

By: Alvarado

S.B. No. 1881

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of call centers; providing a civil penalty.

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

SECTION 1. Subtitle C, Title 5, Business & Commerce Code, is amended by adding Chapter 113 to read as follows:

CHAPTER 113. CALL CENTERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 113.001. DEFINITIONS. In this chapter:

(1) "Call center" means a business entity or a division of a business entity with a primary purpose involving initiating or receiving telephone communications on behalf of a person for the purpose of initiating sales, including making a telephone solicitation as defined by Section 302.001, providing services, or providing or receiving information in connection with the provision of services.

(2) "Customer" means a resident of this state who receives a call from or places a call to a call center.

(3) "Customer service employee" means a person employed by or working on behalf of a call center.

(4) "Department" means the Texas Department of Insurance.

(5) "Public agency" means this state or an agency, instrumentality, or political subdivision of this state, including

1 a county, municipality, public school district, or special-purpose  
2 district or authority.

3 (6) "Public subsidy" means a program, benefit, or  
4 assistance of any type offered by a public agency that is designed  
5 to stimulate the economic development of a corporation, industry,  
6 or sector of the state's economy or to create or retain jobs in this  
7 state. The term includes grants, loans, loan guarantees, benefits  
8 relating to an enterprise or empowerment zone, fee waivers, land  
9 price subsidies, infrastructure development and improvements  
10 designed to principally benefit a single business or defined group  
11 of businesses, matching funds, tax refunds, tax rebates, or tax  
12 abatements offered by a public agency.

13 Sec. 113.002. APPLICABILITY. This chapter applies to a  
14 business that is a call center or operates a call center only if the  
15 business:

16 (1) has at least 50 customer service employees located  
17 in this state, excluding customer service employees who work less  
18 than 20 hours per week; or

19 (2) has at least 50 customer service employees located  
20 in this state who, in the aggregate, work a total of at least 1,500  
21 hours per week.

22 SUBCHAPTER B. RELOCATION OF CUSTOMER SERVICE EMPLOYEE POSITIONS

23 Sec. 113.101. NOTICE REQUIRED; CIVIL PENALTY. (a) A  
24 business shall notify the department if the business plans to:

25 (1) terminate customer service employee positions in  
26 this state that handle at least 50 percent of total customer service  
27 call volume for the business, as measured against the previous 12

1 months average customer service call volume of the business; and

2 (2) relocate the duties of those positions to persons  
3 in one or more call centers located outside of the United States.

4 (b) The business shall notify the department of its intent  
5 to terminate and relocate the positions at least 120 days before the  
6 termination or relocation of the positions.

7 (c) A business that violates this section is liable to this  
8 state for a civil penalty in an amount not to exceed \$10,000 for  
9 each day that the business is in violation.

10 (d) The attorney general may bring suit to recover the  
11 civil penalty imposed under Subsection (c).

12 Sec. 113.102. LIST OF BUSINESSES THAT RELOCATE CUSTOMER  
13 SERVICE EMPLOYEE POSITIONS. (a) The department shall maintain a  
14 list of businesses that have terminated and relocated customer  
15 service employee positions as described by Section 113.101.

16 (b) Except as provided by Subsection (d), a business that is  
17 added to the list may not be removed from the list before the fifth  
18 anniversary of the date the business was added to the list.

19 (c) The department shall make the list available to the  
20 public and shall semiannually distribute the list to all state  
21 agencies and the Better Business Bureau.

22 (d) The department shall remove a business from the list if  
23 the business relocates in this state as many customer service  
24 employee positions as the business terminated and relocated causing  
25 the business to be added to the list.

26 SUBCHAPTER C. PUBLIC AGENCY CONTRACTS AND SUBSIDIES

27 Sec. 113.201. PREFERENCE FOR CERTAIN BUSINESSES. In

1 awarding a contract for services, a public agency shall give  
2 preference to a vendor, bidder, contractor, or subcontractor that  
3 does not appear on the list maintained under Section 113.102.

4 Sec. 113.202. PUBLIC SUBSIDIES PROHIBITED. (a) Except as  
5 provided by Subsection (b), a public agency may not award or provide  
6 a public subsidy to a business that appears on the list maintained  
7 under Section 113.102.

8 (b) A public agency, after consulting with the department,  
9 may award a public subsidy if the business applying for the subsidy  
10 shows that the refusal to grant the subsidy would:

- 11 (1) result in substantial job loss in the state; or  
12 (2) harm the environment.

13 Sec. 113.203. REPAYMENT OF PUBLIC SUBSIDY. A business that  
14 has received a public subsidy and that is placed on the list  
15 maintained under Section 113.102 after the business was awarded the  
16 public subsidy shall repay the full amount of the public subsidy.

17 SUBCHAPTER D. DUTY OF CUSTOMER SERVICE EMPLOYEES

18 Sec. 113.301. DUTY OF CUSTOMER SERVICE EMPLOYEE. On the  
19 request of a customer, a business shall ensure that each customer  
20 service employee who communicates with a customer on behalf of the  
21 business:

- 22 (1) discloses to the customer:  
23 (A) the city, state, and country where the  
24 customer service employee is located;  
25 (B) the name or registered alias of the customer  
26 service employee; and  
27 (C) the name of the employer of the customer

1 service employee;

2 (2) enables the customer to speak to an employee of the  
3 business on whose behalf the call center is communicating with the  
4 customer; and

5 (3) transfers the call to a person in this state, if  
6 the customer service employee is not in this state.

7 SUBCHAPTER E. STATE AGENCY CALL CENTERS

8 Sec. 113.401. STATE AGENCY CALL CENTERS. All call center  
9 services performed on behalf of a state agency must be performed in  
10 this state.

11 SECTION 2. Chapter 113, Business & Commerce Code, as added  
12 by this Act, applies only to a bid for a contract submitted or an  
13 application for a public subsidy filed on or after the effective  
14 date of this Act. A bid for a contract submitted or an application  
15 filed before the effective date of this Act is governed by the law  
16 in effect on the date the bid was submitted or the application was  
17 filed, and that law is continued in effect for that purpose.

18 SECTION 3. (a) Except as provided by Subsection (b) of this  
19 section, this Act takes effect January 1, 2020.

20 (b) Section 113.301, Business & Commerce Code, as added by  
21 this Act, takes effect January 1, 2022.