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S.B. No. 1777

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on payments for certain group home referrals; creating a criminal offense.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 769, Health and Safety Code, as added by Chapter 141 (S.B. 188), Acts of the 88th Legislature, Regular Session, 2023, is redesignated as Chapter 767, Health and Safety Code, and amended to read as follows:

CHAPTER 767 [769]. REGULATION OF CERTAIN GROUP HOMES

Sec. 767.001 [769.001]. DEFINITION. In this chapter, "group home" means an establishment that:

(1) provides, in one or more buildings, lodging to three or more residents who are unrelated by blood or marriage to the owner of the establishment; and

(2) provides those residents with community meals, light housework, meal preparation, transportation, grocery shopping, money management, laundry services, or assistance with self-administration of medication but does not provide personal care services as defined by Section 247.002.

Sec. 767.002 [769.002]. EXEMPTIONS. This chapter does not apply to:

(1) a person who holds a license issued under Chapter 142, 242, 246, 247, or 252;

(2) a person, establishment, or facility exempt from

licensing under Section 142.003(a)(19), 242.003(3), or 247.004(4);

(3) a hotel as defined by Section 156.001, Tax Code;

(4) a retirement community;

(5) a monastery or convent;

(6) a child-care facility as defined by Section 42.002, Human Resources Code;

(7) a family violence shelter center as defined by Section 51.002, Human Resources Code; or

(8) a sorority or fraternity house or other dormitory associated with an institution of higher education.

Sec. 767.003 [~~769.003~~]. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR APPLICANTS AND EMPLOYEES; CRIMINAL PENALTY. (a) An owner or operator of a group home shall obtain criminal history record information maintained by the Department of Public Safety of the State of Texas on each individual who is an applicant for employment with or an employee of the group home.

(b) An owner or operator of a group home may not hire or continue to employ an individual for whom the owner or operator obtains criminal history record information on the applicant's or employee's conviction of an offense under Chapter 19, 20, 20A, 21, 22, 25, 28, 29, 30, 31, 32, 33, 33A, 34, 35, 35A, or 71, Penal Code, or Section 48.015, 48.02, 48.03, or 48.04, Penal Code, or any other offense punishable as a Class A misdemeanor or a felony.

(c) An owner or operator of a group home who violates Subsection (b) commits an offense. An offense under this section is a Class A misdemeanor.

Sec. 767.004. PROHIBITED PAYMENT FOR CERTAIN GROUP HOME

1 REFERRALS; CRIMINAL PENALTY. (a) In this section, "health care
2 provider" means an individual who is licensed, certified, or
3 otherwise authorized to provide health care services in this state.

4 (b) A health care provider or employee or contractor of a
5 health care provider may not accept any form of payment for
6 referring a potential resident to a group home if the group home is
7 owned or operated by a person who does not hold a license or permit
8 for the group home issued in accordance with applicable state laws
9 or local regulations.

10 (c) A health care provider or employee or contractor of a
11 health care provider who violates this section commits an offense.
12 An offense under this section is a Class B misdemeanor.

13 SECTION 2. To the extent of any conflict, this Act prevails
14 over another Act of the 89th Legislature, Regular Session, 2025,
15 relating to nonsubstantive additions to and corrections in enacted
16 codes.

17 SECTION 3. This Act takes effect September 1, 2025.