

## **BILL ANALYSIS**

Senate Research Center  
86R2112 JCG-D

S.B. 616  
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Veteran Affairs & Border Security  
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### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Sunset Advisory Commission's recommendations focus on the Department of Public Safety of the State of Texas' (DPS) administrative operations and non-law enforcement functions. While DPS rightfully prioritizes its police work, it must also carefully administer its other important duties.

#### Major Provisions in Sunset Legislation

- Continues DPS for 12 years. (Page 1, Line 19)
- Specifies that if the required third-party analysis of the opportunities and challenges of transferring the driver license program to the Texas Department of Motor Vehicles (TxDMV) is not complete by September 1, 2020, the program transfers to TxDMV on September 1, 2021. (Page 103, Line 9 to Page 109, Line 1)
- Extends the term of a non-commercial driver license from six to eight years. (Page 109, Line 2 to Page 110, Line 7)
- Transfers the motorcycle and ATV safety training program from DPS to the Texas Department of Licensing and Regulation (TDLR). (Page 110, Line 8 to Page 127, Line 16)
- Creates the Motorcycle Safety Advisory Board at TDLR. (Page 112, Line 7 to Page 113, Line 9)
- Requires TDLR to partner with the Texas A&M Engineering Extension Service to train and certify instructors and requires the Texas A&M Transportation Institute to conduct research, education, and advocacy. (Page 114, Lines 12-14; Page 115, Lines 7-10; Page 119, Lines 20-27)
- Requires DPS to track and publicly provide crime statistics as part of its border security performance reporting. (Page 3, Lines 9-25)
- Streamlines and simplifies private security regulation.
- Reconstitutes the Private Security Board as an advisory committee to DPS and clarifies that all regulatory authority for the private security program in Texas exists solely with the Public Safety Commission and DPS. (Page 28, Lines 25-26; Page 30, Line 16 to Page 31, Line 20; Page 35, Lines 6-12; and throughout Article 5 of the bill)
- Deregulates seven licenses and registrations for individuals and entities that do not directly provide private security services (partners, shareholders, corporate officers, managers, supervisors, branch offices, and certain administrative employees that operate under a company license). (Throughout Article 5 of the bill - Page 28, Line 11 to Page 103, Line 8)
- Requires individuals who provide private security services to obtain a license rather than a registration or endorsement. (Throughout Article 5 of the bill - Page 28, Line 11 to Page 103, Line 8)
- Discontinues regulation of guard dog companies and trainers, security and alarm system salespersons, private security consultants, and telematics companies like OnStar. (Page 41, Line 13; Page 41, Line 14; Page 85, Line 26 to Page 86, Line 5; and elsewhere in Article 5 of the bill)
- Eliminates unnecessary and duplicative regulation of peyote distributors and chemical and laboratory apparatus sales and transfers. (Page 24, Lines 24-27; Page 22, Lines 9-25; and elsewhere in Article 4 of the bill)
- Standardizes DPS' administration of its numerous regulatory programs by providing DPS a full range of enforcement sanctions and authorizing flexible license renewal

requirements, among other provisions. (throughout Article 3 - Page 3, Line 26 to Page 22, Line 4)

As proposed, S.B. 616 amends current law relating to the continuation and functions of the Department of Public Safety of the State of Texas, the conditional transfer of the driver licensing program to the Texas Department of Motor Vehicles, the abolition of the Texas Private Security Board, the transfer of the motorcycle and off-highway vehicle operator training programs to the Texas Department of Licensing and Regulation, and the regulation of other programs administered by the Department of Public Safety; imposes an administrative penalty; and authorizes and repeals the authorization for fees.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Public Safety Commission (commission) in SECTION 3.002 (Sections 411.504, 411.506, 411.511, and 411.533, Government Code) of this bill.

Rulemaking authority is expressly granted to the commission in SECTION 3.005 (Section 548.4055, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the commission in SECTION 3.006 (Section 548.407, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the commission in SECTION 3.008 (Section 548.506, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the commission in SECTION 3.010 of this bill.

Rulemaking authority is expressly granted to the public safety director of the Department of Public Safety of the State of Texas (director of DPS; DPS) in SECTION 4.012 of this bill.

Rulemaking authority is expressly granted to the commission in SECTION 5.117 of this bill.

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation (TCLR) in SECTION 8.005 (Section 662.0033, Transportation Code) of this bill.

Rulemaking authority is expressly granted to TCLR in SECTION 8.008 (Sections 662.0062 and 662.0066, Transportation Code) of this bill.

Rulemaking authority previously granted to the director of DPS is modified in SECTION 4.010 (Section 487.105, Health and Safety Code) of this bill.

Rulemaking authority previously granted to the Texas Private Security Board (security board) is transferred to the commission in SECTION 5.002 (Section 1702.004, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.016 (Section 1702.061, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.017 (Section 1702.062, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.021 (Section 1702.0645, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.029 (Section 1702.103, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.030 (Section 1702.110, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.038 (Section 1702.1183, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.058 (Section 1702.1675, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.059 (Section 1702.168, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.061 (Section 1702.171, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.067 (Section 1702.204, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.071 (Section 1702.221, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.073 (Section 1702.229, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.080 (Section 1702.236, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.081 (Section 1702.239, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.083 (Section 1702.241, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.088 (Section 1702.288, Occupations Code) of this bill.

Rulemaking authority previously granted to the security board is transferred to the commission in SECTION 5.094 (Section 1702.309, Occupations Code) of this bill.

Rulemaking authority previously granted to DPS is transferred to the commission in SECTION 5.098 (Section 1702.332, Occupations Code) of this bill.

Rulemaking authority previously granted to DPS is transferred to the Texas Department of Motor Vehicles (TxDMV) in SECTION 6.004 of this bill.

Rulemaking authority previously granted to a designated state agency is transferred to TCLR in SECTION 8.010 (Section 662.009, Transportation Code) of this bill.

Rulemaking authority previously granted to a designated state agency is transferred to TCLR in SECTION 8.022 (Section 663.018, Transportation Code) of this bill.

Rulemaking authority previously granted to a designated state agency is transferred to TCLR in SECTION 8.023 (Section 663.019, Transportation Code) of this bill.

Rulemaking authority previously granted to DPS is transferred to TCLR or the Texas Department of Licensing and Regulation, as applicable, in SECTION 8.028 of this bill.

Rulemaking authority previously granted to the security board is rescinded in SECTION 5.113 (Section 1702.0611, Occupations Code) of this bill.

Rulemaking authority previously granted to TxDMV is rescinded in SECTION 6.002 (Section 521.001, Transportation Code) of this bill.

Rulemaking authority previously granted to the commission is rescinded in SECTION 3.009 (Section 1956.041, Occupations Code) of this bill.

Rulemaking authority previously granted to DPS is rescinded in SECTION 3.009 (Section 548.409, Transportation Code) of this bill.

Rulemaking authority previously granted to the security board is rescinded in SECTION 5.113 (Sections 1702.116 and 1702.304, Occupations Code) of this bill.

## **SECTION BY SECTION ANALYSIS**

### **ARTICLE 1. CONTINUATION OF DEPARTMENT OF PUBLIC SAFETY AND MISCELLANEOUS ADMINISTRATIVE PROVISIONS**

SECTION 1.001. Amends Section 411.002(c), Government Code, as follows:

(c) Provides that the Department of Public Safety of the State of Texas (DPS) is subject to Chapter 325, Government Code (Texas Sunset Act). Provides that, unless continued in existence as provided by that chapter, DPS is abolished and Subsections (a) and (b) expire September 1, 2031, rather than September 1, 2019.

SECTION 1.002. Amends Section 411.0031, Government Code, by amending Subsection (b) and adding Subsection (d), as follows:

(b) Deletes existing Subdivisions (5) and (6) and redesignates existing Subdivisions (7) and (8) as Subdivisions (5) and (6). Requires the training program for a person who is appointed to and qualifies for office as a member of the Public Safety Commission (commission) to provide the person with information regarding:

(1) the law governing DPS's operations, rather than the legislation that created DPS and the commission;

(2) the programs, functions, rules, and budget of DPS, rather than the programs operated by DPS;

(3) the scope of and limitations on the rulemaking authority of the commission, rather than the role and functions of DPS;

(4) the results of the most recent formal audit of DPS, rather than the rules of DPS with an emphasis on the rules that relate to disciplinary and investigative authority;

(5) the requirements of:

(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

(B) other laws applicable to members of the commission in performing their duties; and

Makes nonsubstantive changes throughout this subsection.

(6) Makes no further changes to this subdivision.

(d) Requires the public safety director of DPS (director) to create a training manual that includes the information required by Subsection (b). Requires the director to distribute a copy of the training manual annually to each member of the commission. Requires each member of the commission to sign and submit to

the director a statement acknowledging that the member received and has reviewed the training manual.

SECTION 1.003. Repealer: Article 59.11 (Report of Seized and Forfeited Aircraft), Code of Criminal Procedure.

## ARTICLE 2. BORDER SECURITY

SECTION 2.001. Amends Subchapter D, Chapter 411, Government Code, by adding Section 411.055, as follows:

Sec. 411.055. ANNUAL REPORT ON BORDER CRIME AND OTHER CRIMINAL ACTIVITY. (a) Requires DPS, not later than January 30 of each year, to submit to the legislature a report on border crime and other criminal activity. Requires the report to include statistics for each month of the preceding year and yearly totals of all border crime, as defined by Section 772.0071 (Prosecution of Border Crime Grant Program), and other criminal activity, including transnational criminal activity, DPS determines relates to border security that occurred in each county included in a DPS region that is adjacent to the Texas-Mexico border, and to include statewide crime statistics for the crimes reported.

(b) Requires DPS, in compiling the information for the report, to use information available in the National Incident-Based Reporting System of the Uniform Crime Reporting Program of the Federal Bureau of Investigation (FBI) and the Texas Incident-Based Reporting System of DPS.

## ARTICLE 3. METAL RECYCLING, VEHICLE INSPECTION, AND PROVISIONS APPLYING TO MORE THAN ONE REGULATORY PROGRAM

SECTION 3.001. Amends Section 411.0891, Government Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Authorizes DPS, subject to Section 411.087 (Access to Criminal History Record Information Maintained by Federal Bureau of Investigation or Local Criminal Justice Agency), to obtain and use criminal history record information maintained by the FBI or DPS that relates to a person who:

(1) makes no changes to this subdivision;

(2) is an applicant for or holds a registration issued by DPS under Chapter 487 (Texas Compassionate-Use Act), Health and Safety Code, to be a director, manager, or employee of a dispensing organization, as defined by Section 487.001 (Definitions), Health and Safety Code, rather than is an applicant for or holds a chemical precursor transfer permit issued by the director under Section 481.078 (Chemical Precursor Transfer Permit), Health and Safety Code;

(3) is an applicant for or holds an authorization issued by DPS under Section 521.2476 (Minimum Standards for Vendors of Ignition Interlock Devices), Transportation Code, to do business in this state as a vendor of ignition interlock devices, rather than is an applicant for or holds a chemical laboratory apparatus transfer permit issued by the director under Section 481.081 (Chemical Laboratory Apparatus Transfer Permit), Health and Safety Code;

(4) is an applicant for or holds, rather than is an applicant for, certification by DPS as an inspection station or an inspector under Subchapter G (Certification of Inspection Station or Inspector), Chapter 548, Transportation Code, or is the owner of an inspection station operating under that chapter; or

(5) is an applicant for or holds a certificate of registration issued by DPS under Chapter 1956 (Metal Recycling Entities), Occupations Code, to act as a metal recycling entity, rather than is an applicant for approval or has been approved as a program sponsor by DPS under Chapter 662 (Motorcycle Operator Training and Safety), Transportation Code, is an applicant for certification by DPS as an instructor under that chapter, or holds an instructor certificate issued under that chapter.

(d) Authorizes DPS to require any person for whom DPS is authorized to obtain and use criminal history record information maintained by the FBI or DPS under Subsection (a) to submit a complete and legible set of fingerprints to DPS on a form prescribed by DPS for the purpose of obtaining criminal history record information.

SECTION 3.002. Amends Chapter 411, Government Code, by adding Subchapters Q and R, as follows:

#### SUBCHAPTER Q. POWERS AND DUTIES RELATED TO CERTAIN REGULATORY PROGRAMS

Sec. 411.501. DEFINITION. Defines "license."

Sec. 411.502. APPLICABILITY. Provides that this subchapter applies to a program, and persons regulated under the program, administered by DPS under the following laws, including rules adopted under those laws:

- (1) Section 411.0625 (Pass for Expedited Access to Capitol);
- (2) Chapter 487, Health and Safety Code;
- (3) Chapter 1702 (Private Security), Occupations Code;
- (4) Chapter 1956, Occupations Code;
- (5) Section 521.2476, Transportation Code; and
- (6) Subchapter G, Chapter 548, Transportation Code.

Sec. 411.503. FINAL ENFORCEMENT AUTHORITY. (a) Requires the commission, except as provided by Section 411.506(b), to make the final determination in an administrative action against a person for a violation of a law or rule governing a program or person subject to this subchapter.

(b) Prohibits the commission from delegating the duty under Subsection (a).

Sec. 411.504. COMPLAINTS. (a) Requires DPS to maintain a system to promptly and efficiently act on complaints filed with DPS regarding a violation of a law or rule governing a program or person subject to this subchapter. Requires DPS to maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

(b) Requires DPS to make information available describing its procedures for complaint investigation and resolution.

(c) Requires DPS to periodically notify the complaint parties of the status of the complaint until final disposition.

(d) Requires DPS, on written request, to inform the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the information would jeopardize an ongoing investigation.

(e) Requires the commission to adopt rules to implement this section and to establish a procedure for the investigation and resolution of complaints, including a procedure for documenting complaints to DPS from the time of the submission of the initial complaint to the final disposition of the complaint.

Sec. 411.505. INVESTIGATIONS. Authorizes DPS to conduct investigations as necessary to enforce a law or rule governing a program or person subject to this subchapter.

Sec. 411.506. INFORMAL COMPLAINT RESOLUTION AND INFORMAL PROCEEDINGS. (a) Requires the commission by rule to establish procedures for the informal resolution of complaints filed with DPS related to a violation of a law or rule governing a program or person subject to this subchapter, including procedures governing informal disposition of a contested case under Section 2001.056 (Informal Disposition of Contested Case) and procedures governing an informal proceeding held in compliance with Section 2001.054 (Licenses).

(b) Requires any settlement agreement arising from the procedures described by Subsection (a) to be approved by the director or the director's designee.

Sec. 411.507. LICENSE DENIAL; ADMINISTRATIVE SANCTION. (a) Provides that this section applies to a person required to obtain a license under a program subject to this subchapter.

(b) Authorizes the commission to deny an application for, revoke, suspend, or refuse to renew a license or to reprimand a license holder for a violation of a law or rule governing a program subject to this subchapter.

(c) Authorizes the commission to place on probation a person whose license is suspended. Authorizes the commission, if a license suspension is probated, to require the person to report regularly to DPS on matters that are the basis of the probation, to limit practice to the areas prescribed by DPS, or to continue or renew education until the person attains a degree of competency satisfactory to the commission in those areas that are the basis for the probation.

(d) Requires the commission to develop a penalty schedule for each program subject to this subchapter consisting of administrative sanctions authorized under Subsections (b) and (c) based on the severity and frequency of a violation of a law or rule related to the program.

Sec. 411.508. RIGHT TO NOTICE AND HEARING; ADMINISTRATIVE PROCEDURE. (a) Entitles a person, for each program subject to this subchapter, to notice and a hearing if the commission proposes to deny an application for, revoke, suspend, or refuse to renew a license, proposes to reprimand a license holder, or proposes to place a license holder on probation.

(b) Provides that a proceeding to impose an administrative sanction as described by Subsection (a) is a contested case under Chapter 2001 (Administrative Procedure).

(c) Provides that, unless otherwise provided by law, judicial review of an administrative sanction or penalty imposed by the commission is under the substantial evidence rule as provided by Subchapter G, Chapter 2001.

Sec. 411.509. CEASE AND DESIST ORDER. Authorizes DPS to issue a cease and desist order if DPS determines that the action is necessary to prevent a violation of a law or rule governing a program or person subject to this subchapter.

Sec. 411.510. INJUNCTIVE RELIEF. (a) Requires the Texas attorney general (attorney general), on request of DPS, to institute an action for injunctive relief to restrain a person in violation of or threatening to violate a law or rule governing a program or person subject to this subchapter.

(b) Requires an action filed under this section to be filed in a district court in Travis County or in the county in which the violation allegedly occurred or is threatened to occur.

(c) Authorizes the attorney general to recover reasonable expenses incurred in obtaining injunctive relief under this section, including court costs, attorney's fees, investigative costs, witness fees, and deposition expenses.

Sec. 411.511. STAGGERED RENEWAL; PRORATION OF LICENSE FEE. (a) Authorizes the commission by rule to adopt a system under which licenses expire on various dates during the year.

(b) Prohibits a license issued under a program governed by this subchapter from expiring later than the second anniversary of the date the license is issued.

(c) Requires DPS, for the year in which the expiration date of a license is changed, to prorate license fees on a monthly basis so that each license holder pays only that portion of the license fee that is allocable to the number of months during which the license is valid. Provides that, on renewal of the license on the new expiration date, the total license renewal fee is payable.

Sec. 411.512. ANNUAL REGULATORY REPORT. (a) Requires DPS to annually make available on DPS's Internet website a report of regulatory statistics for the preceding state fiscal year for each program subject to this subchapter and aggregate information on all the programs.

(b) Requires the report to include, as applicable, information regarding the number of licenses issued under the program, the number and types of complaints received and resolved by DPS, the number of investigations conducted by DPS, and the number and types of disciplinary actions taken by DPS.

#### SUBCHAPTER R. ADMINISTRATIVE PENALTY

Sec. 411.521. DEFINITION. Defines "license."

Sec. 411.522. APPLICABILITY. Provides that this subchapter applies to a program, and persons regulated under the program, to which Section 411.502 applies.

Sec. 411.523. IMPOSITION OF PENALTY. Authorizes the commission to impose an administrative penalty against a person who violates:

(1) a law establishing a program subject to this subchapter; or

(2) violates a rule adopted or order issued by the commission under a law described by Subdivision (1).

Sec. 411.524. AMOUNT OF PENALTY. (a) Requires the amount of an administrative penalty, if the relevant law establishing a program subject to this subchapter does not state the maximum amount of an administrative penalty under that law, to be assessed by the commission in an amount not to exceed \$5,000 per day for each violation. Provides



that each day a violation continues or occurs is a separate violation for purposes of imposing a penalty.

(b) Requires the amount of the penalty to be based on the seriousness of the violation, the respondent's history of previous violations, the amount necessary to deter a future violation, efforts made by the respondent to correct the violation, and any other matter that justice may require.

(c) Requires the commission to establish a written enforcement plan that provides notice to license holders of the specific ranges of penalties that apply to specific alleged violations and the criteria by which DPS determines the amount of a proposed administrative penalty.

Sec. 411.525. IMPOSITION OF SANCTION. Authorizes a proceeding under this subchapter imposing an administrative penalty to be combined with a proceeding to impose an administrative sanction. Provides that, if a sanction is imposed in a proceeding under this subchapter, the requirements of this subchapter apply to the imposition of the sanction.

Sec. 411.526. NOTICE OF VIOLATION AND PENALTY. Requires DPS, if, after investigation of a possible violation and the facts surrounding the possible violation, DPS determines that a violation occurred, to issue to the respondent a notice of alleged violation stating a brief summary of the alleged violation, the amount of the recommended administrative penalty, and that the respondent has the right to a hearing to contest the alleged violation, the amount of the penalty, or both.

Sec. 411.527. PENALTY TO BE PAID OR HEARING REQUESTED. (a) Authorizes the respondent, not later than the 20th day after the date the respondent receives the notice, to accept DPS's determination and recommended administrative penalty or to make a written request for a hearing on that determination.

(b) Authorizes the commission by order, if the respondent accepts DPS's determination, to approve the determination and require the person to pay the recommended penalty.

Sec. 411.528. HEARING ON RECOMMENDATIONS. (a) Requires a hearing, if the respondent requests a hearing, to be conducted by DPS or the State Office of Administrative Hearings (SOAH).

(b) Requires SOAH consider DPS's applicable substantive rules and policies when conducting a hearing under this subchapter.

(c) Requires a DPS hearing officer or an administrative law judge at SOAH, as applicable, to make findings of fact and conclusions of law and to promptly issue to the commission a proposal for decision as to the occurrence of the violation and the amount of any proposed administrative penalty.

Sec. 411.529. DECISION BY COMMISSION. (a) Authorizes the commission by order, based on the findings of fact, conclusions of law, and proposal for decision, to determine that a violation occurred and impose an administrative penalty or to determine that a violation did not occur.

(b) Requires DPS to give notice of the order to the respondent.

(c) Requires the order under this section to include separate statements of the findings of fact and conclusions of law, the amount of any penalty imposed, a statement of the right of the respondent to judicial review of the order, and any other information required by law.

Sec. 411.530. OPTIONS FOLLOWING DECISION: PAY OR APPEAL. (a) Requires the respondent, not later than the 30th day after the date the commission's order becomes final, to:

(1) pay the penalty; or

(2) file a petition for judicial review contesting the order and:

(A) forward the penalty to DPS for deposit in an escrow account;  
or

(B) give DPS a supersedeas bond in a form approved by DPS that is for the amount of the penalty, and that is effective until judicial review of the decision is final.

(b) Provides that a respondent who is financially unable to comply with Subsection (a)(2) is entitled to judicial review if the respondent files with the court, as part of the respondent's petition for judicial review, a sworn statement that the respondent is unable to meet the requirements of Subsection (a)(2).

Sec. 411.531. COLLECTION OF PENALTY. Authorizes DPS or the attorney general, if the person on whom the administrative penalty is imposed violates Section 411.530(a), to bring an action to collect the penalty.

Sec. 411.532. REMITTANCE OF PENALTY AND INTEREST. (a) Requires DPS, if, after judicial review, the administrative penalty is reduced or not imposed, to remit to the person the appropriate amount, plus accrued interest, if the person paid the amount of the penalty or to execute a release of the bond if the person posted a supersedeas bond.

(b) Provides that the interest paid under Subsection (a)(1) is accrued at the rate charged on loans to depository institutions by the New York Federal Reserve Bank. Requires the interest to be paid for the period beginning on the date the penalty is paid to DPS and ending on the date the penalty is remitted.

Sec. 411.533. ADMINISTRATIVE PROCEDURE. (a) Requires the commission by rule to prescribe procedures for the determination and appeal of a decision to impose an administrative penalty.

(b) Provides that a proceeding under this subchapter to impose an administrative penalty is a contested case under Chapter 2001.

SECTION 3.003. Amends Section 1956.151, Occupations Code, as follows:

Sec. 1956.151. DENIAL OF CERTIFICATE; DISCIPLINARY ACTION. Requires the commission, rather than DPS, to deny an application for a certificate of registration, suspend or revoke a certificate of registration, or reprimand a person who is registered under this chapter if the person:

(1)–(4) makes no changes to these subdivisions.

SECTION 3.004. Amends Sections 548.405(a), (c), and (g), Transportation Code, as follows:

(a) Authorizes the commission, rather than DPS, to deny a person's application for a certificate, revoke or suspend the certificate of a person, inspection station, or inspector, place on probation a person who holds a suspended certificate, or reprimand a person who holds a certificate if:

(1)–(3) makes no changes to these subdivisions;

(4)–(6) makes nonsubstantive changes.

(7) Deletes this subdivision and existing text relating to conviction of the inspector or owner of an inspection station of certain crimes.

(c) Requires a suspension to be for a period of not less than six months if the commission, rather than DPS, suspends a certificate because of a violation of Subchapter F. Deletes existing text prohibiting the suspension from being probated or deferred.

(g) Prohibits the commission, rather than DPS, from suspending, revoking, or denying all certificates of a person who holds more than one inspection station certificate based on a suspension, revocation, or denial of one of that person's inspection station certificates without proof of culpability related to a prior action under this subsection.

SECTION 3.005. Amends Subchapter G, Chapter 548, Transportation Code, by adding Section 548.4055, as follows:

Sec. 548.4055. RULES REGARDING CRIMINAL CONVICTIONS. Requires the commission to adopt rules necessary to comply with Chapter 53 (Consequences of Criminal Conviction), Occupations Code, with respect to the certification of persons under this subchapter. Requires the commission's rules to list the specific offenses for each category of persons regulated under this subchapter for which a conviction would constitute grounds for the commission to take action under Section 53.021 (Authority to Revoke, Suspend, or Deny License), Occupations Code.

SECTION 3.006. Amends Sections 548.407(d) and (e), Transportation Code, as follows:

(d) Authorizes the commission, rather than DPS, to provide that a revocation or suspension takes effect on receipt of notice under Subsection (b) if the commission, rather than DPS, finds that the action is necessary to prevent or remedy a threat to public health, safety, or welfare. Provides that violations that present a threat to public health, safety, or welfare include:

(1)–(10) makes no changes to these subdivisions.

(e) Authorizes the commission to adopt rules to implement this section. Deletes existing text providing that, for purposes of Subsection (d)(10) (relating to a conviction of a felony or a Class A or B misdemeanor that directly relates to or affects the duties or responsibilities of a vehicle inspection station or inspector or a conviction of a similar crime under the jurisdiction of another state or the federal government), a person is convicted of an offense if a court enters against the person an adjudication of the person's guilt, including an order of probation or deferred adjudication.

SECTION 3.007. Amends Subchapter G, Chapter 548, Transportation Code, by adding Section 548.410, as follows:

Sec. 548.410. EXPIRATION OF CERTIFICATE. Provides that a certificate issued to an inspector or an inspection station under this subchapter expires as determined by DPS under Section 411.511, Government Code, but not later than the second anniversary of the date the certificate is issued.

SECTION 3.008. Amends Section 548.506, Transportation Code, as follows:

Sec. 548.506. New heading: FEE FOR CERTIFICATION AS INSPECTOR AND INSPECTION STATION. Requires the commission by rule to establish reasonable and necessary fees for certification as an inspector or inspection station. Deletes existing text requiring an applicant for certification as an inspector to submit with the applicant's first application a fee of \$25 for certification until August 31 of the even-numbered year

following the date of certification and deletes existing text requiring the applicant, to be certified after August 31 of that year, to pay \$25 as a certificate fee for each subsequent two-year period.

SECTION 3.009. Repealer: Section 1956.014(b) (relating to a maximum fee for issuance of a certificate of registration of \$250 annually and a requirement that DPS report annually to the legislature certain costs that are not covered by the fees assessed under this chapter), Occupations Code.

Repealer: Section 1956.014(c) (relating to a requirement that DPS report annually to both houses of the legislature on the number of metal recycling entities who have complied with certain registration requirements and the total number of metal recycling entities identified statewide and that the report include certain additional information), Occupations Code.

Repealer: Section 1956.041(b-2) (relating to a requirement that the commission by rule adopt a standardized penalty schedule for certain violations), Occupations Code.

Repealer: Section 1956.041(c) (relating to authorization to stay the enforcement of an administrative penalty under certain conditions), Occupations Code.

Repealer: Section 1956.041(d) (relating to authorizing the attorney general to sue to collect an administrative penalty), Occupations Code.

Repealer: Section 1956.041(e) (relating to a proceeding to impose an administrative penalty being considered a contested case under Chapter 2001), Occupations Code.

Repealer: Section 1956.041(f) (relating to a requirement that an administrative penalty collected under this section be deposited in a certain account and authorization of the penalty to be appropriated only to DPS), Occupations Code.

Repealer: Section 1956.152 (Investigation), Occupations Code.

Repealer: Section 548.405(b) (relating to a person being convicted of an offense if a court enters against the person an adjudication of the person's guilt, including an order of probation or deferred adjudication, for purposes of Subsection (a)(7)), Transportation Code.

Repealer: Section 548.405(h) (relating to a requirement that DPS, by September 1, 2002, develop a penalty scheduling consisting of certain penalties based on the severity and frequency of offenses committed under Chapter 548 (Compulsory Inspection of Vehicles), Transportation Code, and rules adopted by DPS under this chapter), Transportation Code.

Repealer: Section 548.405(i) (relating to a requirement that DPS, by September 1, 2002, develop a penalty scheduling consisting of certain penalties based on the severity and frequency of offenses committed in the emissions testing of motor vehicles under Section 382.202 (Vehicle Emissions Inspection and Maintenance Program), Health and Safety Code, and Subchapter F (Motor Vehicle Emissions Inspection and Maintenance), Chapter 548, Transportation Code), Transportation Code.

Repealer: Section 548.406 (Certificate Holder on Probation May be Required to Report), Transportation Code.

Repealer: Section 548.407(f) (relating to a requirement that a person, to obtain an administrative hearing on a denial, suspension, or revocation, under this section, submit a written request to the director within a certain time), Transportation Code.

Repealer: Section 548.407(g) (relating to a requirement that the director, if the director receives a timely request under Subsection (f), provide the person with an opportunity for

a hearing as soon as practicable, and certain conditions relating to a time frame of 14 days after DPS receives a request for hearing), Transportation Code.

Repealer: Section 548.407(h) (relating to authorization for the director to take certain actions without a hearing if the director does not receive a timely request under Subsection (f)), Transportation Code.

Repealer: Section 548.407(i) (relating to a prohibition, except as provided by Subsection (g), against a hearing being held earlier than the 11th day after certain notice is provided), Transportation Code.

Repealer: Section 548.407(j) (relating to a requirement that the director or a person designated by the director conduct the hearing, an authorization for those persons to administer oaths and issue subpoenas for the attendance of witnesses and the production of certain documents, and an authorization of the director, if the hearing is conducted by a person designated by the director, to take action under this section on recommendation of the designated person), Transportation Code.

Repealer: Section 548.407(k) (relating to authorizing the director, on the basis of the evidence submitted at the hearing, to deny the application or revoke or suspend the certificate), Transportation Code.

Repealer: Section 548.407(l) (relating to certain authorized powers granted to an administrative law judge of SOAH conducting a hearing under this section and the required actions relating to certain costs, fees, and expenses), Transportation Code.

Repealer: Section 548.409 (Complaints), Transportation Code.

Repealer: Section 548.507 (Fee for Certification as Inspection Station), Transportation Code.

SECTION 3.010. Requires the commission, as soon as practicable after the effective date of this Act, to adopt rules necessary to implement the changes in law made by this Act to Chapter 411, Government Code, Chapter 1956, Occupations Code, and Chapter 548, Transportation Code.

SECTION 3.011. Makes application of Section 411.0891, Government Code, and Sections 548.405 and 548.407, Transportation Code, as amended by this Act, prospective.

SECTION 3.012. Makes application of Section 548.405(c), Transportation Code, as amended by this Act, prospective.

SECTION 3.013. Makes application of Section 1956.041, Occupations Code, and Sections 548.405 and 548.407, Transportation Code, as amended by this Act, prospective.

#### ARTICLE 4. CERTAIN PROGRAMS REGULATING CONTROLLED SUBSTANCES, PRECURSOR CHEMICALS, AND LABORATORY APPARATUSES

SECTION 4.001. Amends Sections 481.077(c), (i), and (k), Health and Safety Code, as follows:

(c) Deletes existing text providing that Section 481.078 does not apply to a person to whom a registration has been issued by the Federal Drug Enforcement Agency (DEA) or who is exempt from such registration.

(i) Deletes existing text requiring a person who receives from a source outside this state a chemical precursor subject to Subsection (a) to take certain actions. Makes nonsubstantive changes.

(k) Deletes existing text creating an exception to the requirement that certain persons who furnish chemical precursors maintain certain records and allow certain access for a person who is the holder of only a permit issued under Section

481.078(b)(1) (relating to a permit for one sale, transfer, receipt, or otherwise furnishing of a chemical precursor). Makes conforming and nonsubstantive changes.

SECTION 4.002. Amends the heading to Section 481.080, Health and Safety Code, to read as follows:

Sec. 481.080. CHEMICAL LABORATORY APPARATUS RECORD-KEEPING REQUIREMENTS.

SECTION 4.003. Amends Sections 481.080(d), (j), and (l), Health and Safety Code, as follows:

(d) Deletes existing text providing that Section 481.081 does not apply to a person to whom a registration has been issued by the DEA or who is exempt from such registration.

(j) Deletes existing text requiring a person who receives from a source outside this state a chemical precursor subject to Subsection (a) to take certain actions. Makes nonsubstantive changes.

(l) Deletes existing text creating an exception to the requirement that certain persons who furnish chemical precursors maintain certain records and allow certain access for a person who is the holder of only a permit issued under Section 481.081(b)(1) (relating to a permit for one sale, transfer, receipt, or otherwise furnishing of a chemical laboratory apparatus). Makes conforming and nonsubstantive changes.

SECTION 4.004. Amends Section 481.111(a), Health and Safety Code, as follows:

(a) Deletes existing text requiring a person who supplies peyote to a Native American Church to register and maintain appropriate records of receipts and disbursements in accordance with rules adopted by the director.

SECTION 4.005. Amends Section 481.136(a), Health and Safety Code, as follows:

(a) Provides that a person commits an offense if the person sells, transfers, furnishes, or receives a chemical precursor subject to Section 481.077(a) (relating to a requirement that a person who sells, transfers, or otherwise furnishes a chemical precursor to another person, except as provide by Subsection (1), make an accurate and legible record of the transaction and maintain the record for at least two years after the date of the transaction) and the person:

(1) creates this subdivision from existing Subdivision (2), deletes existing text including a person who does not hold a chemical precursor transfer permit as required by Section 481.078 at the time of the transaction, and renumbers subsequent subdivisions accordingly;

(2) deletes existing text regarding knowingly making a false statement in a report or record required by Section 481.078 and makes nonsubstantive changes; and

(3) deletes existing text regarding knowingly violating a rule adopted under Section 481.078 and makes nonsubstantive changes.

SECTION 4.006. Amends Section 481.138(a), Health and Safety Code, as follows:

(a) Provides that a person commits an offense if the person sells, transfers, furnishes, or receives a chemical laboratory apparatus subject to Section 481.080(a) (relating to a requirement that a manufacturer, wholesaler, retailer, or other person who sells, transfers, or otherwise furnishes a chemical laboratory apparatus make an accurate and legible

record of the transaction and maintain the record for at least two years after the date of the transaction) and the person:

(1) creates this subdivision from existing Subdivision (2), deletes existing text regarding a person who does not have a chemical laboratory apparatus transfer permit as required by Section 481.081 at the time of the transaction, and renumbers subsequent subdivisions accordingly;

(2) deletes existing text regarding a person who knowingly makes a false statement in a report or record required by Section 481.081 and makes a nonsubstantive change; and

(3) deletes existing text regarding a person who knowingly violates a rule adopted under Section 481.081.

SECTION 4.007. Amends Section 481.301, Health and Safety Code, as follows:

Sec. 481.301. IMPOSITION OF PENALTY. Deletes existing text authorizing DPS to impose an administrative penalty on a person who violates Sections 481.078 or 481.081 or a rule or order adopted under those sections. Makes nonsubstantive changes.

SECTION 4.008. Amends Section 487.053(b), Health and Safety Code, as follows:

(b) Provides that the requirement that DPS enforce compliance of licensees and registrants and adopt procedures for suspending or revoking a license or registration issued under this chapter and for renewing a license or registration issued under this chapter is subject to Section 411.503, Government Code.

SECTION 4.009. Amends Sections 487.104(b) and (c), Health and Safety Code, as follows:

(b) Provides that Chapter 2001, Government Code, applies to a proceeding under this section relating to a hearing regarding the denial to issue or renew a license for a dispensing organization. Deletes existing text requiring DPS to give written notice of the grounds for denial to the applicant at least 30 days before the date of the hearing.

(c) Provides that a license issued or renewed under this section expires as determined by DPS in accordance with Section 411.511, Government Code, rather than expires on the second anniversary of the date of issuance or renewal, as applicable.

SECTION 4.010. Amends Section 487.105(c), Health and Safety Code, as follows:

(c) Requires DPS, in conducting a criminal history background check, by rule to:

(1) require each individual whose name is provided to DPS under Subsection (a) or (b) to submit a complete set of fingerprints to DPS on a form prescribed by DPS for purposes of a criminal history background check under this section, rather than to determine the manner by which an individual is required to submit a complete set of fingerprints to DPS for purposes of a criminal history background check under this section; and

(2) makes no changes to this subdivision.

SECTION 4.011. Repealer: Section 481.077(e) (relating to a requirement that the recipient of a chemical precursor permit, if the recipient does not represent a business, present to the manufacturer, wholesaler, retailer, or other person a permit issued in the name of the recipient by DPS under Section 481.078), Health and Safety Code.

Repealer: Section 481.077(f) (relating a requirement that certain parties, except as provided by Subsection (h), submit a report of the transaction on a form obtained from the director that includes certain information at least 21 days before the deliver of the chemical precursor), Health and Safety Code.

Repealer: Section 481.077(g) (relating to a requirement that the director supply to certain parties a form containing certain information), Health and Safety Code.

Repealer: Section 481.077(h) (relating to authorizing the director to authorize certain parties to submit a comprehensive monthly report instead of the report required by Subsection (f) under certain conditions), Health and Safety Code.

Repealer: Section 481.078 (Chemical Precursor Transfer Permit), Health and Safety Code.

Repealer: Section 481.080(f) (relating to a requirement that the recipient of a chemical laboratory apparatus permit, if the recipient does not represent a business, present to the manufacturer, wholesaler, retailer, or other person a permit issued in the name of the recipient by DPS under Section 481.081), Health and Safety Code.

Repealer: Section 481.080(g) (relating a requirement that certain parties, except as provided by Subsection (i), submit a report of the transaction on a form obtained by the director that includes certain information at least 21 days before the deliver of the chemical laboratory apparatus), Health and Safety Code.

Repealer: Section 481.080(h) (relating to a requirement that the director supply to certain parties a form containing certain information), Health and Safety Code.

Repealer: Section 481.080(i) (relating to authorizing the director to authorize certain parties to submit a comprehensive monthly report instead of the report required by Subsection (g) under certain conditions), Health and Safety Code.

(4) Repealer: Section 481.081 (Chemical Laboratory Apparatus Transfer Permit), Health and Safety Code.

SECTION 4.012. Requires the director, as soon as practicable after the effective date of this Act, to adopt rules to implement the changes made by Section 487.105(c), Health and Safety Code, as amended by this Act.

SECTION 4.013. Makes application of the changes in law made by this Act to Chapter 481, Health and Safety Code, prospective. Provides that, for purposes of this section, an offense or violation was committed before the effective date of this Act if any element of the offense or violation occurred before that date.

SECTION 4.014. Provides that a permit issued under former Section 481.078 or 481.081, Health and Safety Code, expires on the effective date of this Act.

## ARTICLE 5. PRIVATE SECURITY

SECTION 5.001. Amends Section 1702.002, Occupations Code, by amending Subdivisions (2), (5), (5-a), (17), and (21) and adding Subdivisions (4), (5-b), (5-c), and (8-a), as follows:

(2) Defines "branch office" as an office that is:

(A) makes no changes to this paragraph; and

(B) at a place other than the principal place of business as shown in DPS, rather than the security board, records.

(4) Defines "commission."



(5) Defines "commissioned security officer" as a security officer to whom a security officer commission has been issued by DPS, rather than the security board.

(5-a) Defines "committee" as the Texas Private Security Advisory Committee (committee) established under this chapter.

(5-b) Defines "company license" as a license issued by DPS that entitles a person to operate as a security services contractor or investigations company.

(5-c) Creates this subdivision from existing text and makes no further changes to this subdivision.

(8-a) Defines "individual license" as a license issued by DPS that entitles an individual to perform a service regulated by this chapter for a company license holder, including a personal protection officer license.

(17) Defines "personal protection officer license," rather than "personal protection officer endorsement," as a license issued by DPS, rather than as a permit issued by the security board, that entitles an individual to act as a personal protection officer.

(21) Defines "security officer commission" as an authorization issued by DPS, rather than by the security board, that entitles a security officer to carry a firearm.

SECTION 5.002. Amends Section 1702.004, Occupations Code, as follows:

Sec. 1702.004. GENERAL SCOPE OF REGULATION. (a) Deletes existing text relating to the security board performing duties required by other law or exercising powers granted by other law, and provides that DPS:

(1)–(2) makes no changes to these subdivisions;

(3) licenses, rather than issues endorsements to, certain security officers engaged in the personal protection of individuals;

(4) licenses, rather than registers and endorses:

(A) certain individuals connected with a company license holder, rather than certain individuals connected with a license holder; and

(B) makes no changes to this paragraph; and

(5) makes conforming changes.

(b) Requires the commission, rather than the security board, to adopt rules necessary to comply with Chapter 53. Requires the commission, rather than the security board, in its rules under this section, to list the specific offenses for each category of regulated persons for which a conviction would constitute grounds for DPS, rather than for the security board, to take action under Section 53.021.

SECTION 5.003. Amends Section 1702.005, Occupations Code, as follows:

Sec. 1702.005. New heading: DEPARTMENT OF PUBLIC SAFETY; REFERENCES.

(a) Requires DPS to administer this chapter, rather than requires DPS to administer this chapter through the security board. Deletes existing text providing that the security board created under Section 1702.021 (Board Membership) is part of DPS.

(b) Provides that a reference in this chapter or another law to the Texas Commission on Private Security or the security board means DPS, rather than that a reference in this chapter or another law to the Texas Commission on Private Security means the security board.

SECTION 5.004. Amends the heading to Subchapter B, Chapter 1702, Occupations Code, to read as follows:

SUBCHAPTER B. TEXAS PRIVATE SECURITY ADVISORY COMMITTEE

SECTION 5.005. Amends Section 1702.021, Occupations Code, as follows:

Sec. 1702.021. New heading: COMMITTEE MEMBERSHIP; APPLICABILITY OF OTHER LAW. (a) Sets forth the membership of the Texas Private Security Advisory Committee (committee) as seven members appointed by the commission, rather than sets forth the membership of the security board as seven members appointed by the governor with the advice and consent of the senate.

(b) Requires appointments to the committee, rather than the security board, to be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.

(c) Provides that Chapter 2110 (State Agency Advisory Committees), Government Code, does not apply to the size, composition, or duration of the committee or to the appointment of the committee's presiding officer.

SECTION 5.006. Amends Section 1702.023, Occupations Code, as follows:

Sec. 1702.023. ELIGIBILITY OF PUBLIC MEMBERS. Requires the committee's, rather than the security board's, public members to be representatives of the general public. Prohibits a person from being a public member of the committee if the person or the person's spouse:

- (1) makes no changes to this subdivision;
- (2) is employed by or participates in the management of a business entity or other organization regulated by or receiving money from DPS, rather than from the security board;
- (3) makes a conforming change; or
- (4) uses or receives a substantial amount of tangible goods, services, or money from DPS, rather than from the security board, other than compensation or reimbursement authorized by law for committee, rather than for security board, membership, attendance, or expenses.

SECTION 5.007. Amends Sections 1702.024(b) and (c), Occupations Code, as follows:

(b) Prohibits a person from being a committee member, rather than a security board member, and prohibits a person from being a DPS employee whose primary duties include private security regulation and who is 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.), and its subsequent amendments, if:

- (1)–(2) makes no changes to these subdivisions.

(c) Prohibits a person from being a committee member, rather than a security board member, or acting as general counsel to the committee or DPS, rather than to the security board or regulatory agency, if the person is required to register as a lobbyist under Chapter 305 (Registration of Lobbyists), Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the committee, rather than the regulatory agency.

SECTION 5.008. Amends Section 1702.025, Occupations Code, as follows:

Sec. 1702.025. TERMS; VACANCIES. (a) Provides that committee members, rather than security board members, serve staggered six-year terms, with the terms of two or three members expiring on January 31 of each odd-numbered year.

(b) Makes a conforming change and requires the commission, rather than the governor, to appoint a new member to fill the unexpired term.

SECTION 5.009. Amends Section 1702.026, Occupations Code, as follows:

Sec. 1702.026. OFFICERS. (a) Requires the commission to designate one committee member as presiding officer to serve in that capacity at the will of the commission, rather than requires the governor to designate one security board member as presiding officer to serve in that capacity at the will of the governor. Requires the commission, rather than the governor, to designate the presiding officer without regard to race, creed, color, disability, sex, religion, age, or national origin.

(b) Requires the committee, rather than the security board, to elect from among its members an assistant presiding officer and a secretary to serve two-year terms beginning on September 1 of each odd-numbered year.

(c) Makes conforming changes.

SECTION 5.010. Amends Sections 1702.027(a) and (b), Occupations Code, as follows:

(a) Provides that it is a ground for removal from the committee, rather than the security board, that a member:

(1) does not have the qualifications required by Section 1702.021 at the time of appointment, rather than at the time of taking office;

(2) makes a conforming change;

(3)–(4) makes no changes to these subdivisions; and

(5) makes conforming changes.

(b) Makes conforming changes.

SECTION 5.011. Amends Section 1702.029, Occupations Code, as follows:

Sec. 17029. MEETINGS. Requires the committee to meet at least quarterly, rather than requires the security board to meet at regular intervals to be decided by the security board.

SECTION 5.012. Amends Subchapter B, Chapter 1702, Occupations Code, by adding Sections 1702.031 ad 1702.032, as follows:

Sec. 1702.031. DUTIES OF ADVISORY COMMITTEE. Requires the committee to provide advice and recommendations to DPS and the commission on technical matters relevant to the administration of this chapter and the regulation of private security industries.

Sec. 1702.032. COMMISSION LIAISON. Requires the commission to designate a commission member to serve as a liaison to the committee.

SECTION 5.013. Amends Section 1702.041, Occupations Code, as follows:

Sec. 1702.041. CHIEF ADMINISTRATOR. (a) Provides that the chief administrator of DPS (chief administrator) is responsible for the administration of this chapter under the direction of the director, rather than the security board. Requires the chief administrator to perform duties as prescribed by the director, rather than by the security board and DPS.

(b) Prohibits a committee member, rather than a security board member, from serving as chief administrator.

SECTION 5.014. Amends Section 1702.044, Occupations Code, as follows:

Sec. 1702.044. QUALIFICATIONS AND STANDARDS OF CONDUCT INFORMATION. Requires the chief administrator or the chief administrator's designee to provide to committee members and to DPS employees, rather than to provide to security board members and regulatory agency employees, as often as necessary, information regarding the requirements for service as a committee member, rather than information regarding the requirements for office, or employment under this chapter, including certain additional information.

SECTION 5.015. Amends the heading to Subchapter D, Chapter 1702, Occupations Code, to read as follows:

#### SUBCHAPTER D. POWERS AND DUTIES

SECTION 5.016. Amends Section 1702.061, Occupations Code, as follows:

Sec. 1702.061. New heading: GENERAL POWERS AND DUTIES. (a) Redesignates text of existing Subsection (b) as Subsection (a), requires the commission to adopt rules and general policies to guide DPS, rather than requires the security board to adopt rules and general policies to guide the regulatory agency, in the administration of this chapter, deletes existing text requiring the security board to perform the functions and duties provided by this chapter, and renumbers subsequent subsections accordingly.

(b) Makes conforming changes.

(c) Provides that the commission, rather than the security board, has the powers and duties to:

(1) determine the qualifications of company license holders, individual license holders, and commissioned security officers, rather than determine the qualifications of license holders, registrants, endorsement holders, and commissioned security officers;

(2) makes a conforming change;

(3) makes no changes to this subdivision; and

(4) establish and enforce standards governing the safety and conduct of each person regulated, rather than of each person licensed, registered, or commissioned, under this chapter.

(e) Deletes this subsection and existing text requiring the security board to have a seal in the form prescribed by the security board.

SECTION 5.017. Amends Section 1702.062, Occupations Code, as follows:

Sec. 1702.062. FEES. (a) Requires the commission, rather than the security board, by rule to establish reasonable and necessary fees that produce sufficient revenue to administer this chapter.

(b) Authorizes DPS to charge a fee each time DPS requires a person regulated under this chapter to resubmit a set of fingerprints for process by DPS during the application process for a company license, individual license, or security officer commission, rather than authorizing the security board to charge a fee each time the security board requires a person regulated under this chapter to resubmit a set of fingerprints for processing by the security board during the application process for a license, registration, endorsement, or commission. Requires the commission, rather than the security board, to set the fee in an amount that is reasonable and necessary to cover the administrative expenses related to processing the fingerprints.

(c) Provides that a person whose pocket card has not expired is not eligible to receive from DPS, rather than from the security board, another pocket card in the same classification in which the pocket card is held.

SECTION 5.018. Amends the heading to Section 1702.063, Occupations Code, to read as follows:

Sec. 1702.063. USE OF FINES.

SECTION 5.019. Amends Section 1702.0635, Occupations Code, as follows:

Sec. 1702.0635. RESTRICTIONS ON CERTAIN RULES. Prohibits the commission, rather than the security board, from adopting rules or establishing unduly restrictive experience or education requirements that limit a person's ability to be licensed as an electronic access control device company or be licensed, rather than registered, as an electronic access control device installer.

SECTION 5.020. Amends Section 1702.064, Occupations Code, as follows:

Sec. 1702.064. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. (a) Prohibits the commission, rather than the security board, from adopting rules restricting advertising or competitive bidding by a person regulated under this chapter, rather than regulated by the security board, except to prohibit false, misleading, or deceptive practices by the person.

(b) Makes conforming changes.

SECTION 5.021. Amends Section 1702.0645, Occupations Code, as follows:

Sec. 1702.0645. PAYMENT OF FEES AND FINES. (a) Authorizes the commission, rather than the security board, to adopt rules regarding the method of payment of a fee or a fine assessed under this chapter.

(b) Authorizes rules adopted under this section to:

(1) authorize the use of electronic funds transfer or a valid credit card issued by a financial institution chartered by a state or the federal government or by a nationally recognized credit organization approved by DPS, rather than the security board; and

(2) makes no changes to this subdivision.

SECTION 5.022. Amends Section 1702.067, Occupations Code, as follows:

Sec. 1702.067. New heading: RECORDS; EVIDENCE. Establishes that an official record of DPS related to this chapter, rather than an official record of the security board, or an affidavit by the chief administrator as to the content of the record is prima facie evidence of a matter required to be kept by DPS, rather than the security board.

SECTION 5.023. Amends Section 1702.068, Occupations Code, as follows:

Sec. 1702.068. APPEAL BOND NOT REQUIRED. Provides that DPS, rather than the security board, is not required to give an appeal bond in any cause arising under this chapter.

SECTION 5.024. Amends the heading to Subchapter E, Chapter 1702, Occupations Code, to read as follows:

#### SUBCHAPTER E. PUBLIC INTEREST INFORMATION

SECTION 5.025. Amends Section 1702.084, Occupations Code, as follows:

Sec. 1702.084. PUBLIC ACCESS TO CERTAIN RECORDS OF DISCIPLINARY ACTIONS. (a) Requires DPS, rather than the security board, to make available to the public through a toll-free telephone number, Internet website, or other easily accessible medium determined by DPS, rather than the security board, the following information relating to a disciplinary action taken during the preceding three years regarding a person regulated under this chapter, rather than regulated by the board:

(1)–(2) makes no changes to these subdivisions; and

(3) the disciplinary action taken by the commission, rather than the security board.

(b) Requires DPS, rather than the security board, in providing the information, to present the information in an impartial manner, use language that is commonly understood, and, if possible, avoid jargon specific to the security industry.

(c)–(d) Makes conforming changes.

SECTION 5.026. Amends Section 1702.085, Occupations Code, as follows:

Sec. 1702.085. CONFIDENTIALITY OF RECORDS. Makes confidential records maintained by DPS under this chapter on the home address, home telephone number, driver's license number, or social security number of an applicant or a company license holder, individual license holder, or security officer commission holder, rather than of an applicant or a license holder, registrant, or security officer commission holder, and provides that such records are not subject to mandatory disclosure under Chapter 552 (Public Information), Government Code.

SECTION 5.027. Amends Section 1702.102(a), Occupations Code, as follows:

(a) Prohibits a person, unless the person holds a license as a security services contractor, from:

(1) deletes existing text that included a guard dog company or private security consultant company as companies that a person is prohibited from acting as unless the person holds a license as a security services contractor; or

(2)–(3) makes no changes to these subdivisions.

SECTION 5.028. Amends Section 1702.1025(b), Occupations Code, as follows:

(b) Prohibits a person licensed as an electronic access control device company from installing alarm systems unless otherwise licensed, rather than licensed or registered, to install alarm systems under this chapter.

SECTION 5.029. Amends Section 1702.103, Occupations Code, as follows:

Sec. 1702.103. New heading: CLASSIFICATION AND LIMITATION OF COMPANY LICENSES. (a) Deletes existing Subdivisions (6)–(8) relating to Class P, X, and T licenses and provides that the company license classifications, rather than the license classifications, are:

(1)–(3) makes no changes to these subdivisions;

(4) makes nonsubstantive changes; and

(5) makes a nonsubstantive change.

(b) Requires DPS, rather than the security board, to indicate on the company license the services the company license holder is authorized to perform. Makes conforming changes.

(c) Provides that a company license is not assignable unless the assignment is approved in advance by DPS, rather than the security board. Makes a conforming change.

(d) Requires the commission, rather than the security board, to prescribe by rule the procedure under which a company license is authorized to be terminated. Makes a conforming change.

(e) Authorizes the commission, rather than the security board, by rule to establish other company license classifications for activities expressly regulated by this chapter and to establish qualifications and practice requirements consistent with this chapter for those company license classifications. Makes conforming changes.

SECTION 5.030. Amends Section 1702.110, Occupations Code, as follows:

Sec. 1702.110. New heading: APPLICATION FOR COMPANY LICENSE. Makes a conforming change and requires an application for a company license under this chapter to be in the form prescribed by DPS, rather than by the security board, and include:

(1)–(4) makes no changes to these subdivisions;

(5) deletes existing text requiring the application to include the name and address of the applicant's manager;

(6) if the applicant is an individual, the fingerprints of the applicant or, if the applicant is an entity other than an individual, of each officer who oversees the security-related aspects of the business and of each partner or shareholder who owns at least a 25 percent interest in the applicant, provided in the manner prescribed by DPS, rather than by the security board;

(7)–(9) makes no changes to these subdivisions; and

(10) other information, evidence, statements, or documents required by DPS, rather than by the security board.

(b) Requires an applicant for a company license as a security services contractor to maintain a physical address within this state and provide that address to DPS,

rather than the security board. Requires the commission, rather than the security board, to adopt rules to enable an out-of-state company license holder to comply with this subsection. Makes conforming changes.

(c) Makes conforming and nonsubstantive changes.

SECTION 5.031. Amends Section 1702.112, Occupations Code, as follows:

Sec. 1702.112. New heading: FORM OF COMPANY LICENSE. Requires DPS, rather than the security board, to prescribe the form of a company license, rather than the form of a license, including a branch office license, and makes conforming changes. Requires the company license to include:

(1)–(3) makes conforming changes; and

(4) a photograph of the company license holder, affixed to the company license at the time the company license is issued by DPS, rather than by the security board.

SECTION 5.032. Amends the heading to Section 1702.113, Occupations Code, to read as follows:

Sec. 1702.113. GENERAL QUALIFICATIONS FOR COMPANY LICENSE OR SECURITY OFFICER COMMISSION.

SECTION 5.033. Amends Section 1702.113(a), Occupations Code, as follows:

(a) Makes a conforming change. Requires an applicant for a company license or security officer commission, rather than an applicant for a license, certificate of registration, endorsement, or security officer commission or the applicant's manager, to be at least 18 years of age and prohibits an applicant from:

(1) at the time of application, being charged under an information or indictment with the commission of a Class A or Class B misdemeanor or felony offense determined to be disqualifying by commission, rather than security board, rule;

(2) makes no changes to this subdivision;

(3) having been dishonorably discharged from the United States armed services, discharged from the United States armed services under other conditions determined by the commission, rather than determined by the board, to be prohibitive, or dismissed from the United States armed services if a commissioned officer in the United States armed services; or

(4) being required to register in this or any other state as a sex offender. Deletes existing text creating an exception for an applicant that is approved by the security board under Section 1702.3615 (Direct Appeal in Limited Cases).

SECTION 5.034. Amends Section 1702.114, Occupations Code, as follows:

Sec. 1702.114. ADDITIONAL QUALIFICATIONS FOR INVESTIGATIONS COMPANY LICENSE. (a) Requires an applicant for a company license to engage in the business of an investigations company to have, before the date of the application, three consecutive years' experience in the investigative field as an employee or owner of an investigations company or satisfy other requirements set by the commission, rather than the security board. Deletes existing text relating to the applicant's manager and a manager's requirement to have three consecutive years experience as a manager in the investigative field. Makes conforming and nonsubstantive changes.



(b) Requires the applicant's experience to be:

(1) reviewed by DPS, rather than by the security board or the chief administrator; and

(2) makes no changes to this subdivision.

SECTION 5.035. Amends Section 1702.115, Occupations Code, as follows:

Sec. 1702.115. ADDITIONAL QUALIFICATIONS FOR SECURITY SERVICES CONTRACTOR LICENSE. (a) Requires an applicant for a company license to engage in the business of a security services contractor to have, before the date of the application, two consecutive years' experience in each security services field for which the person applies as an employee or owner of a security services contractor or satisfy other requirements set by the commission, rather than the security board. Deletes existing text relating to the applicant's manager and a manager's requirement to have two consecutive years experience as a manager in each security services field for which the person applies. Makes conforming and nonsubstantive changes.

(b) Requires the applicant's experience to have been obtained legally and to be:

(1) reviewed by DPS, rather than by the security board or the chief administrator; and

(2) makes no changes to this subdivision.

SECTION 5.036. Amends Section 1702.117, Occupations Code, as follows:

Sec. 1702.117. EXAMINATION. (a) Requires DPS to require an applicant for a company license under this chapter to demonstrate qualifications in the person's company license classification, including knowledge of applicable state laws and commission rules, by taking an examination to be determined by the commission, rather than requires the security board to require an applicant for a license under this chapter or the applicant's manager to demonstrate qualifications in the person's license classification, including knowledge of applicable state laws and security board rules, by taking an examination to be determined by the security board.

(b) Makes a conforming change.

(c) Requires the commission, rather than the security board, to set the reexamination fee in an amount not to exceed the amount of the renewal fee for the company license classification for which application was made.

(d) Requires DPS, rather than the security board, to develop and provide to a person who applies to take the examination under Subsection (a) material containing all applicable state laws and commission rules, rather than security board rules.

SECTION 5.037. Amends Section 1702.118, Occupations Code, as follows:

Sec. 1702.118. EXAMINATION RESULTS. (a) Requires DPS, rather than the security board, not later than the 30th day after the date a person takes a licensing examination under this chapter, to notify the person of the examination results.

(b)-(d) Makes conforming changes.

SECTION 5.038. Amends Section 1702.1183, Occupations Code, as follows:

Sec. 1702.1183. New heading: RECIPROCAL COMPANY LICENSE FOR CERTAIN APPLICANTS. (a) Authorizes DPS, rather than the security board, to waive any prerequisite to obtaining a company license for an applicant who holds a company license issued by another jurisdiction with which this state has a reciprocity agreement.

(b) Authorizes the commission, rather than the security board, to make an agreement, subject to the approval of the governor, with another state to allow for licensing by reciprocity.

(c) Requires the commission to adopt rules under which the commission is authorized to waive any prerequisite to obtaining a company license for, and credit experience for a company license requirement to, an individual who the commission determines has certain experience, rather than requires the security board to adopt rules under which the security board is authorized to waive any prerequisite to obtaining a license for, and credit experience for a license requirement to, an individual who the security board determines has certain experience.

SECTION 5.039. Amends Section 1702.1186, Occupations Code, as follows:

Sec. 1702.1186. New heading: PROVISIONAL COMPANY LICENSE. (a) Makes conforming changes and authorizes DPS, rather than the security board, to issue a provisional company license to an applicant currently licensed in another jurisdiction who seeks an equivalent company license in this state and who:

(1) makes no changes to this subdivision;

(2) has passed a national or other examination recognized by the commission, rather than the security board, relating to the practice of private investigations or security services contracting; and

(3) is sponsored by a person licensed by DPS, rather than the security board, under this chapter with whom the provisional company license holder will practice during the time the person holds a provisional company license.

(b) Provides that a provisional company license is valid until the date DPS, rather than the security board, approves or denies the provisional company license holder's application for a company license. Requires DPS, rather than the security board, to issue a company license under this chapter to the provisional company license holder if:

(1) makes a conforming change; or

(2) the provisional license holder:

(A) makes no changes to this paragraph;

(B) is verified by DPS, rather than the security board, as meeting the academic and experience requirements for a company license under this chapter; and

(C) makes no changes to this paragraph.

(c) Requires DPS, rather than the security board, to approve or deny a provisional company license holder's application for a company license not later than the 180th day after the date the provisional company license is issued. Authorizes DPS, rather than the security board, to extend the 180-day period if the results of an examination have not been received by DPS, rather than the security board, before the end of that period.

(d) Authorizes the commission, rather than the security board, to establish a fee for provisional company licenses in an amount reasonable and necessary to cover the cost of issuing the company license.

SECTION 5.040. Amends Section 1702.122, Occupations Code, as follows:

Sec. 1702.122. New heading: TEMPORARY CONTINUATION OF COMPANY LICENSE HOLDER'S BUSINESS. Authorizes a company license holder's business, under the terms provided by commission rule, rather than security board rule, to continue for a temporary period if the individual on the basis of whose qualifications a company license under this chapter has been obtained ceases to be connected with the company license holder.

SECTION 5.041. Amends Section 1702.123, Occupations Code, as follows:

Sec. 1702.123. INSURANCE; BOND. (a) Requires a company license holder to maintain on file with DPS, rather than the security board, at all times the surety bond and certificate of insurance required by this chapter.

(b) Requires the commission, rather than the security board, to immediately suspend the company license of a company license holder who violates Subsection (a).

(c) Authorizes the commission, rather than the security board, to rescind the company license suspension if the company license holder provides proof to the commission, rather than the security board, that the bond or the insurance coverage is still in effect. Requires the company license holder to provide the proof in a form satisfactory to the commission, rather than the security board, not later than the 10th day after the date the company license is suspended.

(d) Makes conforming changes and authorizes the commission, rather than the security board, to deny the application for reinstatement under this subsection notwithstanding the applicant's compliance with this section for certain reasons.

SECTION 5.042. Amends Sections 1702.124(a), (b), and (f), Occupations Code, to make conforming changes.

SECTION 5.043. Amends Section 1702.125, Occupations Code, as follows:

Sec. 1702.125. BOND REQUIREMENT. Provides that a bond executed and filed with DPS, rather than the security board, under this chapter remains in effect until the surety terminates future liability by providing to DPS, rather than the security board, at least 30 days' notice of the intent to terminate liability.

SECTION 5.044. Amends Section 1702.127, Occupations Code, as follows:

Sec. 1702.127. New heading: COMPANY LICENSE HOLDER EMPLOYEES; RECORDS. (a) Makes conforming changes.

(b) Requires a company license holder to maintain a record containing information related to the company license holder's employees as required by the commission, rather than the board.

(c) Requires a company license holder to maintain for inspection by DPS at the company license holder's principal place of business or branch office two recent color photographs, of a type required by the commission, of each applicant, individual license holder, commissioned security officer, and employee, rather of the company license holder, rather than of a type required by the security board,

of each applicant, registrant, commissioned security officer, and employee of the license holder.

(d) Requires a company license holder to maintain records required under this chapter at a physical address within this state and provide that address to DPS, rather than the security board.

SECTION 5.045. Amends Section 1702.128, Occupations Code, as follows:

Sec. 1702.128. New heading: POSTING OF COMPANY LICENSE REQUIRED. Creates this section from existing text and requires a company license holder to at all times post the person's license in a conspicuous place in:

(1) creates this subdivision from existing text and makes a conforming change; and

(2) each branch office of the company license holder, rather than each branch office license in a conspicuous place in each branch office of the license holder.

SECTION 5.046. Amends Section 1702.129, Occupations Code, as follows:

Sec. 1702.129. NOTICE OF CERTAIN CHANGES; BRANCH OFFICES. (a) Requires a company license holder to notify DPS, rather than the security board, not later than the 14th day after the date of certain changes.

(b) Requires a company license holder to notify DPS, rather than the security board, in writing not later than the 14th day after the date a branch office is established, is closed, or changes address or location.

SECTION 5.047. Amends Section 1702.130(a), Occupations Code, as follows:

(a) Prohibits a company license holder, or an officer, director, partner, or employee of a company license holder, rather than a license holder, or an officer, director, partner, manager, or employee of a license holder, from taking certain actions relating to giving the impression that the license holder is a governmental entity or police.

SECTION 5.048. Amends Section 1702.131, Occupations Code, as follows:

Sec. 1702.131. ADVERTISING. Requires an advertisement by a company license holder soliciting or advertising business to contain the company license holder's company name and address as stated in DPS, rather than security board, records.

SECTION 5.049. Amends Section 1702.132, Occupations Code, as follows:

Sec. 1702.132. REPORTS TO EMPLOYER OR CLIENT. (a) Deletes existing text authorizing a license holder manager or a person authorized by a license holder manager to submit a written report to a license holder's employer or client. Makes conforming changes.

(b) Makes conforming changes.

SECTION 5.050. Amends Section 1702.133, Occupations Code, as follows:

Sec. 1702.133. CONFIDENTIALITY; INFORMATION RELATING TO CRIMINAL OFFENSE. (a) Makes conforming changes and deletes existing text prohibiting a manager of a license holder from disclosing to another information obtained by the person for an employer or client except in certain circumstances.

(b) Makes conforming changes.

SECTION 5.051. Amends the heading to Section 1702.134, Occupations Code, to read as follows:

Sec. 1702.134. COMPANY LICENSE HOLDER EXEMPTIONS FROM CERTAIN LOCAL REGULATIONS.

SECTION 5.052. Amends Sections 1702.134(a) and (b), Occupations Code, to make conforming changes.

SECTION 5.053. Amends Section 1702.161(b), Occupations Code, as follows:

(b) Prohibits an individual employed as a security officer from knowingly carrying a firearm during the course of performing duties as a security officer unless DPS, rather than the security board, has issued a security officer commission to the individual.

SECTION 5.054. Amends Section 1702.162, Occupations Code, as follows:

Sec. 1702.162. EMPLOYER'S APPLICATION FOR SECURITY OFFICER COMMISSION. Requires the employer of a security officer who applies for a security officer commission for the officer to submit an application to DPS on a form provided by DPS, rather than to the security board on a form provided by the security board.

SECTION 5.055. Amends Section 1702.163(a), Occupations Code, as follows:

(a) Provides that an applicant employed by a company license holder is not eligible for a security officer commission unless the applicant submits as part of the application satisfactory evidence that the applicant has:

- (1) completed the basic training course at a school or under an instructor approved by DPS, rather than the security board;
- (2) makes no changes to this subdivision;
- (3) achieved the score required by DPS, rather than the security board, on the examination under Section 1702.1685 (Handgun Proficiency Examination); and
- (4) demonstrated to the satisfaction of the firearm training instructor that the applicant has complied with other DPS, rather than security board, standards for minimum marksmanship competency with a handgun.

SECTION 5.056. Amends Section 1702.165, Occupations Code, as follows:

Sec. 1702.165. ISSUANCE OF SECURITY OFFICER COMMISSION; POCKET CARD. (a) Provides that DPS, rather than the security board with the concurrence of DPS is authorized to issue certain security officer commissions and required to issue certain other security officer commissions.

(b) Requires a security officer commission issued under this section to be in the form of a pocket card designed by DPS, rather than the security board, that identifies the security officer.

SECTION 5.057. Amends Section 1702.167, Occupations Code, as follows:

Sec. 1702.167. TERMINATION OF EMPLOYMENT AS COMMISSIONED SECURITY OFFICER; TRANSFER OF COMMISSION. Authorizes the holder of a security officer commission who terminates employment with one employer to transfer the individual's commission to a new employer if, not later than the 14th day after the

date the individual begins the new employment, the new employer notifies DPS of the transfer of employment on a form prescribed by DPS, rather than the new employer notifies the security board on a form prescribed by the security board, accompanied by payment of the employee information update fee.

SECTION 5.058. Amends Sections 1702.1675(a), (b), (c), (d), (e), (f), and (i), Occupations Code, as follows:

(a) Requires the commission, rather than the security board, to establish a basic training course for commissioned security officers and sets forth required topics of the course.

(b) Requires the course to be offered and taught by schools and instructors approved by DPS, rather than the security board. Requires a school or an instructor, to receive DPS approval, to submit an application to DPS on a form provided by DPS, rather than requires a school or an instructor, to receive security board approval, to submit an application to the security board on a form provided by the security board.

(c) Requires the basic training course established under this section, rather than the basic training course approved by the security board, to consist of a minimum of 30 hours.

(d) Requires the general security officer training portion of the course to include instruction on:

(1) applicable rules and state laws, rather than security board rules and applicable state laws;

(2) makes no changes to this subdivision;

(3) any other topics of security officer training curriculum DPS, rather than the security board, considers necessary.

(e) Requires DPS, rather than the security board, to develop a commissioned security officer training manual that contains applicable state laws and rules, rather than applicable state laws and security board rules, to be used in the instruction and training of commissioned security officers.

(f) Requires the commission, rather than the security board, to adopt rules necessary to administer the provisions of this section concerning the training requirements of this chapter.

(i) Requires the commission, rather than the security board, by rule to establish minimum standards for handgun proficiency that are at least as stringent as the standards for handgun proficiency developed under Section 411.188 (Handgun Proficiency Requirement), Government Code, rather than developed by the director under Section 411.188, Government Code.

SECTION 5.059. Amends Section 1702.168, Occupations Code, as follows:

Sec. 1702.168. FIREARM REQUIREMENTS. (a) Requires the commission, rather than the security board, in addition to the requirements of Section 1702.163(a), by rule to establish other qualifications for individuals who are employed in positions requiring the carrying of firearms. Authorizes the qualifications to include:

(1) makes a nonsubstantive change; and

(2) creates this subdivision from existing Subdivision (3), deletes existing text relating to standards of good moral character, and makes no other changes to this subdivision.

(b) Requires the commission, rather than the security board, to prescribe appropriate forms and adopt rules by which evidence is presented that the requirements are fulfilled.

SECTION 5.060. Amends Sections 1702.1685(b) and (d), Occupations Code, as follows:

(b) Authorizes only a DPS-approved, rather than only a security board-approved, instructor to administer the handgun proficiency examination.

(d) Requires the school to maintain the records of the required proficiency and make the records available for inspection by DPS, rather than the security board.

SECTION 5.061. Amends Section 1702.171, Occupations Code, as follows:

Sec. 1702.171. SECURITY OFFICER COMMISSION RECORDS. Requires the commission, rather than the security board, to adopt rules for the maintenance of records relating to an individual to whom DPS, rather than the security board, has issued a security officer commission.

SECTION 5.062. Amends the heading to Subchapter H, Chapter 1702, Occupations Code, to read as follows:

SUBCHAPTER H. EMPLOYMENT OF COMMISSIONED SECURITY OFFICER BY  
CERTAIN PERSONS; REQUIREMENTS

SECTION 5.063. Amends Section 1702.181, Occupations Code, as follows:

Sec. 1702.181. New heading: NOTICE AND REGISTRATION REQUIRED; REGISTRY. (a) Prohibits the security department of a private business or a political subdivision from employing a commissioned security officer unless the security department provides notice to DPS in the form prescribed by the commission of certain information, rather than unless the security department holds a letter of authority.

(b) Requires DPS to maintain a registry of security departments that provide notice under Subsection (a) and the name, title, and contact information of the person serving as contact for each security department.

SECTION 5.064. Amends the heading to Subchapter I, Chapter 1702, Occupations Code, to read as follows:

SUBCHAPTER I. PERSONAL PROTECTION OFFICER LICENSE REQUIREMENTS

SECTION 5.065. Amends Section 1702.201, Occupations Code, as follows:

Sec. 1702.201. New heading: PERSONAL PROTECTION OFFICER LICENSE REQUIRED. Prohibits an individual from acting as a personal protection officer unless the individual holds a personal protection officer license, rather than a personal protection officer endorsement.

SECTION 5.066. Amends Section 1702.203, Occupations Code, as follows:

Sec. 1702.203. New heading: APPLICATION FOR PERSONAL PROTECTION OFFICER LICENSE. Requires an applicant for a personal protection officer license to submit a written application on a form prescribed by the commission, rather than the security board. Makes a conforming change.

SECTION 5.067. Amends Section 1702.204, Occupations Code, as follows:

Sec. 1702.204. New heading: PERSONAL PROTECTION OFFICER LICENSE; QUALIFICATIONS. (a) Requires an applicant for a personal protection officer license to be at least 21 years of age and to provide:

(1) makes no changes to this subdivision;

(2) proof that the applicant:

(A) makes no changes to this paragraph;

(B) is employed at the time of application by an investigations company or guard company licensed by DPS, rather than the security board; and

(C) makes no changes to this paragraph; and

(3) makes no changes to this subdivision.

(b) Requires the commission, rather than the security board, by rule to require an applicant for a personal protection officer license to complete the Minnesota Multiphasic Personality Inventory test. Authorizes DPS, rather than the security board, to use the results of the test to evaluate the applicant's psychological fitness.

SECTION 5.068. Amends Section 1702.205(a), Occupations Code, to require the commission, rather than the security board, to establish a 15-hour course for a personal protection officer consisting of training in nonlethal self-defense or defense of a third person.

SECTION 5.069. Amends Section 1702.206(a), Occupations Code, as follows:

(a) Prohibits an individual acting as a personal protection officer from carrying a firearm unless the officer:

(1)–(2) makes conforming changes.

SECTION 5.070. Amends the heading to Subchapter J, Chapter 1702, Occupations Code, to read as follows:

#### SUBCHAPTER J. LICENSING AND DUTIES OF INDIVIDUALS

SECTION 5.071. Amends Section 1702.221, Occupations Code, as follows:

Sec. 1702.221. New heading: INDIVIDUAL LICENSE REQUIRED. (a) Requires an individual, to perform any activity regulated by this chapter, to obtain the proper individual license under Subsection (b) and to be employed by a company license holder. Deletes existing text requiring the person to register in accordance with the requirements of this chapter and related administrative rules and text relating to obtaining an endorsement. Makes nonsubstantive changes.

(b) Requires an individual to obtain the appropriate individual license in accordance with the requirements of this chapter and related administrative rules if the individual:

(1) is employed as:

(A)–(F) makes no changes to these paragraphs;

(G) redesignates text of existing Paragraph (I) as Paragraph (G), deletes existing text relating to a dog trainer and a manager or



branch officer manager, and renumbers subsequent paragraphs accordingly;

(H) makes no changes to this paragraph;

(I) makes a nonsubstantive change; or

(J) makes a conforming change; or

(2) is an owner who owns at least a 51 percent interest in a company license holder, rather than is an owner who oversees the security-related aspects of the business, officer, partner, or shareholder of a license holder.

(c) Provides that licensure, rather than registration and endorsement, under this chapter does not preclude an individual from performing additional duties or services authorized by the individual's employer that are not regulated by this chapter. Makes conforming changes.

(d) Makes a conforming change.

(e) Authorizes the commission, rather than the security board, by rule to require a person to hold an individual license, rather than an endorsement, for performing any other activity expressly regulated by this chapter.

SECTION 5.072. Amends Section 1702.2226(b), Occupations Code, to make conforming changes.

SECTION 5.073. Amends Section 1702.229, Occupations Code, as follows:

Sec. 1702.229. New heading: QUALIFICATIONS FOR INDIVIDUAL LICENSE. (a) Makes conforming changes.

(b) Authorizes the commission, rather than the security board in accordance with the requirements of Section 1702.0611 (Rulemaking Procedures), by rule to adopt additional qualifications for an individual to obtain an individual license, rather than to be registered, under this subchapter.

SECTION 5.074. Amends Section 1702.230, Occupations Code, as follows:

Sec. 1702.230. New heading: APPLICATION FOR INDIVIDUAL LICENSE. (a) Requires an application for an individual license, rather than for registration or endorsement, to be verified and include:

(1)–(2) makes no changes to these subdivisions;

(3) deletes existing text relating to the applicant's consulting firm, if applicable;

(4) the date the employment described by Subdivision (3) commenced, rather than the date the employment commenced;

(5) a letter from the company license holder requesting that the applicant be issued an individual license, rather than a letter from the license holder requesting that the applicant be registered or endorsed;

(6)–(7) makes no changes to these subdivisions;

(8) fingerprints of the applicant provided in the manner prescribed by DPS, rather than the security board; and

(9) any other information, evidence, statement, or document required by DPS, rather than the security board.

(b) Requires the employer of the applicant to make a reasonable attempt to verify the information required under Subsection (a)(1) before the earlier of:

(1) makes no changes to this subdivision; or

(2) the date the applicant begins to perform the duties of employment that require an individual license, rather than require registration.

(c) Requires an applicant to submit an application that substantially meets the requirements of this section before employment in a capacity for which an individual license is required, rather than for which registration is required.

(d) Provides that for purposes of Subsection (a), an application is not considered to be verified until DPS, rather than the security board, has received electronic verification from DPS or the FBI, as applicable, that the applicant has submitted the applicant's fingerprints.

(e) Requires DPS to make information available to the public concerning whether an applicant for an individual license has met the requirements under this chapter for performing a service for which the individual license is required, rather than requires the security board to make information available to the public concerning whether an applicant for registration or endorsement has met the requirements under this chapter for performing a service for which the registration or endorsement is required.

(f) Makes conforming changes.

SECTION 5.075. Amends Section 1702.2305, Occupations Code, as follows:

Sec. 1702.2305. New heading: PROVISIONAL INDIVIDUAL LICENSE. (a) Authorizes DPS to issue a provisional individual license to an applicant currently licensed in another jurisdiction who seeks an equivalent license in this state, rather than authorizes the security board to issue a provisional registration to an applicant currently registered in another jurisdiction who seeks an equivalent registration in this state, and who:

(1) makes conforming changes;

(2) has passed a national or other examination recognized by the commission, rather than the security board, relating to practice in the field in which the individual license, rather than registration, is sought; and

(3) is employed by a company license holder with whom the provisional individual license holder will practice during the time the person holds a provisional individual license, rather than is employed by a person licensed by the security board under this chapter with whom the provisional registration holder will practice during the time the person holds a provisional registration.

(b) Provides that a provisional individual license is valid until the date DPS, rather than the security board, approves or denies the provisional individual license holder's application for an individual license. Requires DPS, rather than the security board, to issue an individual license under this chapter to the provisional individual license holder if the provisional individual license holder is eligible to be licensed under this chapter. Makes conforming changes.

(c) Requires DPS, rather than the security board, to approve or deny a provisional individual license holder's application for an individual license not later than the

180th day after the date the provisional individual license is issued. Authorizes DPS, rather than the security board, to extend the 180-day period if the results of an examination have not been received by DPS, rather than the security board, before the end of that period. Makes conforming changes.

(d) Authorizes the commission, rather than the security board, to establish a fee for a provisional individual license in an amount reasonable and necessary to cover the cost of issuing the individual license. Makes conforming changes.

SECTION 5.076. Amends Section 1702.232, Occupations Code, as follows:

Sec. 1702.232. POCKET CARDS. (a) Requires DPS, rather than the security board, to issue a pocket card for each individual license holder under this chapter. Requires a pocket card for an owner of a company license holder, rather than for an owner, officer, partner, or shareholder of a license holder, to be issued to the company license holder. Makes conforming and nonsubstantive changes.

(b) Requires DPS, rather than the security board, to determine the size, design, and content of the pocket card.

(c) Requires the pocket card to:

(1) makes a conforming change;

(2) contain a color photograph, affixed to the pocket card by DPS, rather than the security board, at the time the card is issued, and the signature of the individual license holder, rather than the registrant; and

(3) makes a nonsubstantive change and deletes existing Subdivision (4) relating to endorsements held by the registrant and the date the endorsements expire.

SECTION 5.077. Amends Section 1702.233, Occupations Code, as follows:

Sec. 1702.233. DURATION OF POCKET CARDS. Provides that a pocket card issued for an individual license holder expires on the date the individual license expires under Section 1702.301(b), rather than a pocket card issued for a registrant is valid for two years and expires on the date the registration expires under Sections 1702.301(d), (e), or (f).

SECTION 5.078. Amends Section 1702.234, Occupations Code, as follows:

Sec. 1702.234. New heading: TRANSFER OF INDIVIDUAL LICENSE. Authorizes an individual license holder to transfer the holder's license from one employer to another employer if, not later than the 14th day after the date the individual license holder begins the new employment, the new employer notifies DPS of the transfer of employment on a form prescribed by the commission accompanied by payment of the employee information update fee, rather than authorizes a registrant to transfer the registrant's registration and endorsements from one employer to another employer if, not later than the 14th day after the date the registrant begins the new employment, the new employer notifies the security board of the transfer of employment on a form prescribed by the security board accompanied by payment of the employee information update fee.

SECTION 5.079. Amends Section 1702.235, Occupations Code, as follows:

Sec. 1702.235. PREEMPLOYMENT CHECK FOR NONCOMMISSIONED SECURITY OFFICERS. Prohibits a person from hiring a noncommissioned security officer unless the person conducts a preemployment check as required by commission rule, rather than by security board rule.

SECTION 5.080. Amends Section 1702.236, Occupations Code, as follows:

Sec. 1702.236. EXAMINATION AND TRAINING REQUIREMENTS FOR ELECTRONIC ACCESS CONTROL DEVICE INSTALLERS. (a) Requires DPS to require an individual who applies for an individual license as an electronic access control device installer to pass an examination given by DPS or a person approved by DPS, rather than requires the security board to require an individual who applies for an endorsement as an electronic access control device installer to pass an examination given by the security board or a person approved by the security board.

(b) Authorizes the commission by rule to allow an electronic access control device installer to obtain or renew an individual license by fulfilling the requirements of a commission-approved, industry-based educational training program, rather than authorizes the security board by rule, on and after September 1, 2005, to allow an electronic access control device installer to obtain or renew an endorsement by fulfilling the requirements of a security board-approved, industry-based educational training program.

SECTION 5.081. Amends Section 1702.239, Occupations Code, as follows:

Sec. 1702.239. New heading: TRAINING REQUIREMENTS FOR ALARM SYSTEMS INSTALLER; EXAMINATION. (a) Authorizes the commission to require that an individual employed as an alarm systems installer hold a certification by a commission-approved training program to renew an individual license, rather than authorizes the security board to require that an individual employed as an alarm systems installer or security salesperson hold a certification by a security board-approved training program to renew an endorsement. Authorizes the commission, rather than the board, to approve only nationally recognized training programs that consist of at least 16 hours of classroom study in the areas of work allowed by the individual license, rather than the endorsement.

(b) Authorizes the commission to require an individual who has completed a training program under Subsection (a) to pass an examination given by DPS or by a person approved by DPS, rather than authorizes the security board to require an individual who has completed a training program under Subsection (a) to pass an examination given by the security board or by a person approved by the security board. Authorizes the commission, rather than the security board, to approve examinations in conjunction with training programs approved under Subsection (a). Makes a conforming change.

(c) Redesignates existing text of Subsection (d) as Subsection (c). Requires the commission, if the commission requires certification or examination under this subsection, to adopt rules to require that to renew an individual license, an individual who is employed as an alarm systems installer and who has already once renewed the individual license is required to obtain continuing education credits related to the line of work for which the individual is licensed, rather than requires the security board, if the security board requires certification or examination under this subsection, to implement rules to require that to renew an endorsement, an individual who is employed as an alarm systems installer or a security salesperson and who has already once renewed the endorsement is required to obtain continuing education credits related to the line of work for which the individual is licensed. Requires the chief administrator, if the commission, rather than the security board, requires the continuing education, to approve classes offered by nationally recognized organizations, and requires participants in the classes to qualify according to commission rules, rather than security board rules. Deletes existing text providing that an individual who holds a registration on September 30, 1993, is not required to comply with requirements adopted under Subsections (a) and (b) during the time the individual maintains the registration with the individual's current license holder.

SECTION 5.082. Amends Section 1702.240, Occupations Code, as follows:

Sec. 1702.240. New heading: EXEMPTIONS FOR UNDERCOVER AGENT. (a) Defines "undercover agent."

(b) Provides that an employee of a company license holder, rather than a license holder, who is employed exclusively as an undercover agent is not required to obtain an individual license, rather than is not required to register with the security board.

SECTION 5.083. Amends Section 1702.241, Occupations Code, as follows:

Sec. 1702.241. JURISPRUDENCE EXAMINATION. (a) Authorizes the commission to develop and DPS to administer at least twice each calendar year a jurisprudence examination to determine the knowledge that an applicant for an individual license has of this chapter, commission rules, and any other applicable laws of this state affecting the applicant's activities regulated under this chapter, rather than authorizes the security board to develop and administer at least twice each calendar year a jurisprudence examination to determine the knowledge that an applicant for an endorsement has of this chapter, security board rules, and any other applicable laws of this state affecting the applicant's activities regulated under this chapter.

(b) Provides that before DPS is authorized to administer a jurisprudence examination under this section, the commission is required to adopt certain rules to implement this section, rather than provides that before the security board is authorized to administer a jurisprudence examination under this section, the security board is required to adopt certain rules to implement this section. Authorizes DPS, rather than the security board, to design different examinations for different types of individual licenses, rather than endorsements.

SECTION 5.084. Amends Section 1702.282, Occupations Code, as follows:

Sec. 1702.282. CRIMINAL HISTORY CHECK. (a) Requires DPS, rather than the security board, to conduct a criminal history check, including certain information and in a certain manner, on each applicant for a license or security officer commission issued under this chapter. Authorizes DPS, rather than the security board, as part of its criminal history check, to request that the applicant provide certified copies of relevant court documents or other records. Provides that the failure to provide the requested records within a reasonable time as determined by DPS, rather than the security board, may result in the application being considered incomplete. Provides that an applicant is not eligible for a license or security officer commission issued under this chapter if the check reveals that the applicant has committed an act that constitutes grounds for the denial of the license or commission. Requires each applicant, except as provided by Subsection (d), to submit at the time of application, including an application for the renewal of a license or security officer commission issued under this chapter, fingerprints in the manner prescribed by DPS accompanied by the fee set by the commission, rather than in the manner prescribed by the security board accompanied by the fee set by the security board. Deletes existing references to applications for a registration, letter of approval, permit, endorsement, or certification and makes nonsubstantive changes.

(b) Requires the applicant, before beginning employment as a commissioned security officer, to be approved by DPS, rather than the security board, based on the results of the check under Subsection (a). Requires the applicant, to continue employment in a capacity regulated under this chapter other than as a commissioned security officer, to be approved by DPS, rather than the security board, based on the results of the check under Subsection (a) not later than the 120th day after the date the applicant begins employment in that capacity.

(c) Provides that a license or security officer commission issued by DPS is conditional on DPS's review of criminal history record information, rather than

that certain documents issued by the security board are conditional on the security board's receipt of criminal history record information.

(d) Requires certain entities that maintain a peace officer's fingerprints, on request, to provide the fingerprints for the peace officer to DPS, rather than the security board. Requires the applicant to provide sufficient information to DPS to enable DPS to obtain the fingerprints under this subsection, rather than provide sufficient information to the security board to enable the security board to obtain the fingerprints under this subsection.

(e) Provides that if an applicant whose criminal record contains a certain arrest fails to provide either the required letter of reference or documentary proof of the final disposition of the arrest, the application is considered incomplete and the applicant is prohibited from being issued a license or security officer commission under this chapter. Deletes existing text relating to an endorsement or certification of registration and makes nonsubstantive changes.

SECTION 5.085. Amends Section 1702.283, Occupations Code, as follows:

Sec. 1702.283. CRUELTY TO ANIMALS. Makes nonsubstantive changes and prohibits a person who has been convicted of cruelty to animals under Section 42.09 (Cruelty to Livestock Animals) or 42.092 (Cruelty to Nonlivestock Animals), Penal Code, from being employed to work with dogs as a security officer by a security services contractor or security department of a private business that uses dogs to protect individuals or property or to conduct investigations. Deletes existing text relating to eligibility for a license as a guard dog company or for endorsement as a dog trainer and makes nonsubstantive changes.

SECTION 5.086. Amends Section 1702.284(a), Occupations Code, as follows:

(a) Provides that certain information contained in alarm systems records maintained by a governmental body is confidential and is authorized to be disclosed only to DPS, rather than the security board, to the alarm company to which the confidential records relate, or as otherwise required by state law or court order.

SECTION 5.087. Amends Section 1702.285, Occupations Code, as follows:

Sec. 1702.285. FALSE REPRESENTATION. Prohibits a person from representing falsely that the person:

(1) is employed by a company license holder, rather than by a license holder; or

(2) has a license or security officer commission under this chapter, rather than is licensed, registered, endorsed, or commissioned under this chapter.

SECTION 5.088. Amends Sections 1702.288(a), (d), and (f), Occupations Code, as follows:

(a) Requires the commission, rather than the security board, to adopt rules in accordance with this section that require a company license holder, rather than a license holder, acting as an alarm systems company under this chapter to inform each other license holder's clients that the client is entitled to receive certain information.

(d) Requires the rules to require that, not later than the seventh day after the date of entering into a contract for services regulated by DPS, rather than the security board, with another alarm systems company or alarm systems monitor, an alarm systems company is required to notify the recipient of services of certain information.

(f) Makes a conforming change.

SECTION 5.089. Amends Section 1702.289, Occupations Code, as follows:

Sec. 1702.289. INSPECTIONS. (a) Requires an employee or agent of DPS, rather than an employee or agent of DPS or the security board as applicable, who enters the place of business of a person regulated under this chapter for the purpose of conducting an inspection or audit to:

(1) makes no changes to this subdivision; and

(2) present the manager or owner of the business with credentials that identify the person conducting the inspection or audit as an employee or agent of DPS, rather than of DPS or the security board.

(b) Makes a conforming change.

SECTION 5.090. Amends Sections 1702.301(b), (c), and (h), Occupations Code, as follows:

(b) Provides that a company license, individual license, and security officer commission expire on the dates determined by the commission under Section 411.511, Government Code, but not later than the second anniversary of the date the license or commission is issued, rather than provides that a security officer commission expires on the second anniversary of the date the commission is issued.

(c) Provides that a personal protection officer license expires on the date determined by the commission under Section 411.511, Government Code, but not later than the expiration date of the security officer commission under which the license is issued, rather than provides that a personal protection officer endorsement expires on the expiration date of the security officer commission under which the individual's endorsement is issued.

(h) Provides that a license issued under this chapter, other than one specified in this section, expires on the date determined by the commission under Section 411.511, Government Code, but not later than the second anniversary of the date the license is issued, rather than provides that a license, registration, or endorsement issued under this chapter, other than one specified in this section, expires on the date specified by this chapter or by security board rule.

SECTION 5.091. Amends Sections 1702.302(a), (b), (c), and (e), Occupations Code, as follows:

(a) Authorizes a person who is otherwise eligible to renew a license to renew an unexpired license by paying the required renewal fee to DPS, rather than the security board, before the expiration date of the license.

(b)-(e) Makes conforming changes.

SECTION 5.092. Amends Section 1702.303, Occupations Code, as follows:

Sec. 1702.303. RENEWAL OF EXPIRED LICENSE BY OUT-OF-STATE PRACTITIONER. Requires a person who has obtained a new license without reexamination under this section to pay to DPS, rather than the security board, a fee that is equal to two times the normally required renewal fee for the license.

SECTION 5.093. Amends Sections 1702.308(b) and (c), Occupations Code, as follows:

(b) Requires DPS to recognize, prepare, or administer continuing education programs for company license holders, commissioned security officers, and individual license holders, rather than requires the security board to recognize, prepare, or administer continuing education programs for license holders,

commissioned security officers, and endorsement holders. Requires the commission, rather than the security board, to set the minimum number of hours that are required to be completed and the types of programs that are authorized to be offered.

(c) Requires a company license holder, commissioned security officer, or individual license holder to participate in the programs to the extent required by the commission, rather than the security board, to keep the person's license or commission. Requires a company license holder, commissioned security officer, or individual license holder to submit evidence of compliance with the commission's, rather than the security board's, continuing education requirements in a manner prescribed by DPS. Deletes existing text relating to endorsements.

SECTION 5.094. Amends Section 1702.309(a), Occupations Code, as follows:

(a) Requires the commission, rather than the security board, by rule to develop a continuing education course required for renewal of a security officer commission. Authorizes only a DPS-approved, rather than a security board-approved, instructor to administer the continuing education course. Requires the course to include at least six hours of instruction determined by DPS, rather than the chief administrator of the security board.

SECTION 5.095. Amends Sections 1702.321(b), (c), and (e), Occupations Code, as follows:

(b) Provides that the provisions of this chapter relating to security officer commissions apply to a person employed by a political subdivision whose duties include serving as a security guard, security watchman, or security patrolman on property owned or operated by the political subdivision if the governing body of the political subdivision files a written request with DPS for DPS, rather than with the security board for the security board, to issue a commission to the political subdivision's employees with those duties.

(c) Prohibits DPS, rather than the security board, from charging a fee for issuing a commission to an officer under Subsection (b). Requires DPS, rather than the security board, to issue to the officer a pocket card designating the political subdivision that employs the officer.

(e) Authorizes DPS, rather than the security board, to approve a security officer training program conducted by the political subdivision in accordance with Sections 1702.1675 and 1702.168.

SECTION 5.096. Amends Sections 1702.323(c) and (c-1), Occupations Code, as follows:

(c) Prohibits the security department of a private business from hiring or employing an individual to perform a duty described by Section 1702.222 (Security Officer) if the individual has been convicted of a crime that would otherwise preclude the individual from being licensed under this chapter, rather than registered under this chapter. Makes a nonsubstantive change.

(c-1) Provides that, although the security department of a private business that hires or employs an individual as a private security officer to possess a firearm in the course and scope of the individual's duties is required to apply for a security officer commission for the individual under this chapter, the security department of a private business is not required to apply for any license under this chapter, rather than is not required to apply to the security board for any license under this chapter.

SECTION 5.097. Amends Section 1702.331(b), Occupations Code, as follows:

(b) Provides that this chapter does not apply to:



(1) makes no changes to this subdivision;

(2) makes a nonsubstantive change; and

(3) redesignates existing text of Subdivision (5) as Subdivision (3) and includes an owner, rather than an owner, officer, partner, or shareholder, of an alarm systems company described by Subdivision (1).

(4)–(5) Deletes these subdivisions and existing text relating to a security salesperson who is employed by an alarm systems company described by Subdivision (1) to sell services offered by the company and a manager or branch office manager of an alarm systems company described by Subdivision (1).

SECTION 5.098. Amends Sections 1702.332(c), and (d), Occupations Code, as follows:

(c) Requires a telematics service provider, to qualify for the exemption provided by Subsection (b), to establish business practices and procedures that are at least as stringent as the guidelines established by the Association of Public Safety Communications Officials International regarding the communication of information from telematics service providers to public safety agencies and deletes an existing requirement to pay an annual fee to DPS. Makes nonsubstantive changes.

(d) Authorizes the commission, rather than DPS, to adopt rules necessary to carry out the purposes of this section, including rules to determine whether a telematics service provider is complying with Subsection (c).

SECTION 5.099. Amends Section 1702.361, Occupations Code, as follows:

Sec. 1702.361. DENIAL AND DISCIPLINARY ACTIONS; GROUNDS. (a) Authorizes the commission, rather than DPS, for conduct described by Subsection (b), to:

(1) deletes existing text including a registration or endorsement among the documents authorized to be revoked, suspended, or refused to be renewed or issued;

(2) deletes existing text including a registrant among the individuals authorized to be reprimanded; or

(3) deletes existing text including a person whose registration or endorsement has been suspended among the persons authorized to be placed on probation.

(b) Requires the commission, rather than DPS, to take disciplinary action described by Subsection (a) on proof:

(1) that the applicant, license holder, majority owner of a license holder, or commissioned security officer, rather than that the applicant, license holder, manager or majority owner of a license holder, registrant, endorsement holder, or commissioned security officer, has:

(A) makes no changes to this paragraph;

(B) become ineligible for licensure or a security officer commission under Section 1702.163 (Qualifications for Security Officer Commission), if applicable, other than an action for which DPS has taken summary action under Section 1702.364 (Summary Actions), rather than become ineligible for licensure, registration,

or endorsement under Section 1702.113 (General Qualifications for License, Certificate of Registration, or Security Officer Commission), or a commission under Section 1702.163, if applicable, other than an action for which DPS has taken summary action under Section 1702.364;

(C) makes no changes to this paragraph;

(D) made a material misstatement in an application for or renewal of a license or commission, rather than a license, registration, endorsement, or commission;

(E) failed to pay in full an administrative penalty assessed under Subchapter R, Chapter 411, Government Code, for which the commission has issued a final order, rather than failed to pay in full an administrative penalty assessed under Subchapter Q, for which the security board has issued a final order; or

(F) performed any service for which an individual license, rather than an endorsement, is required under this chapter and either:

(i) makes no changes to this subparagraph; or

(ii) performed the service for a company licensed under this chapter that was not listed on the individual's individual license without informing DPS, rather than not listed on the individual's registration without informing the security board, of the individual's employment with the company within a reasonable period; or

(G) deletes this paragraph relating to qualifying a new manager within a certain time period; or

(2) that the company license holder employing an individual license holder or commissioned security officer has submitted to DPS sufficient evidence that the individual license holder or commissioned security officer, rather than that the license holder of a registrant or commissioned security officer has submitted to DPS sufficient evidence that the registrant or commissioned security officer:

(A) engaged in fraud or deceit while employed by the company license holder, rather than the license holder; or

(B) committed theft while performing work as an individual license holder or commissioned security officer, rather than as a registrant or commissioned security officer.

(c) Authorizes the commission, rather than DPS, to place on probation a person whose license is suspended. Authorizes the commission, rather than DPS, if a person's suspension of a license is probated, to require the person:

(1) makes no changes to this subdivision;

(2) to limit practice to the areas prescribed by the commission, rather than DPS; or

(3) to continue or review professional education until the person attains a degree of skill satisfactory to the commission, rather than DPS, in those areas that are the basis of the probation.

(d) Authorizes the commission to revoke a license or security officer commission, rather than authorizes DPS to revoke a license, certificate, registration, endorsement, or commission, if the person holding that credential under this chapter submits payment of a fee or penalty that is returned for insufficient funds and the person has received notice and an opportunity to provide payment in full.

SECTION 5.100. Amends Section 1702.363, Occupations Code, as follows:

Sec. 1702.363. APPLICATION OF ADMINISTRATIVE PROCEDURE ACT. Entitles a person regulated under this chapter against whom the commission has taken action, except as provided by Section 1702.364, to a hearing before SOAH, rather than entitles a person regulated under this chapter against whom the security board has taken action, except as provided by Sections 1702.3615(b) (relating to providing that a proceeding under Subsection (a) is governed by Chapter 2001, Government Code, and a requirement that a hearing be held at a regular meeting of the security board) and 1702.364, to a hearing before SOAH.

SECTION 5.101. Amends Sections 1702.364(a), (b), (c), (d), (e), and (f), Occupations Code, as follows:

(a) Requires the commission, rather than DPS, on receiving written notice from a law enforcement agency that a person has been charged with or convicted of an offense that would make the person ineligible for a license or security officer commission, rather than for a license, certificate of registration, endorsement, or security officer commission, under Section 1702.113 or 1702.163, or a rule adopted under Section 1702.004(b) (relating to requiring the security board to adopt rules necessary to comply with Chapter 53 (Criminal Conviction) and certain requirements for those rules), to:

(1)–(3) makes conforming changes.

(b) Requires DPS, to initiate a proceeding to take action under Subsection (a), to serve to the person notice that is required to:

(1) inform the person of the person's right to a hearing before DPS or DPS's designee, rather than inform the person of the right to a preliminary hearing before DPS;

(2)–(3) makes no changes to these subdivisions.

(c) Makes a conforming change.

(d) Requires the person, at a hearing under this section, rather than at a preliminary hearing, to show cause why:

(1) makes no changes to this subdivision; or

(2)–(3) makes conforming changes.

(e) Provides that Chapter 2001, Government Code, applies to a proceeding under this section for the summary denial of an application for or the summary suspension or revocation of a license or security officer commission, rather than providing that Chapter 2001, Government Code, does not apply to DPS's initial action under this section or to a preliminary hearing before DPS under this section.

(f) Makes conforming changes.

SECTION 5.102. Amends Section 1702.365, Occupations Code, as follows:

Sec. 1702.365. ABDUCTION OF CHILD. Makes conforming changes and requires the commission, rather than the security board, to revoke a person's license or security officer commission or deny a person's application for, or renewal of, a license or security officer commission on proof that the person or an agent of the person has, after the date of application for a license or security officer commission, abducted or attempted to abduct by certain means a child who at the time of the abduction or attempt is under the care and control of a person who has custody or physical possession of the child under a court order or who is exercising the care and control with the consent of a person who has custody or physical possession of the child under a court order.

SECTION 5.103. Amends Sections 1702.367(a), (c), (d), and (e), Occupations Code, as follows:

(a) Authorizes DPS, for an investigation conducted under this chapter, if necessary to enforce this chapter or the commission rules adopted under this chapter, rather than this chapter or the security board's rules, to issue an administrative subpoena to any person in this state compelling the production of information or documents or the attendance and testimony of a witness.

(c) Requires a person required to testify or to produce a record or document on any matter properly under inquiry by DPS, rather than the security board, who refuses to testify or to produce the record or document on the ground that the testimony or the production of the record or document would incriminate or tend to incriminate the person to nonetheless testify or produce the record or document.

(d)-(e) Makes conforming changes.

SECTION 5.104. Amends Section 1702.368, Occupations Code, as follows:

Sec. 1702.368. NOTIFICATION OF CONVICTION FOR CERTAIN OFFENSES. Deletes existing text requiring DPS to notify the security board of the conviction of a person registered under this chapter for a Class B misdemeanor or equivalent offense.

SECTION 5.105. Amends Section 1702.372, Occupations Code, as follows:

Sec. 1702.372. New heading: RECUSAL OF COMMISSION MEMBER. (a) Provides that a commission member, rather than a security board member, who participated in the investigation of a complaint of a violation of this chapter or in informal settlement negotiations regarding the complaint:

(1) is prohibited from voting on the matter at a commission, rather than a security board, meeting related to the complaint; and

(2) makes no changes to this subdivision.

(b) Makes no changes to this subsection.

SECTION 5.106. Amends Section 1702.381(b), Occupations Code, to delete existing text relating to a registration or an endorsement.

SECTION 5.107. Amends Section 1702.386(a), Occupations Code, to delete existing text relating to a registration or an endorsement.

SECTION 5.108. Amends Section 1702.3863(a), Occupations Code, as follows:

(a) Provides that a person commits an offense if the person contracts with or is employed by a bail bond surety as defined by Chapter 1704 (Regulation of Bail Bond Sureties) to secure the appearance of a person who has violated Section 38.10 (Bail Jumping and Failure to Appear), Penal Code, unless the person is:

(1) makes no changes to this subdivision;

(2) an individual licensed as a private investigator, rather than an individual endorsed or licensed as a private investigator or the manager of a private investigations company; or

(3) makes no changes to this subdivision.

SECTION 5.109. Amends Section 1702.387(a), Occupations Code, as follows:

(a) Provides that a person commits an offense if the person fails to surrender or immediately return to DPS the person's commission, pocket card, or other identification issued to the person by DPS under this chapter on notification of a summary suspension or summary denial under Section 1702.364, rather than provides that a person commits an offense if the person fails to surrender or immediately return to the security board the person's registration, commission, pocket card, or other identification issued to the person by the security board on notification of a summary suspension or summary denial under Section 1702.364.

SECTION 5.110. Amends Section 1702.3875(a), Occupations Code, as follows:

(a) Provides that a person commits an offense if the person:

(1) makes no changes to this subdivision; or

(2) knowingly purports to exercise any function that requires licensure, rather than registration, as a noncommissioned security officer or a security officer commission.

SECTION 5.111. Amends Section 1702.388(b), Occupations Code, as follows:

(b) Provides that an offense under this section is a Class A misdemeanor, except that the offense is a felony of the third degree if the person has previously been convicted under this chapter of failing to hold a license, certificate of insurance, or commission that the person is required to hold under this chapter, rather than convicted under this chapter of failing to hold a license, registration, endorsement, certificate, or commission that the person is required to hold under this chapter.

SECTION 5.112. Amends Section 411.042(b), Government Code, as follows:

(b) Requires the bureau of identification and records of DPS to:

(1)–(4) makes no changes to these subdivisions;

(5) maintain a list of all previous background checks for applicants for any position regulated under Chapter 1702, Occupations Code, who have undergone a criminal history background check as required by that chapter, rather than a criminal history background check under Section 411.119 (Access to Criminal History Record Information: Texas Commission on Private Security), if the check indicates a Class B misdemeanor or equivalent offense or a greater offense; and

(6)–(9) makes no changes to these subdivisions.

SECTION 5.113. Repealer: Section 411.119 (Access to Criminal History Record Information: Texas Commission on Private Security), Government Code.

Repealer: Section 1702.002(1-b) (relating to the definition of "board"), Occupations Code.

Repealer: Section 1702.002(3) (relating to the definition of "branch office license"), Occupations Code.

Repealer: Section 1702.002(6-b) (relating to the definition of "endorsement"), Occupations Code.

Repealer: Section 1702.002(11) (relating to the definition of "letter of authority"), Occupations Code.

Repealer: Section 1702.002(12) (relating to the definition of "license"), Occupations Code.

Repealer: Section 1702.002(13) (relating to the definition of "license holder"), Occupations Code.

Repealer: Section 1702.002(14) (relating to the definition of "manager"), Occupations Code.

Repealer: Section 1702.002(19) (relating to the definition of "registrant"), Occupations Code.

Repealer: Section 1702.002(20) (relating to the definition of "registration"), Occupations Code.

Repealer: Section 1702.27(c) (relating to a requirement that certain parties notify other certain parties if they have knowledge that a potential ground for removal from the security board exists), Occupations Code.

Repealer: Section 1702.028 (Per Diem; Reimbursement), Occupations Code.

Repealer: Section 1702.030 (Training), Occupations Code.

Repealer: Section 1702.043 (Division of Responsibilities), Occupations Code.

Repealer: Section 1702.047 (Administrative Staff), Occupations Code.

Repealer: Section 1702.0611 (Rulemaking Procedures), Occupations Code.

Repealer: Section 1702.0612 (Negotiated Rulemaking and Alternative Dispute Resolution), Occupations Code.

Repealer: Section 1702.066 (Service of Process; Service of Documents on Board), Occupations Code.

Repealer: Section 1702.081 (Public Interest Information), Occupations Code.

Repealer: Section 1702.082 (Complaints), Occupations Code.

Repealer: Section 1702.083 (Public Participation), Occupations Code.

Repealer: Section 1702.1045 (Private Security Consulting Company), Occupations Code.

Repealer: Section 1702.109 (Guard Dog Company), Occupations Code.

Repealer: Section 1702.111 (Issuance of Branch Office License), Occupations Code.

Repealer: Section 1702.113(d) (relating to the definition for "convicted"), Occupations Code.

Repealer: Section 1702.116 (Qualifications for Guard Dog Company License; Inspections), Occupations Code.

Repealer: Section 1702.119 (Manager Required), Occupations Code.

Repealer: Section 1702.120 (False Application of Manager), Occupations Code.

Repealer: Section 1702.121 (Termination of Manager), Occupations Code.

Repealer: Section 1702.183 (Application for Letter of Authority), Occupations Code.

Repealer: Section 1702.225 (Dog Trainer), Occupations Code.

Repealer: Section 1702.227 (Security Salesperson), Occupations Code.

Repealer: Section 1702.228 (Employee of License Holder; Registration Permitted), Occupations Code.

Repealer: Section 1702.301(a) (relating to expiration of a license), Occupations Code.

Repealer: Section 1702.301(d) (relating to expiration of an endorsement as a private investigator, manager, branch office manager, alarm systems installer, security consultant, security salesperson, alarm systems monitor, or dog trainer), Occupations Code.

Repealer: Section 1702.301(e) (relating to expiration of an endorsement as an owner, officer, partner, or shareholder of a license holder), Occupations Code.

Repealer: Section 1702.301(f) (relating to expiration of an endorsement as noncommissioned security officer), Occupations Code.

Repealer: Section 1702.301(g) (relating to expiration of a letter of authority, or a school approval or school instructor approval letter issued by the security board), Occupations Code.

Repealer: Section 1702.304 (Staggered Renewal; Proration of License Fee), Occupations Code.

Repealer: Section 1702.307 (Registration Renewal), Occupations Code.

Repealer: Section 1702.3615 (Direct Appeal in Limited Cases), Occupations Code.

Repealer: Section 1702.362 (Failure to File Required Notice), Occupations Code.

Repealer: Section 1702.364(g) (relating to authorization to appeal the results of the preliminary hearing and the subsequent requirement for DPS to set a hearing and give written notice of the hearing to the person), Occupations Code.

Repealer: Section 1702.364(h) (relating to a requirement that an administrative law judge make findings of fact and conclusions of law regarding the person's eligibility for a license, registration, or endorsement under this section and promptly issue to the security board a proposal for a decision), Occupations Code.

Repealer: Section 1702.364(i) (relating to a requirement that the security board consider the proposal for decision and promptly issue a final order at its earliest possible quarterly meeting), Occupations Code.

Repealer: Section 1702.371 (Conviction of Certain Crimes), Occupations Code.

Repealer: Section 1702.385 (Neglect by Guard Dog Company; Offense), Occupations Code.

Repealer: Subchapter Q (Administrative Penalty), Chapter 1702, Occupations Code.

SECTION 5.114. (a) Provides that on September 1, 2019, the terms of the members serving on the security board expire and the security board is abolished.

(b) Requires the commission, as soon as practicable after the effective date of this Act, to appoint members to the committee in accordance with Section 1702.021, Occupations Code, as amended by this Act. Provides that a security board member whose term expired under Subsection (a) of this section is eligible for reappointment to the committee.

(c) Requires the members of the security board whose terms expire under Subsection (a) of this section to continue to provide advice to DPS until a majority of the members of the committee are appointed under Subsection (b) of this section and qualified.

SECTION 5.115. (a) Defines "commission," "department," and "former board."

(b) Provides that on September 1, 2019:

(1) all functions and activities performed by the security board immediately before that date are transferred to DPS.

(2) all rules, fees, policies, procedures, decisions, and forms adopted by the security board are continued in effect as rules, fees, policies, procedures, decisions, and forms of the commission or DPS, as applicable, and remain in effect until amended or replaced by the commission or DPS;

(3) a complaint, investigation, contested case, or other proceeding before the security board that is pending on September 1, 2019, is transferred without change in status to DPS or the commission, as appropriate;

(4) all money, contracts, leases, property, and obligations of the security board are transferred to DPS;

(5) all property in the custody of the security board is transferred to DPS; and

(6) the unexpended and unobligated balance of any money appropriated by the legislature for the security board is transferred to DPS.

(c) Requires the security board to provide DPS with access to any systems or information necessary for DPS to accept the program transferred under this Act.

(d) Provides that a license, certificate, or other authorization issued by the security board is continued in effect as a license, certificate, or other authorization of DPS.

SECTION 5.116. Provides that, on September 1, 2019, the following expire:

(1) any license, registration, endorsement, or other authorization required to operate as a guard dog company or trainer of a dog used to protect persons or property or to conduct investigations, as described by Chapter 1702, Occupations Code, as that chapter existed immediately before the effective date of this Act; and

(2) any license, registration, endorsement, or other authorization required to operate as a security salesperson, private security consultant, or private



security consulting company, as described by Chapter 1702, Occupations Code, as that chapter existed immediately before the effective date of this Act.

SECTION 5.117. Requires the commission, as soon as practicable after the effective date of this Act, to adopt rules necessary to implement the changes in law made by this Act to Chapter 1702, Occupations Code.

SECTION 5.118. Provides that the changes in law made by this Act amending Chapter 1702, Occupations Code, do not affect the validity of a disciplinary action or other proceeding that was initiated before the effective date of this Act and that is pending before a court or other governmental entity on the effective date of this Act.

SECTION 5.119. (a) Provides that a violation of Chapter 1702, Occupations Code, that is repealed or amended by this Act is governed by the law in effect when the violation was committed, and the former law is continued in effect for that purpose.

(b) Provides that, for purposes of this section, a violation was committed before the effective date of this Act if any element of the violation occurred before that date.

#### ARTICLE 6. CONDITIONAL TRANSFER OF DRIVER'S LICENSE PROGRAMS FROM DEPARTMENT OF PUBLIC SAFETY TO DEPARTMENT OF MOTOR VEHICLES

SECTION 6.001. Amends Sections 521.001(a)(1-a) and (2), Transportation Code, as follows:

(1-a) Defines "department" as the Texas Department of Motor Vehicles (TxDMV), rather than DPS.

(2) Defines "director" as the executive director of TxDMV, rather than the public safety director of DPS.

SECTION 6.002. Amends Section 521.001(c), Transportation Code, as follows:

(c) Authorizes TxDMV, rather than DPS, by rule to define types of vehicles that are "motorcycles" for the purposes of this chapter, in addition to those defined under Subsection (a)(6-a) and for the purposes of Chapters 501 (Certificate of Title Act), 502 (Registration of Vehicles), and 503 (Dealer's and Manufacturer's Vehicle License Plates). Makes a nonsubstantive change.

SECTION 6.003. Amends Subchapter A, Chapter 521, Transportation Code, by adding Section 521.0015, as follows:

Sec. 521.0015. STATUTORY REFERENCES. Provides that a statutory reference to DPS means TxDMV if the statutory reference concerns:

(1) the administration of the programs established by this chapter, Chapter 522 (Commercial Driver's Licenses), and other law that license a person to operate a motor vehicle, as defined by Section 501.002 (Definitions), or a commercial motor vehicle, as defined by Section 522.003 (Definitions), in this state; or

(2) the administration of Chapter 521A (Election Identification Certificate).

SECTION 6.004. (a) Defines "former administrator," "licensing program," "new administrator," and "work group."

(b) Requires DPS and TxDMV, as soon as practicable after the effective date of this section, to establish a work group to plan the transfer of the licensing program from DPS to TxDMV.

(c) Requires the work group to:

(1) adopt a transition plan to provide for the orderly transfer of powers, duties, functions, programs, and activities related to the licensing program, including:

(A) a plan that ensures the transfer of the licensing program will be completed on or before August 31, 2021; and

(B) completion dates for substantial phases of the licensing program's transfer;

(2) implement the transition plan described by Subdivision (1) of this subsection; and

(3) provide a quarterly report of the work group's progress in developing and implementing the transition plan described by Subdivision (1) of this subsection to:

(A) the presiding officer of each house of the legislature;

(B) the governor; and

(C) the Sunset Advisory Commission (Sunset).

(d) Requires DPS, to prepare for the transfer, to provide TxDMV with access to any systems, information, property, records, or personnel necessary for TxDMV to administer the licensing program transferred under this article.

(e) Provides that as soon as practicable after the effective date of this section:

(1) TxDMV is required to study the most effective use of available state and county resources, including personnel, property, and resources potentially available through the adoption of intergovernmental agreements, to administer the licensing program, prioritizing:

(A) administrative efficiency and cost savings; and

(B) accessibility of the licensing program for the citizens of this state, including citizens residing in rural areas of this state; and

(2) DPS is required to assist in the study described by Subdivision (1) of this subsection as requested by TxDMV.

(f) Provides that on September 1, 2021:

(1) all licensing program functions and activities performed by DPS immediately before that date are transferred to TxDMV;

(2) all licensing program rules, fees, policies, procedures, decisions, and forms adopted by DPS are continued in effect as rules, fees, policies, procedures, decisions, and forms of TxDMV and remain in effect until amended or replaced by TxDMV;

(3) a licensing program complaint, investigation, contested case, or other proceeding before DPS that is pending on September 1, 2021, is transferred without change in status to TxDMV;

(4) all licensing program money, contracts, leases, property, and obligations of DPS are transferred to TxDMV;

(5) all licensing program property in the custody of DPS is transferred to TxDMV; and

(6) the unexpended and unobligated balance of any money appropriated by the legislature to DPS for the purpose of administering the licensing program is transferred to TxDMV.

(g) Provides that on September 1, 2021, a license, certificate, endorsement, or other form of authorization issued by DPS and related to the licensing program is continued in effect as a license, certificate, endorsement, or other form of authorization of TxDMV.

(h) Provides that on September 1, 2021, all full-time equivalent employee positions at DPS that primarily concern the administration or enforcement of the licensing program become positions at TxDMV.

SECTION 6.005. (a) Defines "licensing program."

(b) Requires DPS to enter into an agreement with an independent, third-party contractor to:

(1) conduct a study that examines the opportunities and challenges of transferring the licensing program from DPS to TxDMV; and

(2) prepare a report containing the results of the study conducted under this subsection and recommendations on the opportunities and challenges of transferring the program from DPS to TxDMV.

(c) Requires the contractor, not later than September 1, 2020, to submit the report prepared under Subsection (b) of this section to the legislature, the governor, Sunset, DPS, and TxDMV.

SECTION 6.006. (a) Effective date, subject to Subsection (b) of this section: upon passage or September 1, 2019.

(b) Provides that Sections 6.001, 6.002, 6.003, and 6.004 of this article take effect only if the report required by Section 6.005 of this article is not submitted within the period prescribed by that section.

## ARTICLE 7. EXPIRATION DATES OF DRIVER'S LICENSES

SECTION 7.001. Amends Section 521.271(a), Transportation Code, as follows:

(a) Provides that each original driver's license, provisional license, learner license, or occupational driver's license issued to an applicant who is a citizen, national, or legal permanent resident of the United States or a refugee or asylee lawfully admitted into the United States expires as follows:

(1) a driver's license expires on the first birthday of the license holder occurring after the eighth, rather than the sixth, anniversary of the date of the application, except as provided by Section 521.2711 (License Expiration: Person at Least 85 Years of Age); and

(2)–(5) makes no changes to these subdivisions.

SECTION 7.002. Amends Section 521.421(a), Transportation Code, to increase from \$24 to \$32 the fee for issuance or renewal of a license not otherwise provided for by this section.

SECTION 7.003. Makes application of Sections 521.271 and 521.421, Transportation Code, as amended by this Act, prospective to June 1, 2020.

#### ARTICLE 8. MOTORCYCLE AND OFF-HIGHWAY VEHICLE OPERATOR TRAINING PROGRAMS

SECTION 8.001. Amends Chapter 662, Transportation Code, by adding Section 662.0005, as follows:

Sec. 662.0005. DEFINITIONS. Defines "commission" as the Texas Commission of Licensing and Regulation (TCLR), "department" as the Texas Department of Licensing and Regulation (TDLR), "instructor," and "motorcycle school."

SECTION 8.002. Amends Section 662.001, Transportation Code, as follows:

Sec. 662.001. New heading: ADMINISTRATION OF PROGRAM. Requires TDLR to administer a motorcycle operator training and safety program and enforce the laws governing the program, rather than requires the governor to designate a state agency to establish and administer a motorcycle operator training and safety program.

SECTION 8.003. Amends the heading to Section 662.002, Transportation Code, to read as follows:

Sec. 662.002. PURPOSE OF PROGRAM.

SECTION 8.004. Amends Section 662.003, Transportation Code, to require TDLR, rather than the designated state agency, to employ as program director a person who is certified as a chief instructor by the Motorcycle Safety Foundation.

SECTION 8.005. Amends Chapter 662, Transportation Code, by adding Sections 662.0033, 662.0035, and 662.0037, as follows:

Sec. 662.0033. MINIMUM CURRICULUM STANDARDS. (a) Requires TCLR by rule to establish minimum curriculum standards for courses provided under the motorcycle operator training and safety program.

(b) Requires TDLR to approve all courses that meet the curriculum standards established under Subsection (a).

(c) Requires TCLR, in establishing the minimum curriculum standards for entry-level courses, to consider the standards for motorcycle operator training and safety courses adopted by the National Highway Traffic Safety Administration.

Sec. 662.0035. FEES. (a) Authorizes TCLR to set fees in amounts reasonable and necessary to cover the costs of administering this chapter.

(b) Prohibits the renewal fee for a motorcycle school license from exceeding \$100.

(c) Prohibits the renewal fee for an instructor license from exceeding \$50.

Sec. 662.0037. MOTORCYCLE SAFETY ADVISORY BOARD. (a) Requires TCLR to establish an advisory board to advise TDLR on matters related to the motorcycle operator training and safety program established under this chapter.

- (b) Sets forth the required membership of the advisory board.
- (c) Provides that advisory board members serve staggered six-year terms.
- (d) Provides that Chapter 2110, Government Code, does not apply to the advisory board.
- (e) Authorizes TDLR to call a joint meeting of the advisory board and the advisory committee established under Section 1001.058 (Advisory Committee), Education Code, for the committees to collaborate on matters determined by TDLR.

SECTION 8.006. Amends Section 662.005, Transportation Code, as follows:

Sec. 662.005. CONTRACTS. (a) Creates this subsection from existing text. Authorizes TDLR to contract with a motorcycle school for the school to, rather than authorizes the designated state agency to license or contract with qualified persons to:

- (1) offer and conduct motorcycle operator training and safety courses under the program, rather than administer or operate the motorcycle operator training and safety program; or
- (2) research motorcycle safety in this state.

(b) Authorizes TDLR to only execute a contract under this section after consulting with the motorcycle safety advisory board regarding the contract.

SECTION 8.007. Amends Section 662.006(a), Transportation Code, as follows:

(a) Prohibits a person from offering or conducting training in motorcycle operation for consideration unless the person:

- (1) is licensed as a motorcycle school under this chapter;
- (2) offers and conducts training in accordance with a motorcycle operator training curriculum approved by TDLR; and
- (3) employs an instructor licensed under this chapter to conduct the training. Deletes existing text relating to being licensed by or contracting with the designated state agency.

SECTION 8.008. Amends Chapter 662, Transportation Code, by adding Sections 662.0062, 662.0064, 662.0066, and 662.0068, as follows:

Sec. 662.0062. ELIGIBILITY; APPLICATION. (a) Requires an applicant, to be eligible for an instructor license, to:

- (1) have completed a commission-approved training program on motorcycle operator training and safety instruction administered by the Texas A&M Engineering Extension Service;
- (2) have held for the two years preceding the date of submitting the application a valid driver's license that entitles the applicant to operate a motorcycle on a public road; and
- (3) have accumulated less than 10 points under the driver responsibility program established by Chapter 708 (Driver Responsibility Program).

(b) Authorizes TDLR by rule to adopt additional requirements for issuance of an instructor license.

(c) Requires an applicant, to be eligible for a motorcycle school license, to meet the minimum standards established by TCLR rule for health and safety, for the school's facility, and for consumer protection.

(d) Requires TDLR to issue a license to an applicant who meets the eligibility requirements established under this chapter and TDLR rule.

(e) Authorizes TDLR to prescribe an application form for applicants to submit when applying for a license under this section.

Sec. 662.0064. INSTRUCTOR TRAINING; ADMINISTRATOR. Requires the Texas A&M Engineering Extension Service, in consultation with TDLR, to administer the training program required by Section 662.0062(a)(1).

Sec. 662.0066. ALTERNATIVE QUALIFICATIONS. Requires TDLR to issue a license to an applicant who holds a similar license issued by another jurisdiction with licensing requirements substantially equivalent to the requirements of this state. Authorizes TCLR to adopt rules to implement this section.

Sec. 662.0068. PROGRAM CERTIFICATES. Requires TDLR to issue a certificate of completion to a person who completes a TDLR-approved motorcycle operator training and safety course conducted by a motorcycle school on receipt of notice from the motorcycle school that conducted the course.

SECTION 8.009. Amends Section 662.008, Transportation Code, as follows:

Sec. 662.008. New heading: DENIAL, SUSPENSION, OR REVOCATION OF INSTRUCTOR OR MOTORCYCLE SCHOOL LICENSE. (a) Authorizes TDLR to deny an application for, suspend, or revoke a license issued under this chapter, rather than authorizes the designated state agency to deny suspend, or cancel its approval for a program sponsor to conduct or for an instructor to teach a course offered under this chapter, if the applicant, instructor, or motorcycle school, rather than the, instructor, or sponsor:

(1) does not satisfy the requirements established under this chapter to receive or retain the license, rather than to receive or retain approval;

(2) permits fraud or engages in a fraudulent practice with reference to an application for the license, rather than an application to the designated state agency;

(3)–(4) makes no changes to these subdivisions; or

(5) fails to comply with this chapter or rules adopted under this chapter, rather than with rules of the designated state agency.

(b) Requires certain notice and opportunity for a hearing to be given following denial of an application for a license or the suspension or revocation of a license issued under this chapter, rather than following denial, suspension, or cancellation of the approval of a program sponsor or an instructor.

SECTION 8.010. Amends Section 662.009, Transportation Code, to authorize TCLR, rather than the designated state agency, to adopt rules to administer this chapter.

SECTION 8.011. Amends Section 662.010, Transportation Code, as follows:

Sec. 662.010. NONAPPLICABILITY OF CERTAIN OTHER LAW. Provides that Chapter 1001 (Driver and Traffic Safety Education), Education Code, rather than Chapter 332, Acts of the 60th Legislature, Regular Session, 1967 (Article 4413(29c) (Department of Public Safety—Commercial Driver-Training Schools and Instructors—Licensing),

Vernon's Texas Civil Statutes), does not apply to training offered, rather than offered or conducted, under this chapter.

SECTION 8.012. Amends Section 662.011, Transportation Code, by amending Subsection (b) and adding Subsection (d), as follows:

(b) Authorizes money deposited to the credit of the motorcycle education fund account to be used only to defray the cost of:

(1)–(2) makes nonsubstantive changes; and

(3) administering the grant program under Section 662.0115.

(d) Authorizes TDLR to apply for and accept gifts, grants, and donations from any organization to be deposited in the motorcycle education fund account for the purpose of improving motorcycle safety in this state.

SECTION 8.013. Amends Chapter 662, Transportation Code, by adding Section 662.0115, as follows:

Sec. 662.0115. MOTORCYCLE SAFETY GRANT PROGRAM. (a) Authorizes TDLR, using money from the motorcycle education fund account, to establish and administer a grant program to improve motorcycle safety in this state.

(b) Authorizes TDLR to award a person a grant to promote the motorcycle operator training and safety program or any other motorcycle safety program in this state, to increase the number of individuals seeking motorcycle operator training or licensure as an instructor to conduct motorcycle operator training, or to support any other goal reasonably likely to improve motorcycle safety in this state.

(c) Requires TDLR, to administer the grant program, to prescribe grant application procedures, guidelines relating to grant amounts, and criteria for evaluating grant applications.

(d) Authorizes TDLR to only award a grant after consulting with the motorcycle safety advisory board regarding the grant application.

SECTION 8.014. Amends Section 662.012, Transportation Code, as follows:

Sec. 662.012. REPORTS (a) Requires TDLR to require each motorcycle school to compile and forward to TDLR each month a report on the school's programs, rather than requires the designated state agency to require each provider of a motorcycle operator training and safety program to compile and forward to the designated state agency each month a report on the provider's programs. Requires the report to include:

(1)–(2) makes no changes to these subdivisions.

(3) the number of instructors available to provide training under the school's, rather than the provider's, program in the reporting period;

(4)–(5) makes no changes to these subdivisions; and

(6) any other information TDLR, rather than the designated state agency, reasonably requires.

(b)–(c) Makes conforming changes.

SECTION 8.015. Amends Chapter 662, Transportation Code, by adding Section 662.013, as follows:

Sec. 662.013. RESEARCH, ADVOCACY, AND EDUCATION. Requires the Texas A&M Transportation Institute, in consultation with TDLR, to research motorcycle safety in this state, to provide advocacy on motorcycle safety issues in this state, and to provide education to the public on motorcycle safety issues in this state.

SECTION 8.016. Amends Section 663.001, Transportation Code, by amending Subdivision (1-b) and adding Subdivisions (1-c) and (1-d), as follows:

(1-b) Defines "commission."

(1-c) Defines "department."

(1-d) Defines "off-highway vehicle."

SECTION 8.017. Amends Section 663.011, Transportation Code, as follows:

Sec. 663.011. New heading: ADMINISTRATION OF PROGRAM. Requires TDLR to administer an off-highway vehicle operator education and certification program and enforce the laws governing the program, rather than requires the governor to designate a division of the governor's office or a state agency to establish and administer an off-highway vehicle operator education and certification program.

SECTION 8.018. Amends Section 663.013, Transportation Code, as follows:

Sec. 663.013. New heading: PROGRAM STANDARDS. (a) Redesignates existing text of Subsection (b) as Subsection (a), deletes existing text requiring the designated division or state agency to employ an off-highway vehicle safety coordinator, and requires TDLR, rather than the coordinator, to supervise the off-highway vehicle operator education and certification program and to determine certain standards.

(b) Redesignates existing Subsection (c) as Subsection (b) and requires TDLR, rather than the coordinator, in establishing standards for instructors, curriculum, and operator certification, to consult and be guided by standards established by recognized off-highway vehicle safety organizations.

SECTION 8.019. Amends Section 663.014, Transportation Code, as follows:

Sec. 663.014. CONTRACTS. Authorizes TDLR, rather than the designated division or state agency, to contract with nonprofit safety organizations, nonprofit educational organizations, or agencies of local governments to administer the education program and certify off-highway vehicle operators.

SECTION 8.020. Amends Section 663.015(a), Transportation Code, as follows:

(a) Authorizes the operator education and certification program for persons who are at least 14 years of age, if TDLR, rather than the off-highway vehicle safety coordinator, determines that vehicle operation is not feasible in a program component or at a particular program location, to use teaching or testing methods that do not involve the actual operation of an off-highway vehicle.

SECTION 8.021. Amends Section 663.017, Transportation Code, as follows:

Sec. 663.017. DENIAL, SUSPENSION, OR CANCELLATION OF APPROVAL. Authorizes TDLR, rather than the designated division or state agency, to deny, suspend, or cancel its approval for a program sponsor to conduct or for an instructor to teach a course offered under this chapter if the applicant, sponsor, or instructor:

(1) makes no changes to this subdivision;



(2) permits fraud or engages in fraudulent practices with reference to an application to TDLR, rather than the division or agency;

(3)–(4) makes no changes to these subdivisions; or

(5) fails to comply with rules of TDLR, rather than the division or agency.

(b) Provides that before TDLR, rather than the designated division or agency, is authorized to deny, suspend, or cancel the approval of a program sponsor or an instructor, certain notice and opportunity for a hearing is required.

SECTION 8.022. Amends Section 663.018, Transportation Code, as follows:

Sec. 663.018. RULES. Authorizes TCLR, rather than the designated division or state agency, to adopt rules to administer this chapter.

SECTION 8.023. Amends Section 663.019, Transportation Code, as follows:

Sec. 663.019. EXEMPTIONS. Authorizes TCLR, rather than the designated division or state agency, by rule to temporarily exempt the residents of any county from Section 663.015 (Teaching and Testing Methods) or from Section 663.031(a)(1) (relating to prohibiting a person from operating an off-highway vehicle on public property or a beach unless the person holds a safety certificate issued under this chapter or under the authority of another state) until the appropriate education and certification program is established at a location that is reasonably accessible to the residents of that county.

SECTION 8.024. Amends Section 663.033(d), Transportation Code, as follows:

(d) Authorizes TDLR, rather than the coordinator, to exempt off-highway vehicles that are participating in certain competitive events from the requirements of this section.

SECTION 8.025. Amends Section 663.037(e), Transportation Code, as follows:

(e) Requires the executive director of TDLR, rather than the director of DPS, to adopt standards and specifications that apply to the color, size, and mounting position of the flag required under Subsections (d)(2) and (g)(2). Makes a nonsubstantive change.

SECTION 8.026. Repealer: Section 662.002(b) (relating to the requirement and authorization of certain information to be included in the motorcycle operator training and safety program), Transportation Code.

Repealer: Section 662.004 (Motorcycle Safety Coordinator), Transportation Code.

Repealer: Section 662.007 (Fee for Course), Transportation Code.

SECTION 8.027. (a) Defines "department" as DPS and defines "program" for purposes of this section.

(b) Requires DPS, as soon as practicable after the effective date of this article and not later than August 31, 2019, to dispose of motorcycles and other equipment related to the program that DPS possesses or has leased to entities offering training under the program. Requires the plan to conform with the requirements of Subsection (c) of this section.

(c) Requires DPS to dispose of the motorcycles and other equipment related to the program in the following manner:

(1) requires DPS to provide to any entity to whom DPS leased a motorcycle or other equipment related to the program a reasonable period determined by DPS to purchase from DPS or return the motorcycle or other equipment;

(2) requires DPS, after the expiration of the period described by Subdivision (1) of this subsection, to:

(A) determine the need of TDLR, the Texas A&M Transportation Institute, and the Texas A&M Engineering Extension Service for motorcycles and other equipment necessary to provide motorcycle operator training for the instructors under the program; and

(B) subject to the need determined under Paragraph (A) of this subdivision and the availability of motorcycles and other equipment related to the program, transfer the motorcycles and equipment to TDLR, the institute, or the service under that paragraph, as applicable; and

(3) requires DPS, after the determination and any transfer under Subdivision (2) of this subsection, to sell any remaining motorcycles and related equipment of the program in accordance with Chapter 2175 (Surplus and Salvage Property), Government Code.

(d) Requires all revenue generated by the disposition of motorcycles and other equipment related to the program under this section to be deposited in the motorcycle education fund account established under Section 662.011 (Motorcycle Education Fund Account), Transportation Code.

(e) Requires DPS and TDLR, not later than August 31, 2019, to enter into a memorandum of understanding regarding any property acquired by DPS by lease or purchase using money from the motorcycle education fund account established under Section 662.011, Transportation Code, to ensure that DPS appropriately compensates the fund for those assets.

SECTION 8.028. (a) Defines "former administrator," "licensing commission," "licensing department," and "program."

(b) Provides that on September 1, 2019:

(1) all functions and activities related to the program performed by DPS immediately before that date are transferred to TDLR;

(2) all rules, fees, policies, procedures, decisions, and forms related to the program adopted by DPS are continued in effect as rules, fees, policies, procedures, decisions, and forms of TDLR or TDLR, as applicable, and remain in effect until amended or replaced by TDLR or TDLR;

(3) a complaint, investigation, contested case, or other proceeding related to the program before DPS that is pending on September 1, 2019, is transferred without change in status to TDLR or TDLR, as appropriate;

(4) all money, contracts, leases, property, and obligations related to the program of DPS are transferred to TDLR;

(5) all property related to the program in the custody of DPS is transferred to TDLR; and

(6) the unexpended and unobligated balance of any money appropriated by the legislature for DPS for the purpose of administering the program is transferred to TDLR.

(c) Requires DPS to provide TDLR with access to any systems or information necessary for TDLR to accept the program transferred under this Act.

(d) Provides that a license or certificate issued by DPS is continued in effect as a license or certificate of TDLR.

(e) Provides that, on September 1, 2019, all full-time equivalent employee positions at DPS that primarily concern the administration or enforcement of the program become positions at TDLR.

SECTION 8.029. (a) Effective date, this article: September 1, 2019, except as provided by Subsection (b) of this section.

(b) Effective date, Section 8.027 of this article: upon passage or on the 91st day after the last day of the legislative session.

#### ARTICLE 9. EFFECTIVE DATE

SECTION 9.001. Effective date, except as otherwise provided by this Act: September 1, 2019.