

By: Lucio III

H.B. No. 1634

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 60 days before the
6 termination or relocation of the positions. A business receiving a
7 public subsidy at the time of notification shall additionally
8 notify the department that the business is receiving a public
9 subsidy when providing the notification to the department under
10 this subsection.

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

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

16 Sec. 113.102. LIST OF BUSINESSES THAT RELOCATE CUSTOMER
17 SERVICE EMPLOYEE POSITIONS. (a) The department shall maintain a
18 list of businesses that, while receiving a public subsidy, have
19 terminated and relocated customer service employee positions as
20 described by Section 113.101.

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

24 (c) The department shall make the list available to the
25 public and shall semiannually distribute the list to all state
26 agencies and the Better Business Bureau.

27 (d) The department shall remove a business from the list if

1 the business relocates in this state as many customer service
2 employee positions as the business terminated and relocated causing
3 the business to be added to the list.

4 Sec. 113.103. LIST OF BUSINESSES THAT MAINTAIN CUSTOMER
5 SERVICE EMPLOYEE POSITIONS. (a) The department shall maintain a
6 list of businesses that, while receiving a public subsidy, have not
7 terminated or relocated customer service employee positions as
8 described by Section 113.101.

9 (b) A business may request to be added to the list and the
10 department shall add the business to the list if, while receiving a
11 public subsidy, the business has not terminated or relocated
12 customer service employee positions.

13 (c) The department shall make the list available to the
14 public and shall semiannually distribute the list to all state
15 agencies and the Better Business Bureau.

16 (d) The department shall remove a business from the list if
17 the business, while receiving a public subsidy, terminates or
18 relocates customer service employee positions as described by
19 Section 113.101.

20 SUBCHAPTER C. PUBLIC AGENCY CONTRACTS AND SUBSIDIES

21 Sec. 113.201. PREFERENCE FOR CERTAIN BUSINESSES. In
22 awarding a contract for services, a public agency shall give
23 preference to a vendor, bidder, contractor, or subcontractor that
24 does not appear on the list maintained under Section 113.102.

25 Sec. 113.202. PUBLIC SUBSIDIES PROHIBITED. (a) Except as
26 provided by Subsection (b), a public agency may not award or provide
27 a public subsidy to a business that appears on the list maintained

1 under Section 113.102.

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

5 (1) result in substantial job loss in the state; or

6 (2) harm the environment.

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

11 SUBCHAPTER D. STATE AGENCY CALL CENTERS

12 Sec. 113.301. STATE AGENCY CALL CENTERS. (a) All call
13 center services performed on behalf of a state agency must be
14 performed in this state.

15 (b) This section does not apply to services performed on
16 behalf of the Title IV-D agency under Subchapter D, Chapter 231,
17 Family Code.

18 SECTION 2. Chapter 113, Business & Commerce Code, as added
19 by this Act, applies only to a bid for a contract submitted or an
20 application for a public subsidy filed on or after the effective
21 date of this Act. A bid for a contract submitted or an application
22 filed before the effective date of this Act is governed by the law
23 in effect on the date the bid was submitted or the application was
24 filed, and that law is continued in effect for that purpose.

25 SECTION 3. This Act takes effect January 1, 2022.