Sec. 21.010. FINANCIAL INTEREST IN PRIVATE CORRECTIONAL AND REHABILITATION FACILITIES PROHIBITED. (a) A justice or judge, as applicable, of the supreme court, the court of criminal appeals, a court of appeals, a district court, a county court, a county court at law, or a statutory probate court may not, on the date the person takes office as a justice or judge or while serving as a justice or judge, have a significant interest in a business entity that owns, manages, or operates:

(1) a community residential facility described by Section 508.119;
(2) a correctional or rehabilitation facility subject to Chapter 244, Local Government Code; or
(3) any other facility intended to accomplish a purpose or provide a service described by Section 508.119(a) to a person convicted of a misdemeanor or felony or found to have engaged in delinquent conduct who is housed in the facility:
   (A) while serving a sentence of confinement following conviction of an offense or an adjudication of delinquent conduct; or
   (B) as a condition of community supervision, probation, parole, or mandatory supervision.

(b) A justice or judge is considered to have a significant interest in a business entity described by Subsection (a) for purposes of this section if:

(1) the justice or judge owns any voting stock or share or has a direct investment in the business entity that represents the lesser of at least 10 percent or $15,000 of the fair market value of the business entity; or
(2) the justice or judge receives money from the business entity.

(c) A violation of this section by a justice or judge is considered a violation of Canon 4D(1), Code of Judicial Conduct. A justice or judge who has an interest in a business entity that is prohibited by this section must report the interest to the State Commission on Judicial Conduct.

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

Passed by the House on April 25, 2013: Yeas 136, Nays 0, 2 present, not voting; passed by the Senate on May 17, 2013: Yeas 29, Nays 0.

Approved June 14, 2013.
Effective January 1, 2015.

CHAPTER 222

H.B. No. 86

AN ACT
relating to the criteria for review by the Sunset Advisory Commission of an agency that licenses an occupation.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 325, Government Code, is amended by adding Section 325.0115 to read as follows:

Sec. 325.0115. CRITERIA FOR REVIEW OF CERTAIN AGENCIES. (a) In this section:

(1) “License” means a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to engage in a particular occupation or profession.

(2) “Public interest” means protection from a present and recognizable harm to public health, safety, or welfare. The term does not include speculative threats, or other non-demonstrable menaces to public health, safety, or welfare. For the purposes of this subdivision, the term “welfare” includes the financial health of the public when the absence
of governmental regulation unreasonably increases risk and liability to broad classes of consumers.

(b) In an assessment of an agency that licenses an occupation or profession, the commission and its staff shall consider:

(1) whether the occupational licensing program:
   (A) serves a meaningful, defined public interest; and
   (B) provides the least restrictive form of regulation that will adequately protect the public interest;

(2) the extent to which the regulatory objective of the occupational licensing program may be achieved through market forces, private or industry certification and accreditation programs, or enforcement of other laws;

(3) the extent to which licensing criteria, if applicable, ensure that applicants have occupational skill sets or competencies that correlate with a public interest and the impact that those criteria have on applicants, particularly those with moderate or low incomes, seeking to enter the occupation or profession; and

(4) the impact of the regulation, including the extent to which the program stimulates or restricts competition and affects consumer choice and the cost of services.

SECTION 2. Chapter 325, Government Code, is amended by adding Section 325.023 to read as follows:

Sec. 325.023. REVIEW OF PROPOSED LEGISLATION REGULATING AN OCCUPATION. (a) Not later than December 31 of an odd-numbered year, a member of the legislature may submit proposed legislation that would create an occupational licensing program or significantly affect an existing occupational licensing program to the commission for review and analysis. A request under this section may be submitted after December 31 of an odd-numbered year on the approval of the commission’s chair based on the recommendation of the executive director. The commission’s chair may, on the recommendation of the executive director, deny a request for review under this section.

(b) If the commission reviews and analyzes legislation proposing the regulation of an occupation, the commission shall submit a report to the legislature before the start of the next legislative session regarding the commission’s findings on the need for regulating the occupation and the type of regulation recommended, if any.

(c) In analyzing legislation proposing the creation of an occupational licensing program, the commission shall determine whether:

(1) the unregulated practice of the occupation would be inconsistent with the public interest as defined by Section 325.0115;

(2) the public can reasonably be expected to benefit from an assurance of initial and continuing professional skill sets or competencies; and

(3) the public can be more effectively protected by means other than state regulation.

(d) If the commission reviews and analyzes proposed legislation amending an existing occupational licensing program, the commission shall submit a report to the legislature before the start of the next legislative session regarding the commission’s findings on the need for the proposed legislation.

SECTION 3. This Act takes effect September 1, 2013.

Passed by the House on April 10, 2013: Yeas 129, Nays 16, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 86 on May 16, 2013: Yeas 144, Nays 0, 2 present, not voting; passed by the Senate, with amendments, on May 15, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective September 1, 2013.