration and the objectivity of the oral examination. 3 The 4 board shall modify the oral examination, as necessary, based on the work group's recommendations before the next administration of the 5 6 oral examination. SECTION 17. Section 501.259(a), Occupations 7 Code, is 8 amended to read as follows: The board[, with the advice of the Psychological 9 (a) Associate Advisory Committee,] shall set standards for the issuance 10 of licenses to psychological personnel who hold a master's degree 11 from an accredited university or college in a program that is 12 primarily psychological in nature. 13 SECTION 18. Sections 501.263(a) and (b), Occupations Code, 14 15 are amended to read as follows: (a) The board may issue a temporary license to an applicant 16 17 seeking to practice in this state for a limited time and limited purpose [a permanent license, including a person seeking a license 18 by reciprocity under Section 501.262,] if the applicant: 19 (1) pays the required application fee; 20 21 (2) submits an application to the board in the form prescribed by the board; 22 is licensed, certified, or registered 23 (3) as а 24 psychologist or psychological associate by another state having requirements substantially equal to those prescribed by this 25 26 chapter; (4) is in good standing with the regulatory agency of 27

1 the jurisdiction in which the person is licensed, certified, or 2 registered;

3 (5) is supervised by a person licensed by the board 4 under this chapter with whom the temporary license holder may 5 consult during the time the person holds a temporary license; and

6 (6) [(5)] has passed an examination recognized by the 7 board as equivalent to the examination required by the board for a 8 permanent license under this chapter.

9 (b) A temporary license is valid <u>only for the period</u> 10 <u>specified by the board and for the limited purpose approved by the</u> 11 board [until the earlier of:

12 [(1) the date the board approves or denies the 13 temporary license holder's application for a permanent license; or

14 [(2) the first anniversary of the date the board
 15 issues the temporary license if no action is taken by the board].

SECTION 19. Section 501.304, Occupations Code, is amended by adding Subsection (e) to read as follows:

18 (e) The process developed under Subsection (c)(1) may 19 include a process under which the board evaluates and approves 20 appropriate courses for the continuing education program that are 21 developed or approved for license holders by national and state 22 associations that represent license holders, by other mental health 23 professional associations, and by institutions of higher 24 education.

25 SECTION 20. Section 501.404, Occupations Code, is amended 26 to read as follows:

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Sec. 501.404. SCHEDULE OF SANCTIONS. (a) The board by rule

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1	shall adopt a [broad] schedule of <u>the disciplinary</u> sanctions <u>that</u>
2	the board may impose under this chapter. In adopting the schedule
3	of sanctions, the board shall ensure that the severity of the
4	sanction imposed is appropriate to the type of violation or conduct
5	that is the basis for disciplinary action [for violations under
6	this chapter].
7	(b) In determining the appropriate disciplinary action,
8	including the amount of any administrative penalty to assess, the
9	board shall consider whether the person:
10	(1) is being disciplined for multiple violations of
11	either this chapter or a rule or order adopted under this chapter;
12	or
13	(2) has previously been the subject of disciplinary
14	action by the board.
15	(c) In the case of a person described by:
16	(1) Subsection (b)(1), the board shall consider taking
17	a more severe disciplinary action, including revocation of the
18	person's license, than the disciplinary action that would be taken
19	for a single violation; and
20	(2) Subsection (b)(2), the board shall consider taking
21	a more severe disciplinary action, including revocation of the
22	person's license, than the disciplinary action that would be taken
23	for a person who has not previously been the subject of disciplinary
24	action by the board.
25	(d) The State Office of Administrative Hearings shall use
26	the schedule for any sanction imposed as the result of a hearing

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27 conducted by that office.

C.S.H.B. No. 1015 1 SECTION 21. Section 501.410(b), Occupations Code, is 2 amended to read as follows: Rules adopted under Subsection (a) must: 3 (b) 4 (1) provide the complainant and the license holder an 5 opportunity to be heard; [and] 6 (2) require the presence of a member of the board's legal staff, if the board has a legal staff, or, if the board does 7 8 not have a legal staff, a representative of the attorney general's office to advise the board or board employees; and 9 10 (3) require the presence of at least one public member of the board. 11 SECTION 22. Subchapter K, Chapter 501, Occupations Code, is 12 amended by adding Section 501.505 to read as follows: 13 14 Sec. 501.505. OPTION TO ORDER REFUND. (a) Under an 15 agreement resulting from an informal settlement conference, the board may order a license holder to refund to the person who paid 16 for the psychological services at issue an amount not to exceed the 17 amount the person paid to the license holder for a service regulated 18 by this chapter instead of or in addition to imposing an 19 administrative penalty under this chapter. 20 21 (b) The board may not include an estimation of other damages or harm in a refund order. 22 SECTION 23. Article 60.061(a), Code of Criminal Procedure, 23 24 is amended to read as follows: (a) The Texas State Board of Medical Examiners, the Texas 25 State Board of Podiatric Medical Examiners, the State Board of 26 Dental Examiners, the Texas State Board of Pharmacy, the Texas 27

State Board of Examiners of Psychologists, and the State Board of 1 2 Veterinary Medical Examiners shall provide to the Department of 3 Public Safety through electronic means, magnetic tape, or disk, as specified by the department, a list including the name, date of 4 5 birth, and any other personal descriptive information required by 6 the department for each person licensed by the respective agency. 7 Each agency shall update this information and submit to the 8 Department of Public Safety the updated information quarterly.

9 SECTION 24. Subchapter H, Chapter 501, Occupations Code, is 10 repealed.

SECTION 25. The Psychological Associate Advisory Committee is abolished.

SECTION 26. The changes in law made by this Act to Section 13 501.053, Occupations Code, do not affect the entitlement of a 14 member serving on the Texas State Board of Examiners of 15 Psychologists immediately before September 1, 2005, to continue to 16 17 serve and function as a member of the Texas State Board of Examiners of Psychologists for the remainder of the term the member is serving 18 19 on that date. Those changes in law apply only to a member appointed on or after September 1, 2005. 20

SECTION 27. The work group established under Section 501.2561, Occupations Code, as added by this Act, shall submit the group's first report to the Texas State Board of Examiners of Psychologists in time for the board to make necessary modifications to the oral examination that will be administered in January 2007. SECTION 28. This Act takes effect September 1, 2005.