BILL ANALYSIS

H.B. 2498 By: Leach Corrections Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill author has informed the committee that legal red tape created by the current occupational licensing system creates struggles in obtaining employment for people with criminal records. The bill author has also informed the committee that by ensuring that licensing laws are marked by clear evaluation guidelines, fair processes, and public reporting, more opportunities will be created for Texans who have already served their time, allowing them to contribute to the workforce in high-skilled, high-demand professions, thereby reducing the probability of recidivism and breaking cycles of crime and incarceration. H.B. 2498 seeks to ensure a clear focus on meaningful reoffending risk and to streamline the licensing review processes by excluding certain offenses from consideration if five years have passed since the end of incarceration or conviction, whichever is later, while providing for the authority of licensing authorities to take action to prevent a person from obtaining a license if the person has been convicted of certain offenses.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2498 amends the Occupations Code to require a licensing authority to which provisions governing the consequences of a criminal conviction on a person's eligibility for an occupational license apply to include a notice in the application form for each type of license issued by the authority and on the authority's website stating the following:

- that an applicant's prior criminal conviction may be grounds for disqualifying the applicant from receiving a license;
- the statutorily prescribed factors used to determine whether a prior criminal conviction constitutes grounds for denying an applicant from receiving a license; and
- the statutory right of certain students enrolled in educational programs that prepare a person for a license or licensing examination to request a criminal history evaluation letter from the authority regarding the person's eligibility for a license.

The bill exempts the State Securities Board from this requirement. The bill requires each applicable licensing authority to make changes to its license applications and website as soon as practicable after the bill's effective date as necessary to implement this requirement.

H.B. 2498 requires an applicable licensing authority to maintain a record of the total number of each of the following for each type of license issued by the authority:

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- applications received, approved, or denied for any reason;
- applications denied because of the applicant's prior criminal conviction or placement on deferred adjudication community supervision; and
- criminal history evaluation letters requested by an applicable person from the authority regarding the person's eligibility for a license.

The bill requires each applicable licensing authority, not later than January 15 of each year, to prepare a report of such information for the preceding calendar year, submit the report to the legislature, and publish the report on the authority's website. The initial report must be submitted not later than January 15, 2027.

H.B. 2498 conditions the authority of an applicable licensing authority to suspend or revoke a person's license, disqualify a person from receiving a license, or deny a person the opportunity to take a licensing examination, with respect to a person who has been convicted of an applicable offense, on the person having applied for the license or to take the licensing examination at a certain time as follows:

- before the fifth anniversary of the later of the date of conviction or the person's release from confinement if the person's sentence for the offense included a term of confinement;
- after that anniversary if the person has been convicted of another offense after the initial offense; or
- at any time if the offense for which the person is convicted is one of the following offenses:
 - an offense ineligible for judge-ordered community supervision;
 - an offense that requires sex offender registration;
 - criminal solicitation of a minor;
 - o manslaughter, criminally negligent homicide, or kidnapping;
 - o certain second degree felony assault committed against a peace officer or judge;
 - assault involving family violence that causes bodily injury;
 - indecent assault;
 - aggravated assault;
 - an applicable first, second, or third degree felony offense for injury to a child or elderly or disabled individual;
 - repeated violation of certain court orders or bond conditions in a family violence, child abuse or neglect, sexual assault or abuse, indecent assault, stalking, or trafficking case;
 - \circ continuous violence against the family; or
 - taking or attempting to take a weapon from a peace officer, federal special investigator, employee or official of a correctional facility, parole officer, community supervision and corrections department officer, or commissioned security officer.

The bill establishes that the statutorily required revocation of a license due to the license holder's imprisonment following a felony conviction, felony, community supervision revocation, revocation of parole, or revocation of mandatory supervision does not prohibit a licensing authority from accepting an application from an inmate imprisoned in the Texas Department of Criminal Justice. The bill clarifies that the authorization fora licensing authority to disqualify a person who has been convicted of an applicable offense from receiving a license includes disqualifying a person from renewing a license.

H.B. 2498 prohibits a licensing authority from determining whether a criminal conviction directly relates to the duties and responsibilities of a licensed occupation for purposes of revoking, suspending, or denying a license unless the authority finds by a preponderance of the evidence that consideration of the statutorily prescribed factors relating to the crime that the authority must consider supports that determination. The bill changes the determination made by a licensing authority that triggers its duty to consider additional factors in determining whether to take such a disciplinary action from a determination based on the statutory prescribed factors that a criminal conviction directly relates to the duties and responsibilities of a licensed

occupation to a determination that a person has been convicted of an offense that is grounds for the authority to take such a disciplinary action under the applicable provisions. The bill removes from the additional factors relating to evidence of the person's rehabilitation or rehabilitative effort the specification that the effort is while incarcerated or after release and prohibits a licensing authority, in making the determination, from taking an authorized disciplinary action unless the authority finds by a preponderance of the evidence that consideration of the additional factors supports taking that action.

H.B. 2498 establishes that its provisions relating to the authorization of a licensing authority to take such disciplinary actions and determinations for purposes of taking such actions apply only to an applicable disciplinary action taken by a licensing authority that occurs on or after January 1, 2026. An action taken by a licensing authority before that date is governed by the law in effect immediately before the bill's effective date, and the former law is continued in effect for that purpose.

H.B. 2498 places on a licensing authority, in a hearing on the administrative appeal or judicial review of the licensing authority's decision to take such an authorized disciplinary action, the burden of proving the following by a preponderance of the evidence:

• the offense for which the person was convicted is grounds for the authority to take the action; and

• consideration of the additional factors supports the authority's decision to take the action. This provision applies only to a proceeding commenced on or after January 1, 2026. A proceeding commenced before that date is governed by the law in effect immediately before the bill's effective date, and the former law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.