By: Berman H.B. No. 164

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the civil and criminal consequences of engaging in
3	certain conduct related to the manufacture of methamphetamine and
4	to the distribution and retail sales of pseudoephedrine; providing
5	penalties.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
7	ARTICLE 1. CIVIL AND CRIMINAL CONSEQUENCES OF

- 9 THE MANUFACTURE OF METHAMPHETAMINE
- SECTION 1.01. Sections 481.112(b)-(f), Health and Safety
 Code, are amended to read as follows:

ENGAGING IN CERTAIN CONDUCT RELATED TO

- 12 (b) An offense under Subsection (a) is a state jail felony
 13 if the amount of the controlled substance to which the offense
 14 applies is, by aggregate weight, including adulterants or
 15 dilutants, less than one gram, except that the offense is a felony
 16 of the third degree if the controlled substance is methamphetamine
 17 and is in an amount described by this subsection.
- (c) An offense under Subsection (a) is a felony of the second degree if the amount of the controlled substance to which the offense applies is, by aggregate weight, including adulterants or dilutants, one gram or more but less than four grams, except that the offense is a felony of the first degree if the controlled substance is methamphetamine and is in an amount described by this subsection.

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(d) An offense under Subsection (a) is a felony of the first degree if the amount of the controlled substance to which the offense applies is, by aggregate weight, including adulterants or dilutants, four grams or more but less than 200 grams, except that the offense is punishable by imprisonment in the institutional division of the Texas Department of Criminal Justice for life or for a term of not more than 99 years or less than 10 years and a fine not to exceed \$100,000 if the controlled substance is methamphetamine and is in an amount described by this subsection.

- (e) An offense under Subsection (a) is punishable by imprisonment in the institutional division of the Texas Department of Criminal Justice for life or for a term of not more than 99 years or less than 10 years, and a fine not to exceed \$100,000, if the amount of the controlled substance to which the offense applies is, by aggregate weight, including adulterants or dilutants, 200 grams or more but less than 400 grams, except that the minimum term of imprisonment is increased to 15 years and the maximum fine is increased to \$250,000 if the controlled substance is methamphetamine and is in an amount described by this subsection.
- (f) An offense under Subsection (a) is punishable by imprisonment in the institutional division of the Texas Department of Criminal Justice for life or for a term of not more than 99 years or less than 15 years, and a fine not to exceed \$250,000, if the amount of the controlled substance to which the offense applies is, by aggregate weight, including adulterants or dilutants, 400 grams or more, except that the minimum term of imprisonment is increased to 20 years and the maximum fine is increased to \$300,000 if the

- 1 controlled substance is methamphetamine and is in an amount
- 2 described by this subsection.
- 3 SECTION 1.02. Subchapter D, Chapter 481, Health and Safety
- 4 Code, is amended by adding Section 481.1122 to read as follows:
- 5 Sec. 481.1122. MANUFACTURE OF METHAMPHETAMINE: PRESENCE OF
- 6 CHILD. If it is shown at the punishment phase of a trial for the
- 7 manufacture of methamphetamine that when the offense was committed
- 8 <u>a child younger than 18 years of age was present on the premises</u>
- 9 where the offense was committed:
- 10 (1) the punishment specified by Section 481.112(b) is
- increased to a felony of the second degree;
- 12 (2) the punishment specified by Section 481.112(c) is
- enhanced by increasing the minimum term of imprisonment to 10 years
- and increasing the maximum fine to \$100,000;
- 15 (3) the minimum term of imprisonment specified by
- 16 Section 481.112(d) is increased to 15 years and the maximum fine
- 17 specified by that section is increased to \$250,000;
- 18 (4) the minimum term of imprisonment specified by
- 19 Section 481.112(e) is increased to 20 years and the maximum fine
- specified by that section is increased to \$300,000; and
- 21 (5) the minimum term of imprisonment specified by
- 22 Section 481.112(f) is increased to 25 years and the maximum fine
- 23 specified by that section is increased to \$350,000.
- SECTION 1.03. Section 481.124, Health and Safety Code, is
- 25 amended by amending Subsection (d) and adding Subsection (d-1) to
- 26 read as follows:
- 27 (d) An offense under this section is:

- 1 (1) a felony of the second degree if the controlled
- 2 substance is listed in Penalty Group 1 or 1-A, except as provided by
- 3 Subsection (d-1);
- 4 (2) a felony of the third degree if the controlled
- 5 substance is listed in Penalty Group 2;
- 6 (3) a state jail felony if the controlled substance is
- 7 listed in Penalty Group 3 or 4; or
- 8 (4) a Class A misdemeanor if the controlled substance
- 9 is listed in a schedule by an action of the commissioner under this
- 10 chapter but not listed in a penalty group.
- 11 (d-1) An offense under this section is a felony of the first
- 12 degree if it is shown at the punishment phase of a trial of the
- 13 offense that:
- 14 (1) the person committed the offense with the intent
- to unlawfully manufacture methamphetamine; and
- 16 (2) when the offense was committed a child younger
- 17 than 18 years of age was:
- 18 (A) present on the premises where the defendant
- 19 was in possession of the chemical; or
- 20 (B) in or on a vehicle in or on which the
- 21 <u>defendant was transporting the chemical.</u>
- 22 SECTION 1.04. Chapter 504, Health and Safety Code, is
- 23 amended by adding Section 504.003 to read as follows:
- Sec. 504.003. INTENT TO FACILITATE THE MANUFACTURE OF
- 25 METHAMPHETAMINE. If it is shown at the punishment phase of a trial
- of an offense under Section 504.001 or 504.002 that the person
- 27 committed the offense with the intent to facilitate the manufacture

- of methamphetamine, the offense is a felony of the second degree.
- 2 SECTION 1.05. Section 99.003, Civil Practice and Remedies
- 3 Code, is amended to read as follows:
- 4 Sec. 99.003. STRICT LIABILITY AND MINIMUM DAMAGES FOR
- 5 EXPOSURE. A person who manufactures methamphetamine is strictly
- 6 liable for any exposure by an individual to the manufacturing
- 7 process, including exposure to the methamphetamine itself or any of
- 8 the byproducts or waste products incident to the manufacture, for
- 9 the greater of:
- 10 (1) actual damages for personal injury, death, or
- 11 property damage as a result of the exposure; or
- 12 (2) \$20,000 [\$10,000] for each incident of exposure.
- 13 SECTION 1.06. Article 17.15, Code of Criminal Procedure, is
- 14 amended to read as follows:
- Art. 17.15. RULES FOR FIXING AMOUNT OF BAIL. (a) The amount
- of bail to be required in any case is to be regulated by the court,
- 17 judge, magistrate, or officer taking the bail; they are to be
- 18 governed in the exercise of this discretion by the Constitution and
- 19 by the following rules:
- 1. The bail shall be sufficiently high to give
- 21 reasonable assurance that the undertaking will be complied with.
- 22 2. The power to require bail is not to be so used as to
- 23 make it an instrument of oppression.
- 3. The nature of the offense and the circumstances
- under which it was committed are to be considered.
- 4. The ability to make bail is to be regarded, and
- 27 proof may be taken upon this point.

- 5. The future safety of a victim of the alleged offense
- 2 and the community shall be considered.
- 3 (b) A judge, magistrate, or officer who requires bail in an
- 4 amount less than \$300,000 for a defendant charged with the
- 5 manufacture of methamphetamine, or less than \$500,000 if the
- 6 accusation against the defendant includes an allegation that at the
- 7 time of the offense a child younger than 18 years of age was present
- 8 on the premises where the offense was committed, shall state the
- 9 reasons for setting the lesser amount in writing and include that
- 10 writing in the record of the proceedings.
- 11 SECTION 1.07. Article 37.07, Code of Criminal Procedure, is
- 12 amended by adding Section 4A to read as follows:
- Sec. 4A. In the penalty phase of the trial of an offense in
- 14 which punishment is to be assessed by the jury rather than the
- 15 court, if the offense of which the jury has found the defendant
- 16 guilty is an offense involving the manufacture of methamphetamine
- 17 punishable under Section 481.112 or 481.1122, Health and Safety
- 18 Code, the court shall charge the jury as provided by Section 4(b) or
- 19 (c), as applicable, except that the judge shall amend the charge to
- 20 accurately reflect the defendant's eligibility for parole as
- 21 provided by Section 508.145, Government Code.
- SECTION 1.08. Section 262.104, Family Code, is amended to
- 23 read as follows:
- Sec. 262.104. TAKING POSSESSION OF A CHILD IN EMERGENCY
- 25 WITHOUT A COURT ORDER. (a) If there is no time to obtain a
- temporary restraining order or attachment before taking possession
- of a child consistent with the health and safety of that child, an

- 1 authorized representative of the Department of Protective and
- 2 Regulatory Services, a law enforcement officer, or a juvenile
- 3 probation officer may take possession of a child without a court
- 4 order under the following conditions, only:
- 5 (1) on personal knowledge of facts that would lead a
- 6 person of ordinary prudence and caution to believe that there is an
- 7 immediate danger to the physical health or safety of the child;
- 8 (2) on information furnished by another that has been
- 9 corroborated by personal knowledge of facts and all of which taken
- 10 together would lead a person of ordinary prudence and caution to
- 11 believe that there is an immediate danger to the physical health or
- 12 safety of the child;
- 13 (3) on personal knowledge of facts that would lead a
- 14 person of ordinary prudence and caution to believe that the child
- 15 has been the victim of sexual abuse;
- 16 (4) on information furnished by another that has been
- 17 corroborated by personal knowledge of facts and all of which taken
- 18 together would lead a person of ordinary prudence and caution to
- 19 believe that the child has been the victim of sexual abuse; or
- 20 (5) on information furnished by another that has been
- 21 corroborated by personal knowledge of facts and all of which taken
- 22 together would lead a person of ordinary prudence and caution to
- 23 believe that the parent or person who has possession of the child is
- 24 currently using a controlled substance as defined by Chapter 481,
- 25 Health and Safety Code, and the use constitutes an immediate danger
- to the physical health or safety of the child.
- 27 (b) An authorized representative of the Department of

- 1 Protective and Regulatory Services, a law enforcement officer, or a
- 2 juvenile probation officer shall take possession of a child under
- 3 Subsection (a) on personal knowledge or information furnished by
- 4 another indicating that the parent or person who has possession of
- 5 the child has permitted the child to remain on premises used for the
- 6 manufacture of methamphetamine.
- 7 SECTION 1.09. Section 508.145, Government Code, is amended
- 8 by amending Subsections (e) and (f) and adding Subsections (g),
- 9 (h), and (i) to read as follows:
- 10 (e) An inmate serving a sentence for an offense involving
- 11 the manufacture of methamphetamine that is punishable under Section
- 12 481.112 or 481.1122, Health and Safety Code, as a felony of the
- 13 first degree or by imprisonment for a minimum term or by a maximum
- 14 <u>fine that is more than a minimum term or maximum fine for a felony of</u>
- the first degree, who has been previously convicted of an offense
- 16 <u>involving the manufacture of methamphetamine that is punishable</u>
- 17 <u>under one of those sections as a felony of the first degree or by</u>
- 18 imprisonment for a minimum term or by a maximum fine that is more
- 19 than a minimum term or maximum fine for a felony of the first
- 20 degree, is not eligible for release on parole until the actual
- 21 <u>calendar time the inmate has served</u>, without consideration of good
- 22 <u>conduct time</u>, equals the term to which the inmate was sentenced or
- 23 <u>25 calendar years, whichever is less.</u>
- 24 (f) An inmate serving a sentence for an offense involving
- 25 the manufacture of methamphetamine that is punishable under Section
- 26 481.112 or 481.1122, Health and Safety Code, by imprisonment for a
- 27 minimum term or by a maximum fine that is more than a minimum term or

- 1 maximum fine for a felony of the first degree is not eligible for
- 2 release on parole until the actual calendar time the inmate has
- 3 served, without consideration of good conduct time, equals the term
- 4 to which the inmate was sentenced or 20 calendar years, whichever is
- $\frac{1ess.}{}$
- 6 (g) An inmate serving a sentence for an offense involving
- 7 the manufacture of methamphetamine that is punishable under Section
- 8 481.112 or 481.1122, Health and Safety Code, as a felony of the
- 9 <u>first degree is not eligible for release on parole until the actual</u>
- 10 <u>calendar time the inmate has served</u>, without consideration of good
- 11 conduct time, equals the term to which the inmate was sentenced or
- 12 10 calendar years, whichever is less.
- 13 (h) An inmate serving a sentence for an offense involving
- 14 the manufacture of methamphetamine that is punishable under Section
- 15 <u>481.112 or 481.1122, Health and Safety Code, as a felony of the</u>
- 16 <u>second or third degree or</u> serving a sentence for which the
- 17 punishment is increased under Section 481.134, Health and Safety
- 18 Code, except with respect to an increase to which Subsection (d)
- 19 applies, is not eligible for release on parole until the [inmate's]
- 20 actual calendar time the inmate has served, without consideration
- of good conduct time, equals [five years or] the term to which the
- inmate was sentenced or five calendar years, whichever is less.
- $\underline{\text{(i)}}$ [\frac{\((\frac{\finter{\frac{\fir}}}}}{\firac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\firec{\frac{\frac{\frac{\frac{\frac{\frac}}}}}{\firac{\frac{\frac{\fir}}}}{\firac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\fir}}}}{\firac{\frac{\frac{\frac{\frac{\fir}}}{\firac{\frac{\f{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\frac{\fr
- inmate is eligible for release on parole when the inmate's actual
- 25 calendar time served plus good conduct time equals one-fourth of
- 26 the sentence imposed or 15 calendar years, whichever is less.

1	ARTICLE 2. DISTRIBUTION AND RETAIL SALES OF
2	PSEUDOEPHEDRINE
3	SECTION 2.01. Subtitle B, Title 6, Health and Safety Code,
4	is amended by adding Chapter 468 to read as follows:
5	CHAPTER 468. METHAMPHETAMINE WATCH PROGRAM
6	Sec. 468.001. DEFINITIONS. In this chapter:
7	(1) "Department" means the Department of State Health
8	Services.
9	(2) "Program" means the methamphetamine watch program
10	established under this chapter.
11	(3) "Retailer" means a business establishment in this
12	state that engages in over-the-counter retail sales of any product
13	containing pseudoephedrine.
14	Sec. 468.002. ESTABLISHMENT OF METHAMPHETAMINE WATCH
15	PROGRAM. The department shall establish a methamphetamine watch
16	program to:
17	(1) inform retailers of the problems associated with
18	the illicit manufacture and use of methamphetamine in this state;
19	(2) establish procedures and develop forms for
20	retailers and other persons to use in reporting to the department
21	any incidents of theft, suspicious purchases, or other transactions
22	involving products used in the illicit manufacture of
23	methamphetamine;
24	(3) increase community awareness of methamphetamine;
25	(4) encourage retailers, law enforcement, state and
26	local agencies, and other persons to cooperate in efforts to reduce
27	the diversion of legitimate products for use in the illicit

- 1 manufacture of methamphetamine; and
- 2 (5) assist local communities in addressing problems
- 3 created by the illicit manufacture and use of methamphetamine.
- 4 Sec. 468.003. RETAILER PARTICIPATION. (a) Retailer
- 5 participation in the program is voluntary.
- 6 (b) A retailer participating in the program shall make
- 7 <u>reasonable efforts to deter the theft or improper sale of products</u>
- 8 used in the illicit manufacture of methamphetamine, including
- 9 products containing pseudoephedrine, by:
- 10 (1) implementing product management practices that
- 11 deter theft or suspicious purchases of the products, including
- 12 placing signs at strategic locations within the retail
- 13 establishment to inform patrons of the retailer's participation in
- 14 the program; and
- 15 (2) providing annual personnel training on products
- 16 used in the illicit manufacture of methamphetamine and procedures
- 17 to follow on observing theft or suspicious purchases of those
- 18 products.
- 19 Sec. 468.004. REPORTING; IMMUNITY FROM LIABILITY. A person
- 20 is not liable for any damages arising from an act relating to the
- 21 reporting of information made in good faith and in substantial
- 22 compliance with the reporting procedures established under Section
- 23 468.002(2).
- Sec. 468.005. GRANT PROGRAM. (a) The criminal justice
- 25 division of the governor's office shall implement a grant program
- 26 for public and private organizations to engage in initiatives
- 27 designed to support the methamphetamine watch program established

- 1 under this chapter. The grant recipient may use grant money only to
- 2 pay for activities directly related to the purpose of the
- 3 initiative as described by this subsection.
- 4 (b) The governor's office may accept gifts, grants,
- 5 donations, and other contributions for the purpose of the grant
- 6 program.
- 7 SECTION 2.02. Chapter 481, Health and Safety Code, is
- 8 amended by adding Section 481.0771 to read as follows:
- 9 Sec. 481.0771. RECORDS AND REPORTS ON PSEUDOEPHEDRINE. (a)
- 10 A wholesaler who sells, transfers, or otherwise furnishes
- 11 pseudoephedrine to a retailer shall:
- 12 (1) before delivering the pseudoephedrine, obtain
- 13 from the retailer a copy of the retailer's license to operate a
- 14 pharmacy and the retailer's address, area code, and telephone
- 15 <u>number; and</u>
- 16 (2) make an accurate and legible record of the
- 17 transaction and maintain the record for at least two years after the
- 18 date of the transaction.
- 19 (b) The wholesaler shall submit to the director in
- 20 accordance with department rule a monthly report that includes:
- 21 (1) the information required by Subsection (a)(1);
- 22 (2) the amount of pseudoephedrine delivered; and
- 23 (3) any other information required by the director.
- 24 (c) Not later than five business days after receipt of an
- 25 order for pseudoephedrine, a wholesaler shall submit to the
- 26 director in accordance with department rule a report of the order if
- the order:

1	(1) is received from a retailer that is not licensed to
2	operate a pharmacy; or
3	(2) requests delivery of a suspicious quantity of
4	pseudoephedrine as determined by department rule.
5	(d) A wholesaler who, with reckless disregard for the duty
6	to report under Subsection (c), fails to report as required by that
7	subsection may be subject to disciplinary action in accordance with
8	department rule.
9	SECTION 2.03. Subtitle C, Title 6, Health and Safety Code,
10	is amended by adding Chapter 486 to read as follows:
11	CHAPTER 486. PSEUDOEPHEDRINE
12	SUBCHAPTER A. GENERAL PROVISIONS
13	Sec. 486.001. DEFINITIONS. (a) In this chapter:
14	(1) "Board" means the Texas State Board of Pharmacy.
15	(2) "Commissioner" means the commissioner of state
16	health services.
17	(3) "Council" means the State Health Services Council.
18	(4) "Department" means the Department of State Health
19	Services.
20	(5) "Executive director" means the executive director
21	of the Texas State Board of Pharmacy.
22	(6) "Pseudoephedrine" means any compound, mixture, or
23	preparation containing any detectable amount of pseudoephedrine,
24	including its salts, optical isomers, and salts of optical isomers.
25	The term does not include any compounds, mixtures, or preparations
26	that are in liquid, liquid capsule, or gel capsule form and in which
27	pseudoephedrine is not the only active ingredient.

1	(7) "Sale" includes a conveyance, exchange, barter, or
2	<u>trade.</u>
3	(b) A term that is used in this chapter but is not defined by
4	Subsection (a) has the meaning assigned by Section 481.002.
5	Sec. 486.002. APPLICABILITY. This chapter does not apply
6	to the sale of any product dispensed or delivered by a pharmacist
7	according to a prescription issued by a practitioner for a valid
8	medical purpose and in the course of professional practice.
9	Sec. 486.003. RULES. (a) The council shall adopt rules
LO	necessary to implement and enforce Subchapter B.
L1	(b) The board shall adopt rules necessary to implement and
L2	enforce Subchapter C.
L3	[Sections 486.004-486.010 reserved for expansion]
L4	SUBCHAPTER B. PROHIBITED SALES
L5	Sec. 486.011. SALES BY ESTABLISHMENTS OTHER THAN
L6	PHARMACIES. A business establishment that does not operate a
L7	pharmacy licensed by the board may not engage in over-the-counter
L8	sales of pseudoephedrine.
L9	[Sections 486.012-486.020 reserved for expansion]
20	SUBCHAPTER C. REGULATED SALES
21	Sec. 486.021. APPLICABILITY. This subchapter applies only
22	to a business establishment that operates a pharmacy licensed by
23	the board.
24	Sec. 486.022. RESTRICTION OF ACCESS TO PSEUDOEPHEDRINE. A
25	business establishment that engages in over-the-counter sales of
26	pseudoephedrine shall display the pseudoephedrine in a manner that
27	makes the pseudoephedrine accessible to a patron of the business

- 1 <u>establishment only with the assistance of an employee of the</u>
- 2 establishment.
- 3 Sec. 486.023. PREREQUISITES TO SALE OF PSEUDOEPHEDRINE.
- 4 Before completing an over-the-counter sale of pseudoephedrine, a
- 5 business establishment that engages in those sales shall:
- 6 (1) require the person purchasing pseudoephedrine to:
- 7 (A) display a driver's license or other form of
- 8 identification containing the person's photograph; and
- 9 (B) sign for the purchase;
- 10 (2) make a record of the sale, including the name of
- 11 the person purchasing pseudoephedrine, the date of purchase, and
- the number of grams of pseudoephedrine purchased; and
- 13 (3) take action as necessary to ensure that a person
- does not purchase more than nine grams of pseudoephedrine from the
- 15 establishment in any 30-day period.
- Sec. 486.024. MAINTENANCE OF RECORDS. A business
- 17 establishment that engages in over-the-counter sales of
- 18 pseudoephedrine shall maintain all records made under Section
- 19 486.023(2) in a secure centralized location. The establishment
- 20 shall maintain each record until at least the first anniversary of
- 21 the date the record is made.
- [Sections 486.025-486.030 reserved for expansion]
- SUBCHAPTER D. ADMINISTRATIVE PENALTY
- Sec. 486.031. IMPOSITION OF PENALTY. (a) The department
- 25 may impose an administrative penalty on a person who violates
- 26 Subchapter B.
- 27 (b) The board <u>may impose an administrative penalty on a</u>

1	person who violates Subchapter C.
2	Sec. 486.032. AMOUNT OF PENALTY. (a) The amount of the
3	penalty may not exceed \$1,000 for each violation, and each day a
4	violation continues or occurs is a separate violation for purposes
5	of imposing a penalty. The total amount of the penalty assessed for
6	a violation continuing or occurring on separate days under this
7	subsection may not exceed \$5,000.
8	(b) The amount shall be based on:
9	(1) the seriousness of the violation, including the
10	nature, circumstances, extent, and gravity of the violation;
11	(2) the threat to health or safety caused by the
12	violation;
13	(3) the history of previous violations;
14	(4) the amount necessary to deter a future violation;
15	(5) whether the violator demonstrated good faith,
16	including when applicable whether the violator made good faith
17	efforts to correct the violation; and
18	(6) any other matter that justice may require.
19	Sec. 486.033. REPORT AND NOTICE OF VIOLATION AND PENALTY.
20	(a) If the department or the board, as applicable, initially
21	determines that a violation occurred, that entity shall give
22	written notice of the report by certified mail to the person.
23	(b) The notice must:
24	(1) include a brief summary of the alleged violation;
25	(2) state the amount of the recommended penalty; and
26	(3) inform the person of the person's right to a
27	hearing on the occurrence of the violation, the amount of the

- 1 penalty, or both.
- 2 Sec. 486.034. PENALTY TO BE PAID OR HEARING REQUESTED. (a)
- 3 Before the 21st day after the date the person receives notice under
- 4 Section 486.033, the person in writing may:
- 5 (1) accept the determination and recommended penalty;
- 6 <u>or</u>
- 7 (2) make a request for a hearing on the occurrence of
- 8 the violation, the amount of the penalty, or both.
- 9 (b) If the person accepts the determination and recommended
- 10 penalty or if the person fails to respond to the notice, the
- 11 commissioner or the executive director, as applicable, by order
- 12 shall approve the determination.
- Sec. 486.035. HEARING. (a) If the person requests a
- 14 hearing, the commissioner or the executive director, as applicable,
- 15 shall refer the matter to the State Office of Administrative
- 16 Hearings, which shall promptly set a hearing date and give written
- 17 notice of the time and place of the hearing to the person. An
- 18 administrative law judge of the State Office of Administrative
- 19 Hearings shall conduct the hearing.
- 20 (b) The administrative law judge shall make findings of fact
- 21 and conclusions of law and promptly issue to the commissioner or the
- 22 executive director, as applicable, a proposal for a decision about
- 23 the occurrence of the violation and the amount of a proposed
- 24 penalty.
- Sec. 486.036. DECISION. (a) Based on the findings of fact,
- 26 conclusions of law, and proposal for a decision, the commissioner
- or the executive director, as applicable, by order may:

1	(1) find that a violation occurred and impose a
2	penalty; or
3	(2) find that a violation did not occur.
4	(b) The notice of the commissioner's or the executive
5	director's order under Subsection (a) that is sent to the person in
6	the manner provided by Chapter 2001, Government Code, must include
7	a statement of the right of the person to judicial review of the
8	order.
9	Sec. 486.037. OPTIONS FOLLOWING DECISION: PAY OR APPEAL.
10	Before the 31st day after the date the order under Section 486.036
11	that imposes an administrative penalty becomes final, the person
12	<pre>shall:</pre>
13	(1) pay the penalty; or
14	(2) file a petition for judicial review of the order
15	contesting the occurrence of the violation, the amount of the
16	penalty, or both.
17	Sec. 486.038. STAY OF ENFORCEMENT OF PENALTY. (a) Within
18	the period prescribed by Section 486.037, a person who files a
19	<pre>petition for judicial review may:</pre>
20	(1) stay enforcement of the penalty by:
21	(A) paying the penalty to the court for placement
22	in an escrow account; or
23	(B) giving the court a supersedeas bond approved
24	by the court that:
25	(i) is for the amount of the penalty; and
26	(ii) is effective until all judicial review

of the order is final; or

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- 1 (2) request the court to stay enforcement of the
- 2 penalty by:
- 3 (A) filing with the court a sworn affidavit of
- 4 the person stating that the person is financially unable to pay the
- 5 penalty and is financially unable to give the supersedeas bond; and
- 6 (B) sending a copy of the affidavit to the
- 7 commissioner or the executive director, as applicable, by certified
- 8 mail.
- 9 (b) Following receipt of a copy of an affidavit under
- 10 Subsection (a)(2), the commissioner or the executive director, as
- 11 applicable, may file with the court, before the 6th day after the
- date of receipt, a contest to the affidavit. The court shall hold a
- 13 hearing on the facts alleged in the affidavit as soon as practicable
- 14 and shall stay the enforcement of the penalty on finding that the
- 15 alleged facts are true. The person who files an affidavit has the
- 16 <u>burden of proving that the person is financially unable to pay the</u>
- 17 penalty or to give a supersedeas bond.
- 18 Sec. 486.039. COLLECTION OF PENALTY. (a) If the person
- does not pay the penalty and the enforcement of the penalty is not
- 20 stayed, the penalty may be collected.
- 21 (b) The attorney general may sue to collect the penalty.
- Sec. 486.040. DECISION BY COURT. (a) If the court sustains
- 23 the finding that a violation occurred, the court may uphold or
- 24 reduce the amount of the penalty and order the person to pay the
- 25 full or reduced amount of the penalty.
- 26 (b) If the court does not sustain the finding that a
- 27 <u>violation occurred</u>, the court shall order that a penalty is not

- 1 owed.
- 2 Sec. 486.041. REMITTANCE OF PENALTY AND INTEREST. (a) If
- 3 the person paid the penalty and if the amount of the penalty is
- 4 reduced or the penalty is not upheld by the court, the court shall
- 5 order, when the court's judgment becomes final, that the
- 6 appropriate amount plus accrued interest be remitted to the person
- 7 before the 31st day after the date that the judgment of the court
- 8 becomes final.
- 9 (b) The interest accrues at the rate charged on loans to
- 10 depository institutions by the New York Federal Reserve Bank.
- 11 (c) The interest shall be paid for the period beginning on
- 12 the date the penalty is paid and ending on the date the penalty is
- 13 remitted.
- 14 Sec. 486.042. RELEASE OF BOND. (a) If the person gave a
- 15 supersedeas bond and the penalty is not upheld by the court, the
- 16 court shall order, when the court's judgment becomes final, the
- 17 release of the bond.
- 18 (b) If the person gave a supersedeas bond and the amount of
- 19 the penalty is reduced, the court shall order the release of the
- 20 bond after the person pays the reduced amount.
- 21 Sec. 486.043. ADMINISTRATIVE PROCEDURE. A proceeding to
- 22 impose the penalty is considered to be a contested case under
- 23 Chapter 2001, Government Code.
- 24 ARTICLE 3. TRANSITION LANGUAGE
- 25 AND EFFECTIVE DATE
- 26 SECTION 3.01. Sections 481.112 and 481.124, Health and
- 27 Safety Code, as amended by this Act, and Sections 481.1122 and

504.003, Health and Safety Code, as added by this Act, apply only to an offense committed on or after September 1, 2005. An offense committed before September 1, 2005, is covered by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before September 1, 2005, if any element of the offense was committed before that date.

SECTION 3.02. Articles 17.15 and 37.07, Code of Criminal Procedure, and Section 508.145, Government Code, as amended by this Act, apply only to a defendant charged with or an inmate serving a sentence for an offense committed on or after September 1, 2005. A defendant charged with or an inmate serving a sentence for an offense committed before September 1, 2005, is covered by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before September 1, 2005, if any element of the offense was committed before that date.

SECTION 3.03. Section 99.003, Civil Practice and Remedies Code, as amended by this Act, and Section 468.004, Health and Safety Code, as added by this Act, apply only to a cause of action that accrues on or after September 1, 2005. An action that accrued before September 1, 2005, is governed by the law applicable to the action immediately before September 1, 2005, and that law is continued in effect for that purpose.

SECTION 3.04. (a) The Department of State Health Services shall take all action necessary to establish the methamphetamine watch program as required by Chapter 468, Health and Safety Code, as

- 1 added by this Act, not later than September 1, 2005.
- 2 (b) The criminal justice division of the governor's office
- 3 shall take all action necessary to begin implementation of the
- 4 grant program required under Section 468.005, Health and Safety
- 5 Code, as added by this Act, not later than September 1, 2005.
- 6 SECTION 3.05. The director of the Department of Public
- 7 Safety shall adopt any rules necessary to administer and enforce
- 8 Section 481.0771, Health and Safety Code, as added by this Act, not
- 9 later than September 1, 2005.
- 10 SECTION 3.06. (a) The State Health Services Council shall
- 11 adopt rules to implement and enforce Subchapter B, Chapter 486,
- 12 Health and Safety Code, as added by this Act, not later than
- 13 September 1, 2005.
- 14 (b) The Texas State Board of Pharmacy shall adopt rules to
- implement and enforce Subchapter C, Chapter 486, Health and Safety
- 16 Code, as added by this Act, not later than September 1, 2005.
- 17 SECTION 3.07. This Act takes effect immediately if it
- 18 receives a vote of two-thirds of all the members elected to each
- 19 house, as provided by Section 39, Article III, Texas Constitution.
- 20 If this Act does not receive the vote necessary for immediate
- 21 effect, this Act takes effect September 1, 2005.