

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1209
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State Affairs
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Several Texas occupations are over-burdened by duplicative licensing requirements. While many Texas professionals are required to undertake a licensure or registration process implemented by the state, many municipalities have implemented additional licensing requirements for those same professions, essentially requiring twice the work with no real added benefit to the public for Texas professionals simply to conduct their trade.

For example, some Texas cities require licenses, certificates, and registrations with attendant fees ranging anywhere from \$85 to \$300 on an annual or biannual basis for tradesmen already licensed by the state. Certain cities maintain continuing education requirements for certain professions totally independent of coexisting state requirements. One city has varying requirements for different subsets of electricians, depending on when a particular electrician obtained that city's occupational permit; electricians are already licensed by the Texas Department of Licensing & Regulation. These kinds of duplicative requirements, which all sit atop the licensure requirements enforced by the state, can generate thousands of dollars in additional fees and dozens of hours in additional work for Texas professionals over the course of their careers, and are particularly burdensome for those professionals who operate in multiple cities with varying licensure requirements.

S.B. 1209 preempts duplicative requirements—that is, only those licensing requirements that affect professions already regulated by the state—lessening the economic and logistical burden these requirements inevitably place on Texas professionals. No part of S.B. 1209 preempts any municipal occupational licensing requirement for professions not licensed by the state.

We are currently awaiting a committee substitute from the Texas Legislative Council which would exempt payday lending ordinances and clarify that the bill does not preempt zoning ordinances or similar ordinances restricting the geographic areas in which certain occupations may be performed.

The bill is supported by several representatives of a host of construction trades, as well as the Governor's Office. (Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 1209 amends current law relating to the authority of a political subdivision to regulate certain activities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 2, Occupations Code, by adding Chapter 60, as follows:

CHAPTER 60. PREEMPTION

Sec. 60.001. PREEMPTION OF LOCAL LICENSING REQUIREMENTS. (a) Defines "occupational license," "political subdivision," and "state licensing authority."

(b) Prohibits a political subdivision, notwithstanding any other law, other than Subsection (d), if an individual is required to possess an occupational license issued by a state licensing authority to engage in an occupation, from adopting or enforcing any ordinance, order, rule, regulation, law, or policy that requires the individual to:

(1) possess an occupational license issued by the political subdivision to engage in that occupation; or

(2) meet any other requirement or precondition to engage in that occupation.

(c) Provides that an ordinance, order, rule, regulation, law, or policy that violates Subsection (b) is void and unenforceable.

(d) Provides that this section does not limit the authority of a political subdivision to adopt and enforce:

(1) a zoning regulation, including a zoning regulation or zoning district boundary adopted under Chapter 211 (Municipal Zoning Authority) or 231 (County Zoning Authority), Local Government Code;

(2) a restriction on the location where an occupation is authorized to be engaged in, including a restriction on the location of a sexually oriented business or a business licensed or permitted under the Alcoholic Beverage Code to sell an alcoholic beverage; or

(3) an ordinance, order, rule, regulation, law, or policy that regulates a credit access business, as defined by Section 393.601 (Definitions), Finance Code.

SECTION 2. Effective date: September 1, 2019.