Senate Research Center
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H.B. 11
By: Phelan (Middleton)
Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The United States Census Bureau reported that over 600,000 people arrived in Texas in 2023, making Texas the top state for domestic migration. The bill author has informed the committee that, due to this large net migration, Texas has one of the highest occupational licensing burdens of any state in the nation, requiring those who already hold licenses from other states with substantially similar licensing standards to navigate additional training, education, and fees before legally practicing their professions in Texas.

H.B. 11 aims to provide clarity in the occupational licensing process by specifically tasking the Texas Department of Licensing and Regulation to maximize licensing reciprocity agreements with other states, thus ensuring streamlined integration of professionals into the state's workforce.

H.B. 11 amends current law relating to licensing reciprocity agreements entered into by the Texas Department of Licensing and Regulation.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 1 (Section 51.552, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 51, Occupations Code, by adding Subchapter K, as follows:

SUBCHAPTER K. LICENSING RECIPROCITY AGREEMENTS

Sec. 51.551. GOALS FOR LICENSING RECIPROCITY AGREEMENTS. (a) Requires the Texas Department of Licensing and Regulation (TDLR) to maximize licensing reciprocity agreements, with respect to licenses issued by TDLR, to the extent allowed by law.

(b) Requires TDLR to identify state laws that prevent TDLR from entering into a reciprocity agreement with a licensing authority in another state.

Sec. 51.552. RULES. Requires the Texas Commission of Licensing and Regulation (TCLR) to adopt rules necessary to implement this subchapter. Requires that the rules establish procedures for:

(1) TDLR to determine whether the licensing requirements of another state are substantially equivalent to the requirements of this state, taking into consideration the level of required training and testing to obtain a license, including methods used to evaluate work experience to fulfill training or testing requirements; the scope of practice for which the license is issued; and the procedures used in the other state to resolve complaints and to determine whether a license holder is in good standing; and

(2) TDLR to enter into and implement reciprocity agreements with licensing authorities in other states that have licensing requirements substantially equivalent to this state's requirements.

Sec. 51.553. REPORT. Requires TDLR, not later than December 1, of each odd-numbered year, to submit to the governor and the Legislative Budget Board a written report that:

(1) summarizes TDLR's efforts under Section 51.551, including a description of the extent to which this state's licensing requirements exceed the requirements of other states;

(2) describes TDLR's efforts to enter into reciprocity agreements with licensing authorities in other states, including a list of each reciprocity agreement entered into; and any unsuccessful effort to enter into a reciprocity agreement with a licensing authority of another state; and

(3) recommends any legislative action that is necessary or appropriate to increase the number of license reciprocity agreements as directed by this subchapter, including any reduction of this state's licensing requirements that would make more reciprocity agreements possible.

SECTION 2. Requires TCLR, not later than January 1, 2026, to adopt the rules required by Section 51.552, Occupations Code, as added by this Act.

SECTION 3. Requires TDLR, notwithstanding Section 51.553, Occupations Code, as added by this Act, to submit the initial report required by that section not later than December 1, 2027.

SECTION 4. Effective date: upon passage or September 1, 2025.