

By: Kolkhorst

S.B. No. 820

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the registration of vision support organizations;
3 imposing a fee; requiring an occupational registration; providing a
4 civil penalty.

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

6 SECTION 1. Subtitle A, Title 5, Business & Commerce Code, is
7 amended by adding Chapter 74 to read as follows:

8 CHAPTER 74. REGISTRATION OF VISION SUPPORT ORGANIZATIONS

9 Sec. 74.001. DEFINITIONS. In this chapter:

10 (1) "Business support services" means business,
11 management, consulting, or administrative services, facilities, or
12 staff provided for an optometrist or an entity that employs or
13 contracts with an optometrist to provide services or products,
14 including:

15 (A) office space, furnishings, equipment,
16 supplies, or inventory;

17 (B) staff employed by a vision support
18 organization;

19 (C) regulatory compliance;

20 (D) eye care equipment, supplies, or products;

21 (E) information systems;

22 (F) marketing or advertising;

23 (G) financial services;

24 (H) accounting, bookkeeping, or monitoring of

1 accounts receivable;

2 (I) payroll or benefits administration;

3 (J) billing and collection for services and
4 products;

5 (K) reporting and payment of federal or state
6 taxes;

7 (L) administration of interest expense or
8 indebtedness incurred to finance the operation of a business;

9 (M) insurance services; or

10 (N) group purchasing services.

11 (2) "Optometrist" means an individual optometrist or
12 therapeutic optometrist licensed to practice optometry in this
13 state.

14 (3) "Vision support organization" means an entity
15 that, under one or more agreements, provides two or more business
16 support services to an optometrist.

17 Sec. 74.002. REGISTRATION REQUIRED. (a) A vision support
18 organization shall annually register with the secretary of state.

19 (b) A vision support organization's registration under this
20 section is considered registration of any subsidiary, contractor,
21 or affiliate of the vision support organization through or with
22 which the vision support organization provides business support
23 services if the registration includes all required information from
24 each subsidiary, contractor, or affiliate of the vision support
25 organization as if that entity had filed individually.

26 Sec. 74.003. EXEMPTIONS. This chapter does not require
27 registration by:

- 1 (1) an accountant providing only accounting services;
 - 2 (2) an attorney providing only legal counsel;
 - 3 (3) an insurance company or insurance agent providing
4 only insurance policies to a business;
 - 5 (4) entities providing only investment and financial
6 advisory services;
 - 7 (5) an accredited college of optometry or college of
8 medicine in this state;
 - 9 (6) an optometrist who has an ownership interest in
10 three or fewer locations;
 - 11 (7) a community health center, as defined by Section
12 351.367(a), Occupations Code; and
 - 13 (8) a nonprofit corporation governed by Chapter 22,
14 Business Organizations Code, and exempt from taxation under Section
15 501(a), Internal Revenue Code of 1986, as an organization described
16 by Section 501(c)(3) of that code, that performs eye care services
17 primarily for homeless, migrant, indigent, or medically
18 underserved populations.
- 19 Sec. 74.004. CONTENTS OF REGISTRATION; FEE. (a) The
20 registration required by Section 74.002 must include:
- 21 (1) the name and business address of the vision
22 support organization;
 - 23 (2) the name and business address of each optometrist
24 and each entity that employs or contracts with an optometrist to
25 provide eye care services in this state with which the vision
26 support organization has entered into an agreement to provide two
27 or more business support services;

1 (3) the name of each optometrist who owns any portion
2 of the vision support organization;

3 (4) the name of each person who is not an optometrist
4 and owns five percent or more of the vision support organization;
5 and

6 (5) a list of all business support services provided
7 to each optometrist or each entity that employs or contracts with an
8 optometrist to provide eye care services.

9 (b) A registration and each corrected registration must be
10 accompanied by a fee set by the secretary of state in an amount
11 necessary to recover the costs of administering this chapter.

12 (c) A registration or corrected registration is not
13 effective until the vision support organization pays the fee
14 required by this section.

15 Sec. 74.005. TIMING OF REGISTRATION; CORRECTION REQUIRED.

16 (a) Except as provided by Subsection (b), the registration required
17 by Section 74.002 must be filed with the secretary of state not
18 later than January 31 of each year for which the registration is
19 effective.

20 (b) A vision support organization that initially meets the
21 requirement for registration under Section 74.002 after January 31
22 shall file the registration required by that section not later than
23 the 90th day after the date an agreement to provide business support
24 services is executed.

25 (c) A vision support organization shall file a corrected
26 registration semiannually as necessary.

27 Sec. 74.006. FAILURE TO FILE REGISTRATION OR CORRECTION.

1 (a) A person who fails to file a registration or a corrected
2 registration as required by this chapter is liable to the state for
3 a civil penalty in an amount not to exceed \$1,000.

4 (b) Each day a violation continues or occurs is a separate
5 violation for the purpose of imposing the civil penalty.

6 (c) The attorney general shall file suit to collect the
7 civil penalty provided by this section. The suit may be filed in
8 Travis County or any county where the vision support organization
9 provides business support services.

10 Sec. 74.007. INTERAGENCY MEMORANDUM. The secretary of
11 state shall enter into an interagency memorandum to share the
12 information collected by the secretary of state under this chapter
13 with any relevant state agency.

14 Sec. 74.008. APPLICABILITY. This chapter does not limit
15 business support services that may be provided to an optometrist by
16 a vision support organization, to the extent permitted under
17 Section 351.408, Occupations Code.

18 Sec. 74.009. LIMITATION ON OPTOMETRY BOARD RULEMAKING. The
19 Texas Optometry Board may not adopt any rule limiting the right of
20 an optometrist to contract with a vision support organization for
21 business support services that are otherwise legally permissible.

22 SECTION 2. Notwithstanding Section 74.002, Business &
23 Commerce Code, as added by this Act, a vision support organization
24 is not required to register under that section before February 1,
25 2024.

26 SECTION 3. This Act takes effect September 1, 2023.