

1-1 By: Huffines S.B. No. 1185
1-2 (In the Senate - Filed March 10, 2015; March 17, 2015, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 May 11, 2015, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 8, Nays 0; May 11, 2015,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Eltife	X		
1-10	Creighton	X		
1-11	Ellis	X		
1-12	Huffines	X		
1-13	Schwertner	X		
1-14	Seliger		X	
1-15	Taylor of Galveston	X		
1-16	Watson	X		
1-17	Whitmire	X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1185 By: Huffines

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to a biennial study regarding occupational licensing
1-22 requirements.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter A, Chapter 302, Labor Code, is
1-25 amended by adding Section 302.0191 to read as follows:

1-26 Sec. 302.0191. REPORT REGARDING OCCUPATIONAL LICENSING.

1-27 (a) In this section:

1-28 (1) "License" includes a certificate, registration,
1-29 permit, or other authorization that is issued by a licensing
1-30 authority.

1-31 (2) "Licensing authority" means a department,
1-32 commission, board, office, or other agency of the state that issues
1-33 a license.

1-34 (b) Subject to the availability of appropriated money, the
1-35 commission shall biennially study and report on the extent to which
1-36 a requirement that a person must obtain a license to engage in a
1-37 particular business, occupation, or profession serves as a barrier
1-38 to entry into the workforce. The report must discuss whether and to
1-39 what extent license requirements affect unemployment in this state.

1-40 (c) In preparing the report required by Subsection (b), the
1-41 commission shall:

1-42 (1) solicit input from interested parties, including
1-43 license holders and licensing authorities, and parties who favor
1-44 decreasing or repealing occupational licensing requirements; and

1-45 (2) for each license required by a licensing
1-46 authority:

1-47 (A) evaluate the costs associated with the
1-48 license requirement, with a focus on:

1-49 (i) unemployment;

1-50 (ii) competition within the occupation; and

1-51 (iii) associated increases in prices to
1-52 consumers of goods or services;

1-53 (B) conduct a risk analysis of the harm to
1-54 consumers in purchasing goods or services from practitioners in the
1-55 licensed occupation;

1-56 (C) consider the extent to which consumers are
1-57 adequately informed when making decisions related to the licensed
1-58 occupation;

1-59 (D) consider whether the occupation is capable of
1-60 regulating itself without governmental intervention;

(E) consider the availability and adequacy of alternatives to licensing by the state, including nonexclusive certifications or registrations provided by nongovernmental entities;

(F) consider whether the license requirement serves to protect existing practitioners;

(G) conduct a cost-benefit analysis to determine if the social costs of the license requirement are justified by any benefits to the public health, safety, or welfare; and

(H) consider the anticipated effect of repealing the license requirement on:

(i) overall unemployment, including the rate at which people seeking to enter the occupation or profession are able to do so; and

(ii) workforce training costs incurred by the state, community colleges, or career schools or colleges.

(d) The commission by rule shall establish a schedule for the review of licenses under this section. The rules must require that:

(1) the commission review each license required by a licensing authority not more than once in a 10-year period; and

(2) the commission review approximately 10 percent of the licenses during each biennium.

(e) On request of the commission, a licensing authority shall provide information to the commission or otherwise assist the commission in preparing the report. On request of the commission, a licensing authority and the Sunset Advisory Commission shall provide staff support to the commission for purposes of conducting the study and preparing the report required by this section.

(f) Not later than November 15 of each even-numbered year, the commission shall:

(1) provide a copy of the report to:

(A) the governor;

(B) the lieutenant governor;

(C) the speaker of the house of representatives;

and

(D) each standing committee of the senate and house of representatives having primary jurisdiction over matters relating to occupational licensing; and

(2) make the report available to the public on the commission's Internet website.

(g) The commission may solicit, accept, and administer gifts, grants, and donations of any kind from any public or private source for the purposes of conducting the study and preparing the report required by this section.

SECTION 2. This Act takes effect September 1, 2015.

* * * * *