

BILL ANALYSIS

Senate Research Center

S.B. 2167
By: Paxton
Business & Commerce
4/8/2025
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Department of Licensing and Regulation (TDLR) regulates occupations across numerous industries in the state of Texas. One of these industries is massage therapy, which is known to be a commonly utilized front for human trafficking, especially sex trafficking. As the regulatory entity for this industry, TDLR is well-positioned to identify suspected trafficking activity at massage establishments through its unannounced inspections.

Last session, the 88th Texas Legislature passed H.B. 3579, which gave TDLR's executive director the authority to issue an emergency order to halt the operation of any massage establishment if law enforcement or the agency believes trafficking is occurring at the establishment.

Recently, TDLR inspectors 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 the license application of individuals subject to an emergency order for human trafficking, or with cases pending before SOAH.

As proposed, S.B. 2167 amends current law relating to the licensing and regulation of massage therapy.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 455.206, Occupations Code, as follows:

Sec. 455.206. New heading: NEW LICENSE REQUIRED FOR CHANGE OF LOCATION OF ESTABLISHMENT OR SCHOOL. Prohibits a massage establishment or massage school from changing the location of the establishment or school without obtaining a new massage establishment or massage school license under Chapter 455 (Massage Therapy), as appropriate.

SECTION 2. Amends Section 455.251, Occupations Code, by adding Subsections (d), (e), and (f), as follows:

(d) Authorizes the Texas Commission of Licensing and Regulation (TCLR) or the executive director of the Texas Department of Licensing and Regulation (executive

director), if the applicant for a massage establishment or school license under this chapter is subject to an emergency order under Section 51.3511 (Issuance of Emergency Orders) for a ground described by Section 455.252 (Emergency Order), to delay the determination to approve or refuse the issuance of the license for the period during which the emergency order is in effect. Provides that, for purposes of this subsection, 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.

(e) Authorizes TCLR or the executive director 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 an offense under Chapter 20A (Trafficking of Persons), Penal Code, is being or is likely to be committed at the location for which the license is sought or 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.

(f) Provides that, for purposes of Subsection (e), the date that an application is submitted is the date on which a complete application is received by the Texas Department of Licensing and Regulation, including any additional requested materials.

SECTION 3. Requires TCLR, as soon as practicable after the effective date of this Act, to adopt rules necessary to implement the changes in law made by this Act to Chapter 455, Occupations Code.

SECTION 4. Effective date: September 1, 2025.