

1-1 By: Kolkhorst S.B. No. 820
 1-2 (In the Senate - Filed February 9, 2023; March 1, 2023, read
 1-3 first time and referred to Committee on Health & Human Services;
 1-4 April 17, 2023, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 17, 2023,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-8 | | | | |
| 1-9 | X | | | |
| 1-10 | X | | | |
| 1-11 | X | | | |
| 1-12 | X | | | |
| 1-13 | X | | | |
| 1-14 | X | | | |
| 1-15 | X | | | |
| 1-16 | X | | | |
| 1-17 | X | | | |

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 820 By: Kolkhorst

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the registration of vision support organizations;
 1-22 imposing a fee; requiring an occupational registration; providing a
 1-23 civil penalty.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Subtitle A, Title 5, Business & Commerce Code, is
 1-26 amended by adding Chapter 74 to read as follows:

1-27 CHAPTER 74. REGISTRATION OF VISION SUPPORT ORGANIZATIONS

1-28 Sec. 74.001. DEFINITIONS. In this chapter:

1-29 (1) "Business support services" means business,
 1-30 management, consulting, or administrative services, facilities, or
 1-31 staff provided for an optometrist or an entity that employs or
 1-32 contracts with an optometrist to provide services or products,
 1-33 including:

1-34 (A) office space, furnishings, equipment,
 1-35 supplies, or inventory;

1-36 (B) staff employed by a vision support
 1-37 organization;

1-38 (C) regulatory compliance;

1-39 (D) eye care equipment, supplies, or products;

1-40 (E) information systems;

1-41 (F) marketing or advertising;

1-42 (G) financial services;

1-43 (H) accounting, bookkeeping, or monitoring of
 1-44 accounts receivable;

1-45 (I) payroll or benefits administration;

1-46 (J) billing and collection for services and
 1-47 products;

1-48 (K) reporting and payment of federal or state
 1-49 taxes;

1-50 (L) administration of interest expense or
 1-51 indebtedness incurred to finance the operation of a business;

1-52 (M) insurance services; or

1-53 (N) group purchasing services.

1-54 (2) "Optometrist" means an individual optometrist or
 1-55 therapeutic optometrist licensed to practice optometry in this
 1-56 state.

1-57 (3) "Vision support organization" means an entity
 1-58 that, under one or more agreements, provides two or more business
 1-59 support services to an optometrist.

1-60 Sec. 74.002. REGISTRATION REQUIRED. (a) A vision support

2-1 organization shall annually register with the secretary of state.

2-2 (b) A vision support organization's registration under this
 2-3 section is considered registration of any subsidiary, contractor,
 2-4 or affiliate of the vision support organization through or with
 2-5 which the vision support organization provides business support
 2-6 services if the registration includes all required information from
 2-7 each subsidiary, contractor, or affiliate of the vision support
 2-8 organization as if that entity had filed individually.

2-9 Sec. 74.003. EXEMPTIONS. This chapter does not require
 2-10 registration by:

2-11 (1) an accountant providing only accounting services;

2-12 (2) an attorney providing only legal counsel;

2-13 (3) an insurance company or insurance agent providing
 2-14 only insurance policies to a business;

2-15 (4) entities providing only investment and financial
 2-16 advisory services;

2-17 (5) an accredited college of optometry or college of
 2-18 medicine in this state;

2-19 (6) an optometrist who has an ownership interest in
 2-20 three or fewer locations;

2-21 (7) a community health center, as defined by Section
 2-22 351.367(a), Occupations Code; and

2-23 (8) a nonprofit corporation governed by Chapter 22,
 2-24 Business Organizations Code, and exempt from taxation under Section
 2-25 501(a), Internal Revenue Code of 1986, as an organization described
 2-26 by Section 501(c)(3) of that code, that performs eye care services
 2-27 primarily for homeless, migrant, indigent, or medically
 2-28 underserved populations.

2-29 Sec. 74.004. CONTENTS OF REGISTRATION; FEE. (a) The
 2-30 registration required by Section 74.002 must include:

2-31 (1) the name and business address of the vision
 2-32 support organization;

2-33 (2) the name and business address of each optometrist
 2-34 and each entity that employs or contracts with an optometrist to
 2-35 provide eye care services in this state with which the vision
 2-36 support organization has entered into an agreement to provide two
 2-37 or more business support services;

2-38 (3) the name of each optometrist who owns any portion
 2-39 of the vision support organization;

2-40 (4) the name of each person who is not an optometrist
 2-41 and owns five percent or more of the vision support organization;
 2-42 and

2-43 (5) a list of all business support services provided
 2-44 to each optometrist or each entity that employs or contracts with an
 2-45 optometrist to provide eye care services.

2-46 (b) A registration and each corrected registration must be
 2-47 accompanied by a fee set by the secretary of state in an amount
 2-48 necessary to recover the costs of administering this chapter.

2-49 (c) A registration or corrected registration is not
 2-50 effective until the vision support organization pays the fee
 2-51 required by this section.

2-52 Sec. 74.005. TIMING OF REGISTRATION; CORRECTION REQUIRED.

2-53 (a) Except as provided by Subsection (b), the registration required
 2-54 by Section 74.002 must be filed with the secretary of state not
 2-55 later than January 31 of each year for which the registration is
 2-56 effective.

2-57 (b) A vision support organization that initially meets the
 2-58 requirement for registration under Section 74.002 after January 31
 2-59 shall file the registration required by that section not later than
 2-60 the 90th day after the date an agreement to provide business support
 2-61 services is executed.

2-62 (c) A vision support organization shall file a corrected
 2-63 registration semiannually as necessary.

2-64 Sec. 74.006. FAILURE TO FILE REGISTRATION OR CORRECTION.

2-65 (a) A person who fails to file a registration or a corrected
 2-66 registration as required by this chapter is liable to the state for
 2-67 a civil penalty in an amount not to exceed \$1,000.

2-68 (b) Each day a violation continues or occurs is a separate
 2-69 violation for the purpose of imposing the civil penalty.

3-1 (c) The attorney general shall file suit to collect the
3-2 civil penalty provided by this section. The suit may be filed in
3-3 Travis County or any county where the vision support organization
3-4 provides business support services.

3-5 Sec. 74.007. INTERAGENCY MEMORANDUM. The secretary of
3-6 state shall enter into an interagency memorandum to share the
3-7 information collected by the secretary of state under this chapter
3-8 with any relevant state agency.

3-9 Sec. 74.008. APPLICABILITY. This chapter does not limit
3-10 business support services that may be provided to an optometrist by
3-11 a vision support organization, to the extent permitted under
3-12 Section 351.408, Occupations Code.

3-13 Sec. 74.009. LIMITATION ON OPTOMETRY BOARD RULEMAKING. The
3-14 Texas Optometry Board may not adopt any rule limiting the right of
3-15 an optometrist to contract with a vision support organization for
3-16 business support services that are otherwise legally permissible.

3-17 SECTION 2. Notwithstanding Section 74.002, Business &
3-18 Commerce Code, as added by this Act, a vision support organization
3-19 is not required to register under that section before February 1,
3-20 2024.

3-21 SECTION 3. This Act takes effect September 1, 2023.

3-22 * * * * *