

By: Burkett

H.B. No. 2909

Substitute the following for H.B. No. 2909:

By: Kuempel

C.S.H.B. No. 2909

A BILL TO BE ENTITLED

AN ACT

relating to reports on and the regulation of certain licensed activities and related organizations.

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

ARTICLE 1. REPORT ON OCCUPATIONAL LICENSING BY COMPTROLLER

SECTION 1.01. Subchapter B, Chapter 403, Government Code, is amended by adding Section 403.03058 to read as follows:

Sec. 403.03058. REPORT ON OCCUPATIONAL LICENSING. (a) Not later than December 31 of each even-numbered year, the comptroller shall prepare and submit to the legislature a report regarding all occupational licenses, including permits, certifications, and registrations, required by this state. The report must include:

(1) for each type of license:

(A) a description of the license;

(B) the department with regulatory authority for the license;

(C) the number of active licenses;

(D) the cost of an initial application for the license and for a renewal of the license; and

(E) the amount of state revenue generated from the issuance and renewal of the license; and

(2) a list of all statutory provisions requiring a license that were abolished during the previous legislative session.

1 (b) The comptroller shall post on its Internet website the
2 report prepared under Subsection (a).

3 ARTICLE 2. CERTIFICATE OF AUTHORITY; OVER-THE-COUNTER SALE OF
4 EPHEDRINE, PSEUDOEPHEDRINE, AND NORPSEUDOEPHEDRINE BY
5 ESTABLISHMENTS OTHER THAN PHARMACIES

6 SECTION 2.01. Sections 486.004(a) and (b), Health and
7 Safety Code, are amended to read as follows:

8 (a) The department shall collect fees for[+
9 ~~[(1) the issuance of a certificate of authority under~~
10 ~~this chapter, and~~
11 ~~[(2)]~~ an inspection performed in enforcing this
12 chapter and rules adopted under this chapter.

13 (b) The executive commissioner by rule shall set the fees in
14 amounts that allow the department to recover the biennial
15 expenditures of state funds by the department in[+]

16 ~~[(1) reviewing applications for the issuance of a~~
17 ~~certificate of authority under this chapter,~~

18 ~~[(2) issuing certificates of authority under this~~
19 ~~chapter,~~

20 ~~[(3) inspecting and auditing a business establishment~~
21 ~~that is issued a certificate of authority under this chapter, and~~

22 ~~[(4) otherwise]~~ implementing and enforcing this
23 chapter.

24 SECTION 2.02. Section 486.0142(b), Health and Safety Code,
25 is amended to read as follows:

26 (b) On application by a business establishment that engages
27 in over-the-counter sales of products containing ephedrine,

1 pseudoephedrine, or norpseudoephedrine [~~in accordance with a~~
2 ~~certificate of authority issued under Section 486.012~~], the
3 department may grant that business establishment a temporary
4 exemption, not to exceed 180 days, from the requirement of using a
5 real-time electronic logging system under this chapter.

6 SECTION 2.03. Section 486.012, Health and Safety Code, is
7 repealed.

8 ARTICLE 3. TITLE ATTORNEY LICENSE; ATTORNEY'S TITLE INSURANCE
9 COMPANY

10 SECTION 3.01. Section 35.001(2), Insurance Code, is amended
11 to read as follows:

12 (2) "Regulated entity" means each insurer,
13 organization, person, or program regulated by the department,
14 including:

15 (A) a domestic or foreign, stock or mutual, life,
16 health, or accident insurance company;

17 (B) a domestic or foreign, stock or mutual, fire
18 or casualty insurance company;

19 (C) a Mexican casualty company;

20 (D) a domestic or foreign Lloyd's plan;

21 (E) a domestic or foreign reciprocal or
22 interinsurance exchange;

23 (F) a domestic or foreign fraternal benefit
24 society;

25 (G) a domestic or foreign title insurance
26 company;

27 (H) [~~an attorney's title insurance company,~~

- 1 ~~(I)~~ a stipulated premium company;
- 2 (I) ~~(J)~~ a nonprofit legal service corporation;
- 3 (J) ~~(K)~~ a health maintenance organization;
- 4 (K) ~~(L)~~ a statewide mutual assessment company;
- 5 (L) ~~(M)~~ a local mutual aid association;
- 6 (M) ~~(N)~~ a local mutual burial association;
- 7 (N) ~~(O)~~ an association exempt under Section
- 8 887.102;
- 9 (O) ~~(P)~~ a nonprofit hospital, medical, or
- 10 dental service corporation, including a company subject to Chapter
- 11 842;
- 12 (P) ~~(Q)~~ a county mutual insurance company;
- 13 (Q) ~~(R)~~ a farm mutual insurance company; and
- 14 (R) ~~(S)~~ an agency or agent of an insurer,

15 organization, person, or program described by this subdivision.

16 SECTION 3.02. Section 82.002(a), Insurance Code, is amended

17 to read as follows:

18 (a) This chapter applies to each company regulated by the

19 commissioner, including:

- 20 (1) a domestic or foreign, stock or mutual, life,
- 21 health, or accident insurance company;
- 22 (2) a domestic or foreign, stock or mutual, fire or
- 23 casualty insurance company;
- 24 (3) a Mexican casualty company;
- 25 (4) a domestic or foreign Lloyd's plan insurer;
- 26 (5) a domestic or foreign reciprocal or interinsurance
- 27 exchange;

- (6) a domestic or foreign fraternal benefit society;
- (7) a domestic or foreign title insurance company;
- (8) ~~[an attorney's title insurance company;~~
- ~~[(9)]~~ a stipulated premium insurance company;
- (9) ~~[(10)]~~ a nonprofit legal service corporation;
- (10) ~~[(11)]~~ a health maintenance organization;
- (11) ~~[(12)]~~ a statewide mutual assessment company;
- (12) ~~[(13)]~~ a local mutual aid association;
- (13) ~~[(14)]~~ a local mutual burial association;
- (14) ~~[(15)]~~ an association exempt under Section [887.102](#);
- (15) ~~[(16)]~~ a nonprofit hospital, medical, or dental service corporation, including a company subject to Chapter [842](#);
- (16) ~~[(17)]~~ a county mutual insurance company; and
- (17) ~~[(18)]~~ a farm mutual insurance company.

SECTION 3.03. Section [83.002](#)(a), Insurance Code, is amended to read as follows:

(a) This chapter applies to each company regulated by the commissioner, including:

- (1) a domestic or foreign, stock or mutual, life, health, or accident insurance company;
- (2) a domestic or foreign, stock or mutual, fire or casualty insurance company;
- (3) a Mexican casualty company;
- (4) a domestic or foreign Lloyd's plan insurer;
- (5) a domestic or foreign reciprocal or interinsurance exchange;

- (6) a domestic or foreign fraternal benefit society;
 - (7) a domestic or foreign title insurance company;
 - (8) ~~[an attorney's title insurance company;~~
 - ~~[(9)]~~ a stipulated premium insurance company;
 - (9) ~~[(10)]~~ a nonprofit legal service corporation;
 - (10) ~~[(11)]~~ a statewide mutual assessment company;
 - (11) ~~[(12)]~~ a local mutual aid association;
 - (12) ~~[(13)]~~ a local mutual burial association;
 - (13) ~~[(14)]~~ an association exempt under Section
- 887.102;
- (14) ~~[(15)]~~ a nonprofit hospital, medical, or dental
- service corporation, including a company subject to Chapter 842;
- (15) ~~[(16)]~~ a county mutual insurance company; and
 - (16) ~~[(17)]~~ a farm mutual insurance company.

SECTION 3.04. Section 554.001, Insurance Code, is amended to read as follows:

Sec. 554.001. APPLICABILITY OF CHAPTER. This chapter applies to each insurer or health maintenance organization engaged in the business of insurance or the business of a health maintenance organization in this state, regardless of form and however organized, including:

- (1) a stock life, health, or accident insurance company;
- (2) a mutual life, health, or accident insurance company;
- (3) a stock fire or casualty insurance company;
- (4) a mutual fire or casualty insurance company;

(5) a Mexican casualty insurance company;

(6) a Lloyd's plan;

(7) a reciprocal or interinsurance exchange;

(8) a fraternal benefit society;

(9) a title insurance company;

(10) ~~[an attorney's title insurance company,~~

~~[(11)]~~ a stipulated premium company;

(11) ~~[(12)]~~ a nonprofit legal services corporation;

(12) ~~[(13)]~~ a statewide mutual assessment company;

(13) ~~[(14)]~~ a local mutual aid association;

(14) ~~[(15)]~~ a local mutual burial association;

(15) ~~[(16)]~~ an association exempt under Section

887.102;

(16) ~~[(17)]~~ a nonprofit hospital, medical, or dental

service corporation, including a corporation subject to Chapter

842;

(17) ~~[(18)]~~ a county mutual insurance company;

(18) ~~[(19)]~~ a farm mutual insurance company; and

(19) ~~[(20)]~~ an insurer or health maintenance

organization engaged in the business of insurance or the business

of a health maintenance organization in this state that does not

hold a certificate of authority issued by the department or is not

otherwise authorized to engage in business in this state.

SECTION 3.05. Section 703.001, Insurance Code, is amended

to read as follows:

Sec. 703.001. DEFINITION. In this chapter, "covered

entity" means a health maintenance organization or insurer

regulated by the department, including:

(1) a stock life, health, or accident insurance company;

(2) a mutual life, health, or accident insurance company;

(3) a stock fire or casualty insurance company;

(4) a mutual fire or casualty insurance company;

(5) a Mexican casualty insurance company;

(6) a Lloyd's plan;

(7) a reciprocal or interinsurance exchange;

(8) a fraternal benefit society;

(9) a title insurance company;

~~(10) [an attorney's title insurance company;~~

~~[(11)]~~ a stipulated premium company;

(11) ~~[(12)]~~ a nonprofit legal services corporation;

(12) ~~[(13)]~~ a statewide mutual assessment company;

(13) ~~[(14)]~~ a local mutual aid association;

(14) ~~[(15)]~~ a local mutual burial association;

(15) ~~[(16)]~~ an association exempt under Section 887.102;

(16) ~~[(17)]~~ a nonprofit hospital, medical, or dental service corporation, including a corporation subject to Chapter 842;

(17) ~~[(18)]~~ a county mutual insurance company; and

(18) ~~[(19)]~~ a farm mutual insurance company.

SECTION 3.06. Section 802.051, Insurance Code, is amended to read as follows:

Sec. 802.051. APPLICABILITY OF SUBCHAPTER. This subchapter applies to each company regulated by the commissioner, including:

(1) a stock life, health, or accident insurance company;

(2) a mutual life, health, or accident insurance company;

(3) a stock fire or casualty insurance company;

(4) a mutual fire or casualty insurance company;

(5) a Mexican casualty company;

(6) a Lloyd's plan;

(7) a reciprocal or interinsurance exchange;

(8) a fraternal benefit society;

(9) a title insurance company;

(10) ~~[an attorney's title insurance company;~~

~~[(11)]~~ a stipulated premium insurance company;

(11) ~~[(12)]~~ a nonprofit legal service corporation;

(12) ~~[(13)]~~ a health maintenance organization;

(13) ~~[(14)]~~ a statewide mutual assessment company;

(14) ~~[(15)]~~ a local mutual aid association;

(15) ~~[(16)]~~ a local mutual burial association;

(16) ~~[(17)]~~ an association exempt under Section 887.102;

(17) ~~[(18)]~~ a nonprofit hospital, medical, or dental service corporation, including a company subject to Chapter 842;

(18) ~~[(19)]~~ a county mutual insurance company; and

(19) ~~[(20)]~~ a farm mutual insurance company.

SECTION 3.07. Section 2551.053(a), Insurance Code, is

1 amended to read as follows:

2 (a) A ~~[Except as provided by Section 2552.053(b), a]~~ title
3 insurance company must have a paid-up capital of at least \$1 million
4 and a surplus of at least \$1 million.

5 SECTION 3.08. Section 2602.003(2), Insurance Code, is
6 amended to read as follows:

7 (2) "Agent" includes:

8 (A) a title insurance agent, as defined by
9 Section 2501.003; and

10 (B) ~~[a title attorney, as defined by Section~~
11 ~~2552.002, and~~

12 ~~[(C)]~~ a direct operation or a title insurance
13 company's wholly owned subsidiary or affiliate that performs the
14 services usually and customarily performed by a title insurance
15 agent.

16 SECTION 3.09. Chapter 2552, Insurance Code, is repealed.

17 ARTICLE 4. EMERGENCY MANAGING GENERAL AGENT LICENSE

18 SECTION 4.01. Section 4053.052, Insurance Code, is
19 repealed.

20 ARTICLE 5. BINGO UNIT MANAGER LICENSE

21 SECTION 5.01. Section 2001.431(4), Occupations Code, is
22 amended to read as follows:

23 (4) "Unit manager" means an individual who is
24 ~~[licensed under this subchapter to be]~~ responsible for the
25 revenues, authorized expenses, and inventory of a unit.

26 SECTION 5.02. The heading to Section 2001.437, Occupations
27 Code, is amended to read as follows:

1 Sec. 2001.437. UNIT MANAGER[~~, LICENSE~~].

2 SECTION 5.03. Section 2001.437(c), Occupations Code, is
3 amended to read as follows:

4 (c) [~~A person may not provide services as a unit manager to~~
5 ~~licensed authorized organizations that form a unit unless the~~
6 ~~person holds a unit manager license under this subchapter.~~] A
7 person designated as an agent under Section 2001.438(b) is not a
8 unit manager on account of that designation for purposes of this
9 section.

10 SECTION 5.04. Sections 2001.437(d), (e), (f), and (g),
11 Occupations Code, are repealed.

12 ARTICLE 6. AGRICULTURAL, INDUSTRIAL, AND WILDLIFE CONTROL
13 FIREWORKS PERMIT

14 SECTION 6.01. Section 2154.152(a), Occupations Code, is
15 amended to read as follows:

16 (a) A person must be a licensed distributor if the person:
17 (1) imports into this state or stores, possesses, and
18 sells Fireworks 1.3G to a licensed pyrotechnic operator or
19 distributor or to a single public display or[~~7~~] multiple public
20 display[~~, or agricultural, industrial, and wildlife control~~
21 ~~fireworks~~] permit holder; or

22 (2) imports or stores, possesses, and sells Fireworks
23 1.4G to a licensed jobber, retailer, or distributor in this state.

24 SECTION 6.02. Section 2154.251(b), Occupations Code, is
25 amended to read as follows:

26 (b) A person may not manufacture, distribute, sell, or use
27 fireworks in a public fireworks display [~~or for agricultural,~~

1 ~~industrial, or wildlife control purposes]~~ without an appropriate
2 license or permit. Fireworks manufactured, distributed, sold, or
3 used without an appropriate license or permit are illegal
4 fireworks.

5 SECTION 6.03. Section [2154.203](#), Occupations Code, is
6 repealed.

7 ARTICLE 7. TRANSITION AND EFFECTIVE DATE

8 SECTION 7.01. Not later than December 31, 2018, the
9 comptroller of public accounts shall provide the initial report to
10 the legislature as required by Section 403.03058, Government Code,
11 as added by this Act.

12 SECTION 7.02. The changes in law made by this Act do not
13 affect the right of any individual licensed before the effective
14 date of this Act to engage in the applicable occupation for the
15 remainder of the term for which the license was issued.

16 SECTION 7.03. This Act takes effect immediately if it
17 receives a vote of two-thirds of all the members elected to each
18 house, as provided by Section [39](#), Article III, Texas Constitution.
19 If this Act does not receive the vote necessary for immediate
20 effect, this Act takes effect September 1, 2017.