

BILL ANALYSIS

S.B. 2167
By: Paxton
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Last session, the legislature enacted H.B. 3579, which gave the executive director of the Texas Department of Licensing and Regulation (TDLR) the authority to issue an emergency order to halt the operation of any massage establishment if law enforcement or TDLR believes trafficking is occurring at the establishment. The bill sponsor has informed the committee that TDLR inspectors recently identified a massage location with clear and evident signs of human trafficking and the enforcement division put together an executive order to temporarily shut them down and revoke the license. After the order had been served, but before it was confirmed by the State Office of Administrative Hearings (SOAH), the licensee in question applied for an additional separate license at a separate location. Because the entity paid the fee, met all of the other requirements for licensure, and the revocation had not yet been confirmed by SOAH, it became clear that statute did not provide a mechanism to pause the license application of individuals suspected of human trafficking or with cases pending before SOAH. S.B. 2167 addresses this problem by allowing the executive director of TDLR to pause an application for a massage school or massage establishment license if the applicant is subject to an emergency order for human trafficking or suspected of certain human trafficking activity.

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 rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 3 of this bill.

ANALYSIS

S.B. 2167 amends the Occupations Code to require a massage school that changes the location of the school to obtain a new massage school license.

S.B. 2167 authorizes the Texas Commission of Licensing and Regulation (TCLR) or executive director of the Texas Department of Licensing and Regulation (TDLR), if an applicant for a massage establishment or massage school license is subject to an emergency order halting the operation of a massage establishment for a ground relating to the trafficking of persons offenses under the Penal Code, to delay the determination to approve or refuse the issuance of the license for the period during which the emergency order is in effect. For this purpose, if the applicant is an entity, the applicant is considered to be subject to the emergency order if any owner or operator of the entity is subject to the emergency order.

S.B. 2167 authorizes TCLR or the executive director of TDLR to delay the determination to approve or refuse the issuance of a massage establishment or massage school license for a period

of up to 90 days after the date on which the application for the license is submitted if TCLR or the executive director has reasonable cause to believe the following:

- a trafficking of persons offense is being or is likely to be committed at the location for which the license is sought; or
- a trafficking of persons offense was committed at a massage establishment or massage school owned or operated by the applicant or, if the applicant is an entity, operated by any owner or operator of the applicant.

For this purpose, the date that an application is submitted is the date on which a complete application is received by TDLR, including any additional requested materials.

S.B. 2167 requires TCLR to adopt rules necessary to implement the bill's provisions as soon as practicable after the bill's effective date.

EFFECTIVE DATE

September 1, 2025.