

By: Watson

S.B. No. 778

Substitute the following for S.B. No. 778:

By: Kuempel

C.S.S.B. No. 778

A BILL TO BE ENTITLED

AN ACT

relating to the licensing and regulation of identity recovery service contract providers and the inclusion of identity recovery service agreements in certain service contracts and vehicle protection products; providing penalties.

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

SECTION 1. Section 348.208(b), Finance Code, is amended to read as follows:

(b) A retail installment contract may include as a separate charge an amount for:

(1) motor vehicle property damage or bodily injury liability insurance;

(2) mechanical breakdown insurance;

(3) participation in a motor vehicle theft protection plan;

(4) insurance to reimburse the retail buyer for the amount computed by subtracting the proceeds of the buyer's basic collision policy on the motor vehicle from the amount owed on the vehicle if the vehicle has been rendered a total loss; ~~or~~

(5) a warranty or service contract relating to the motor vehicle; or

(6) an identity recovery service contract defined by Section 1306.003, Occupations Code.

SECTION 2. Section 1304.003(b), Occupations Code, is

1 amended to read as follows:

2 (b) A service contract may also provide for:

3 (1) incidental payment or indemnity under limited
4 circumstances, including towing, rental, and emergency road
5 service; ~~[or]~~

6 (2) the repair or replacement of a product for damage
7 resulting from a power surge or for accidental damage incurred in
8 handling the product; or

9 (3) identity recovery, as defined by Section 1306.002,
10 if the service contract is financed under Chapter 348, Finance
11 Code.

12 SECTION 3. Title 8, Occupations Code, is amended by adding
13 Chapter 1306 to read as follows:

14 CHAPTER 1306. IDENTITY RECOVERY SERVICE CONTRACT PROVIDERS AND
15 ADMINISTRATORS

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1306.001. SHORT TITLE. This chapter may be cited as
18 the Identity Recovery Service Contract Regulatory Act.

19 Sec. 1306.002. DEFINITIONS. In this chapter:

20 (1) "Administrator" means a person, other than the
21 provider of the identity recovery service contract or an employee
22 of the provider, who is responsible for the third-party
23 administration of an identity recovery service contract.

24 (2) "Commission" means the Texas Commission of
25 Licensing and Regulation.

26 (3) "Consumer" means an individual who, for a purpose
27 other than resale, buys a motor vehicle that is:

1 (A) distributed in commerce; and

2 (B) normally used for personal, family, or
3 household purposes and not for business or research purposes.

4 (4) "Department" means the Texas Department of
5 Licensing and Regulation.

6 (5) "Executive director" means the executive director
7 of the department.

8 (6) "Identity recovery" means a process, through a
9 limited power of attorney and the assistance of an identity
10 recovery expert, that returns the identity of an identity theft
11 victim to pre-identity theft event status.

12 (7) "Identity recovery service contract holder" means
13 a person who purchases or otherwise holds an identity recovery
14 service contract.

15 (8) "Person" means an individual or an association,
16 company, corporation, partnership, or other group.

17 (9) "Provider" means a person who is contractually
18 obligated to an identity recovery service contract holder under the
19 terms of an identity recovery service contract.

20 (10) "Reimbursement insurance policy" means a policy
21 of insurance issued to a provider to:

22 (A) reimburse the provider under an identity
23 recovery service contract the provider issued or sold; or

24 (B) pay on behalf of the provider all covered
25 contractual obligations that are incurred by the provider under an
26 identity recovery service contract the provider issued or sold and
27 that the provider does not perform.

1 Sec. 1306.003. IDENTITY RECOVERY SERVICE CONTRACT. In this
2 chapter, "identity recovery service contract" means an agreement:

- 3 (1) to provide identity recovery;
4 (2) that is entered into for a separately stated
5 consideration and for a specified term; and
6 (3) that is financed through a retail installment
7 contract under Chapter 348, Finance Code.

8 Sec. 1306.004. CONTROLLING PERSON. (a) In this chapter,
9 "controlling person" means an individual who:

- 10 (1) possesses direct or indirect control of at least
11 25 percent of the voting securities of a corporation;
12 (2) possesses the authority to set policy and direct
13 the management of a business entity;
14 (3) is the president, the secretary, or a director of a
15 corporation; or
16 (4) is a general partner of a partnership.

17 (b) An individual who is a controlling person of a
18 corporation or other business entity that is the general partner of
19 a limited partnership is a controlling person of the limited
20 partnership.

21 Sec. 1306.005. EXEMPTIONS. This chapter does not apply to:

- 22 (1) an identity recovery service contract sold or
23 offered for sale to a person who is not a consumer; or
24 (2) an identity recovery service contract sold by a
25 motor vehicle dealer on a motor vehicle sold by that dealer, if the
26 dealer:

- 27 (A) is the provider;

1 (B) is licensed as a motor vehicle dealer under
2 Chapter 2301; and

3 (C) covers its obligations under the identity
4 recovery service contract with a reimbursement insurance policy.

5 Sec. 1306.006. EXEMPTIONS FROM CERTAIN OTHER LAWS.
6 Marketing, selling, offering for sale, issuing, making, proposing
7 to make, and administering an identity recovery service contract
8 are exempt from the Insurance Code and other laws of this state
9 regulating the business of insurance.

10 Sec. 1306.007. PURCHASE REQUIREMENT PROHIBITED. A person
11 regulated by Chapter 2301 may not require the purchase of an
12 identity recovery service contract as a condition of a loan or the
13 sale of a vehicle.

14 Sec. 1306.008. GENERAL INVESTIGATIVE POWER OF EXECUTIVE
15 DIRECTOR. (a) The executive director may investigate a provider,
16 administrator, or other person as necessary to enforce this chapter
17 and protect identity recovery service contract holders in this
18 state.

19 (b) On request of the executive director, a provider shall
20 make the records required by Section 1306.105 available to the
21 executive director as necessary to enable the executive director to
22 reasonably determine compliance with this chapter.

23 [Sections 1306.009-1306.050 reserved for expansion]

24 SUBCHAPTER B. REGISTRATION REQUIREMENTS

25 Sec. 1306.051. REGISTRATION REQUIRED; EXEMPTION FROM OTHER
26 LICENSING REQUIREMENTS. (a) A person may not operate as a provider
27 or administrator of identity recovery service contracts sold in

1 this state unless the person is registered with the department.

2 (b) Except for the registration requirement of this
3 subchapter, a provider, identity recovery service contract seller,
4 administrator, or other person who markets, sells, or offers to
5 sell identity recovery service contracts is exempt from any
6 licensing requirement of this state that relates to an activity
7 regulated under this chapter.

8 (c) If a person registered under Chapter 1304 registers
9 under Chapter 1306, the financial security used to comply with
10 Section 1304.151 fulfills the requirements of Section 1306.101.

11 Sec. 1306.052. APPLICATION FOR REGISTRATION OR RENEWAL;
12 GENERAL REQUIREMENTS. (a) An applicant for registration or
13 registration renewal must submit an application to the executive
14 director.

15 (b) The application must:

16 (1) be in the form prescribed by the executive
17 director; and

18 (2) include evidence satisfactory to the executive
19 director of compliance with the applicable financial security
20 requirements prescribed by Section 1306.101, if the application is
21 for a provider registration or renewal.

22 (c) The department may refuse to issue or renew a
23 registration if the applicant or a controlling person of the
24 applicant has violated this chapter or a rule adopted or order
25 issued by the commission or executive director.

26 (d) A person who makes a false statement in an application
27 or in any document provided with an application is subject to

1 disciplinary action under Subchapter D, including denial of the
2 application or suspension or revocation of a registration.

3 Sec. 1306.053. ADDITIONAL REGISTRATION AND RENEWAL
4 REQUIREMENTS FOR PROVIDERS. (a) In addition to the requirements of
5 Section 1306.052, an applicant for issuance or renewal of a
6 provider registration must file with the application:

7 (1) the reimbursement insurance policy required by
8 Section 1306.102, if the provider is using a reimbursement
9 insurance policy; and

10 (2) a biographical affidavit, in a form prescribed by
11 the executive director, for each controlling person of the
12 provider.

13 (b) The executive director may not issue or renew a
14 registration to a provider unless the provider provides evidence to
15 the executive director that:

16 (1) each controlling person of the provider is
17 trustworthy and can competently manage the affairs of the provider
18 in compliance with this chapter; and

19 (2) the provider can meet the provider's obligations
20 under identity recovery service contracts and this chapter.

21 Sec. 1306.054. FEES. (a) As prescribed by this section, a
22 provider must pay annual registration and renewal fees and
23 quarterly fees based on the number of identity recovery service
24 contracts sold or issued and in force in this state. As prescribed
25 by this section, an administrator must pay annual registration and
26 renewal fees.

27 (b) To register or renew a registration, a provider or

1 administrator must pay the appropriate fee. The commission shall
2 set by rule the amounts of the registration and renewal fees
3 required to cover the costs of administering this chapter.

4 (c) Not later than the 30th day after the date each calendar
5 quarter ends, a provider must report to the department the number of
6 identity recovery service contracts sold or issued to consumers in
7 this state during the calendar quarter and submit to the department
8 a fee equal to \$1 for each of those contracts.

9 (d) The information concerning the number of identity
10 recovery service contracts sold or issued by a provider that is
11 submitted under Subsection (c):

12 (1) is a trade secret to which Section 552.110,
13 Government Code, applies; and

14 (2) may be used only by the executive director and the
15 department for the purposes of this section.

16 (e) The commission shall adopt rules to implement this
17 section.

18 Sec. 1306.055. RENEWAL. The commission shall adopt rules
19 regarding the renewal of a registration issued under this chapter.

20 [Sections 1306.056-1306.100 reserved for expansion]

21 SUBCHAPTER C. PRACTICE BY IDENTITY RECOVERY SERVICE CONTRACT

22 PROVIDERS AND ADMINISTRATORS

23 Sec. 1306.101. FINANCIAL SECURITY REQUIREMENTS. (a) To
24 ensure the faithful performance of a provider's obligations to its
25 identity recovery service contract holders, each provider must:

26 (1) insure the provider's identity recovery service
27 contracts under a reimbursement insurance policy issued by an

insurer authorized to transact insurance in this state or by a surplus lines insurer eligible to place coverage in this state under Chapter 981, Insurance Code;

(2) maintain a funded reserve account covering the provider's obligations under its identity recovery service contracts that are issued and outstanding in this state and place in trust with the executive director a financial security deposit consisting of:

(A) a surety bond issued by an authorized surety;

(B) securities of the type eligible for deposit by an authorized insurer in this state;

(C) a statutory deposit of cash or cash equivalents;

(D) a letter of credit issued by a qualified financial institution; or

(E) another form of security prescribed by rules adopted by the commission; or

(3) maintain, or have a parent company that maintains, a net worth or stockholders' equity of at least \$100 million.

(b) If the provider ensures its obligations under Subsection (a)(2), the amount maintained in the reserve account may not be less than an amount equal to 40 percent of the gross consideration the provider received from consumers from the sale of all identity recovery service contracts issued and outstanding in this state, minus any claims paid. The executive director may review and examine the reserve account. The amount of the security deposit may not be less than the greater of:

1 (1) \$25,000; or

2 (2) an amount equal to five percent of the gross
3 consideration the provider received from consumers from the sale of
4 all identity recovery service contracts issued and outstanding in
5 this state, minus any claims paid.

6 (c) If the provider ensures its obligations under
7 Subsection (a)(3), the provider must give to the executive director
8 on request:

9 (1) a copy of the provider's or the provider's parent
10 company's most recent Form 10-K or Form 20-F filed with the
11 Securities and Exchange Commission within the preceding calendar
12 year; or

13 (2) if the provider or the provider's parent company
14 does not file with the Securities and Exchange Commission, a copy of
15 the provider's or the provider's parent company's audited financial
16 statements showing a net worth of the provider or its parent company
17 of at least \$100 million.

18 (d) If the provider's parent company's Form 10-K, Form 20-F,
19 or audited financial statements are filed to show that the provider
20 meets the financial security requirement, the parent company shall
21 agree to guarantee the obligations of the provider relating to
22 identity recovery service contracts sold by the provider in this
23 state.

24 (e) The executive director may not require a provider to
25 meet any additional financial security requirement.

26 Sec. 1306.102. REIMBURSEMENT INSURANCE POLICY. (a) A
27 reimbursement insurance policy that a provider uses to comply with

1 Sections 1306.053 and 1306.101(a)(1) must state that:

2 (1) the insurer that issued the policy shall:

3 (A) reimburse or pay on behalf of the provider
4 any covered amount the provider is legally obligated to pay; or

5 (B) provide the service that the provider is
6 legally obligated to perform according to the provider's
7 contractual obligations under the insured identity recovery
8 service contract;

9 (2) if the covered service is not provided to an
10 identity recovery service contract holder before the 61st day after
11 the date of proof of loss, the insurer shall pay the covered amount
12 directly to the identity recovery service contract holder or
13 provide the required service; and

14 (3) if a refund is not paid to the identity recovery
15 service contract holder or credited to the identity recovery
16 service contract holder's account as required by Section 1306.108,
17 the insurer, after receiving written notice, shall pay the refund
18 amount directly to the identity recovery service contract holder.

19 (b) For a reimbursement insurance policy to comply with
20 Section 1306.101(a)(1), the insurer issuing the policy must:

21 (1) maintain surplus as to policyholders and paid-in
22 capital of at least \$15 million and annually file with the executive
23 director copies of the insurer's audited financial statements,
24 National Association of Insurance Commissioners annual statement,
25 and actuarial certification if the certification is required and
26 filed in the insurer's state of domicile; or

27 (2) maintain surplus as to policyholders and paid-in

capital of at least \$10 million but not more than \$15 million, demonstrate to the satisfaction of the executive director that the insurer maintains a ratio of net written premiums, wherever written, to surplus as to policyholders and paid-in capital of not more than three to one, and annually file with the executive director copies of the insurer's audited financial statements, National Association of Insurance Commissioners annual statement, and actuarial certification if the certification is required and filed in the insurer's state of domicile.

(c) The insurer may not cancel the reimbursement insurance policy until the insurer delivers to the provider and the executive director a written notice of cancellation that complies with the notice requirements prescribed by Subchapters B and C, Chapter 551, Insurance Code, for cancellation of an insurance policy under those subchapters. Cancellation of the policy does not affect the insurer's liability for an identity recovery service contract issued by the provider and insured under the policy before the effective date of the cancellation.

(d) If the insurer or provider cancels the reimbursement insurance policy, the provider named on the policy may not issue a new identity recovery service contract after the effective date of the cancellation unless:

(1) the provider files with the executive director a copy of a new policy that meets the requirements of this section and that provides coverage after that date; or

(2) the provider complies with other financial security requirements provided by Section 1306.101(a).

1 (e) A provider is considered the agent of an insurer that
2 issues a reimbursement insurance policy for purposes of obligating
3 the insurer to the identity recovery service contract holder in
4 accordance with the identity recovery service contract and this
5 chapter. The insurer issuing the reimbursement insurance policy is
6 considered to have received the premium for the policy on the date
7 the identity recovery service contract holder pays the purchase
8 price of the identity recovery service contract.

9 (f) This chapter does not prevent or limit the right of the
10 insurer to seek indemnification or subrogation against a provider
11 for any amount the insurer pays or is obligated to pay to an
12 identity recovery service contract holder on behalf of the
13 provider.

14 (g) In this section, "net written premiums" means the sum of
15 direct written premiums and assumed reinsurance premiums, minus
16 ceded reinsurance premiums.

17 Sec. 1306.103. APPOINTMENT AND RESPONSIBILITIES OF
18 ADMINISTRATOR. (a) A provider may appoint an administrator
19 registered under this chapter to be responsible for:

20 (1) all or any part of the administration or sale of
21 identity recovery service contracts; and

22 (2) compliance with this chapter, except for Section
23 1306.101.

24 (b) The appointment of an administrator under this section
25 does not affect a provider's responsibility to comply with this
26 chapter.

27 Sec. 1306.104. PROVIDER REQUIREMENTS. A provider may not

1 sell, offer for sale, or issue an identity recovery service
2 contract in this state unless the provider gives the identity
3 recovery service contract holder:

4 (1) a receipt for, or other written evidence of, the
5 purchase of the contract; and

6 (2) a copy of the contract within a reasonable period
7 after the date of purchase.

8 Sec. 1306.105. PROVIDER RECORDS. (a) A provider shall
9 maintain accurate accounts, books, and other records regarding
10 transactions regulated under this chapter. The provider's records
11 must include:

12 (1) a copy of each unique form of identity recovery
13 service contract sold;

14 (2) the name and address of each identity recovery
15 service contract holder who provided the holder's name and address;

16 (3) a list of each location at which the provider's
17 identity recovery service contracts are marketed, sold, or offered
18 for sale; and

19 (4) written claims files that contain at least the
20 date and a description of each claim related to the identity
21 recovery service contracts.

22 (b) The records required by this section may be maintained
23 in an electronic medium or through other recordkeeping technology.
24 If a record is not in a hard copy, the provider must be able to
25 reformat the record into a legible hard copy at the request of the
26 executive director.

27 (c) Except as provided by Subsection (d), a provider shall

1 retain the records required by this section until at least the first
2 anniversary of the expiration date of the specified period of
3 coverage under the identity recovery service contract.

4 (d) A provider that discontinues business in this state
5 shall retain its records until the provider furnishes the executive
6 director with proof satisfactory to the executive director that the
7 provider has discharged all obligations to identity recovery
8 service contract holders in this state.

9 (e) An administrator appointed to maintain the provider's
10 records is responsible for compliance with this section to the same
11 extent as the provider.

12 Sec. 1306.106. FORM OF IDENTITY RECOVERY SERVICE CONTRACT
13 AND REQUIRED DISCLOSURES. (a) An identity recovery service
14 contract marketed, sold, offered for sale, issued, made, proposed
15 to be made, or administered in this state must:

16 (1) be written, printed, or typed in clear,
17 understandable language that is easy to read;

18 (2) state the name and address of the provider;

19 (3) state the purchase price of the contract and the
20 terms under which the contract is sold;

21 (4) state the terms and restrictions governing
22 cancellation of the contract by the provider or the identity
23 recovery service contract holder before the expiration date of the
24 contract;

25 (5) identify:

26 (A) any administrator;

27 (B) the contract seller; and

1 (C) the identity recovery service contract
2 holder, if the identity recovery service contract holder provides
3 the holder's name;

4 (6) state the amount of any deductible;

5 (7) specify the services to be provided under the
6 contract and any limitation, exception, or exclusion;

7 (8) specify any restriction governing the
8 transferability of the contract; and

9 (9) state the duties of the identity recovery service
10 contract holder, including any duty to protect against any further
11 damage and any requirement to follow the instructions in the
12 identity recovery service contract.

13 (b) The identity of a person described by Subsection (a)(5)
14 is not required to be preprinted on the identity recovery service
15 contract and may be added to the contract at the time of sale.

16 (c) The purchase price is not required to be preprinted on
17 the identity recovery service contract and may be negotiated with
18 the identity recovery service contract holder at the time of sale.

19 (d) An identity recovery service contract insured under a
20 reimbursement insurance policy under Section 1306.102 must:

21 (1) state the name and address of the insurer;

22 (2) state that the identity recovery service contract
23 holder may apply for reimbursement directly to the insurer if:

24 (A) a covered service is not provided to the
25 identity recovery service contract holder by the provider before
26 the 61st day after the date of proof of loss; or

27 (B) a refund or credit is not paid before the 46th

day after the date on which the contract is returned to the provider under Section 1306.107; and

(3) contain a statement substantially similar to the following: "Obligations of the provider under this identity recovery service contract are insured under an identity recovery service contract reimbursement insurance policy."

(e) An identity recovery service contract that is not insured under a reimbursement insurance policy must contain a statement substantially similar to the following: "Obligations of the provider under this identity recovery service contract are backed by the full faith and credit of the provider."

Sec. 1306.107. RETURNING AN IDENTITY RECOVERY SERVICE CONTRACT. An identity recovery service contract must require the provider to allow the identity recovery service contract holder to return the contract to the provider not later than:

(1) the 20th day after the date the contract is mailed to the identity recovery service contract holder; or

(2) the 10th day after the date of delivery, if the contract is delivered to the identity recovery service contract holder at the time of sale.

Sec. 1306.108. VOIDING AN IDENTITY RECOVERY SERVICE CONTRACT. (a) If an identity recovery service contract holder returns an identity recovery service contract in accordance with Section 1306.107 and a claim has not been made under the contract before the contract is returned, the contract is void.

(b) An identity recovery service contract holder may void the identity recovery service contract at a later time as provided

1 by the contract.

2 (c) If an identity recovery service contract is voided under
3 Subsection (a), the provider shall refund to the identity recovery
4 service contract holder or credit to the account of the identity
5 recovery service contract holder the full purchase price of the
6 contract. If the provider does not pay the refund or credit the
7 identity recovery service contract holder's account before the 46th
8 day after the date the contract is returned to the provider, the
9 provider is liable to the identity recovery service contract holder
10 for a penalty each month an amount remains outstanding. The monthly
11 penalty may not exceed 10 percent of the amount outstanding.

12 (d) The right to void an identity recovery service contract
13 is not transferable.

14 Sec. 1306.109. CANCELING AN IDENTITY RECOVERY SERVICE
15 CONTRACT. (a) A provider may cancel an identity recovery service
16 contract by mailing a written notice of cancellation to the
17 identity recovery service contract holder at the identity recovery
18 service contract holder's last known address according to the
19 records of the provider. The provider must mail the notice before
20 the fifth day preceding the effective date of the cancellation. The
21 notice must state the effective date of the cancellation and the
22 reason for the cancellation.

23 (b) The provider is not required to provide prior notice of
24 cancellation if the identity recovery service contract is canceled
25 because of:

- 26 (1) nonpayment of the consideration for the contract;
27 (2) a material misrepresentation by the identity

recovery service contract holder to the provider; or

(3) a substantial breach of a duty by the identity recovery service contract holder.

Sec. 1306.110. LIMITATIONS ON PROVIDER NAME. (a) A provider may not use a name that:

(1) includes "insurance," "casualty," "surety," or "mutual" or any other word descriptive of the insurance, casualty, or surety business; or

(2) is deceptively similar to the name or description of an insurance or surety corporation or to the name of any other provider.

(b) A provider may include in its name "guaranty" or a similar word.

(c) This section does not apply to a provider that, before September 1, 2009, included a word prohibited under this section in its name. A provider described by this subsection must include in each identity recovery service contract a statement substantially similar to the following: "This agreement is not an insurance contract."

Sec. 1306.111. MISLEADING STATEMENTS PROHIBITED. A provider or the provider's representative may not, in the provider's identity recovery service contracts or literature:

(1) make, permit, or cause to be made any false or misleading statement; or

(2) deliberately omit a material statement if the omission would be considered misleading.

[Sections 1306.112-1306.150 reserved for expansion]

SUBCHAPTER D. DISCIPLINARY ACTION

Sec. 1306.151. DISCIPLINARY ACTION. On a finding that a ground for disciplinary action exists under this chapter, the commission may impose an administrative sanction, including an administrative penalty as provided by Subchapter F, Chapter 51.

Sec. 1306.152. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) The executive director may institute an action under Section 51.352 for injunctive relief to restrain a violation or a threatened violation of this chapter or an order issued or rule adopted under this chapter.

(b) In addition to the injunctive relief provided by Subsection (a), the executive director may institute an action for a civil penalty as provided by Section 51.352. The amount of a civil penalty assessed under this section may not exceed:

(1) \$2,500 for each violation; or

(2) \$50,000 in the aggregate for all violations of a similar nature.

Sec. 1306.153. MULTIPLE VIOLATIONS. For purposes of this subchapter, violations are of a similar nature if the violations consist of the same or a similar course of conduct, action, or practice, regardless of the number of times the conduct, act, or practice occurred.

Sec. 1306.154. ADMINISTRATIVE PROCEDURE. Sections 51.305, 51.310, and 51.354 apply to disciplinary action taken under this chapter.

SECTION 4. Section 2306.003, Occupations Code, is amended by adding Subsection (c) to read as follows:

1 (c) A vehicle protection product may also include identity
2 recovery, as defined by Section 1306.002, if the vehicle protection
3 product is financed under Chapter 348, Finance Code.

4 SECTION 5. (a) The change in law made by this Act applies to
5 an identity recovery service contract entered into on or after
6 January 1, 2010. An identity recovery service contract entered
7 into before January 1, 2010, is covered by the law in effect on the
8 date the contract was entered into, and the former law is continued
9 in effect for that purpose.

10 (b) Not later than November 1, 2009, the Texas Commission of
11 Licensing and Regulation shall adopt rules to implement Chapter
12 1306, Occupations Code, as added by this Act.

13 SECTION 6. (a) Except as provided by Subsection (b) of this
14 section, this Act takes effect September 1, 2009.

15 (b) Section 1306.051 and Subchapter D, Chapter 1306,
16 Occupations Code, as added by this Act, take effect January 1, 2010.