

BILL ANALYSIS

C.S.H.B. 1751
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It is estimated that there are nearly two million sexual assault victims living in Texas. Of those two million victims, approximately eighty percent of female victims and ninety percent of all child victims are assaulted by someone they know – often a relative or an acquaintance. Research also indicates that fewer than twenty percent of sexual assaults are reported to the appropriate authorities. Less than ten percent of sexual assault victims seek medical care after the assault because of shame, fear, hurt or anger. C.S.H.B. 1751 authorizes a fee, a portion of which will be dedicated to the sexual assault program fund, to cover the costs of programs that relate to sexual assault prevention, intervention and research provided by state, local and nonprofit agencies.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Attorney General in SECTION 4 of the bill.

ANALYSIS

C.S.H.B 1751 adds a new Subchapter B to Chapter 47, Business & Commerce Code, that imposes a fee on admissions to certain sexually oriented businesses ("SOBs") that provide live nude entertainment and performances. Under this subchapter, these SOBs are liable for a fee in the amount of five dollars for each customer entry to the business. The bill also makes it clear that the provision of Subtitle B, Title 2, Tax Code apply to the administration, payment, collection, and enforcement of the newly created fee and that the fee is remitted quarterly by SOBs to the Comptroller. The Comptroller deposits the first eighteen million dollars in fee revenue in a fiscal biennium to the credit of the sexual assault program fund; the remainder is deposited to the credit of the general revenue fund.

C.S.H.B 1751 also amends Section 420.005, Govt. Code, to permit the Attorney General to award grants to certain programs described by statute (as added by the bill) and permits the Attorney General to prescribe rules that require certain minimum services to be offered by a prospective grantee as a condition of eligibility for a grant.

C.S.H.B 1751 authorizes the Legislature to appropriate money from the sexual assault program fund only to the attorney general for certain sexual assault prevention and other specific crimes and programs and purposes and also authorizes the appropriation of monies from the fund to certain other state agencies and institutions of higher education for certain sexual assault prevention and other specific crimes and programs and purposes.

The new fee applies prospectively only to a customer admitted on or after the effective date of the bill. C.S.H.B. 1751 amends the statutory composition of the sexual assault program fund to include the revenues generated by the bill. This bill also defines the terms "nude" and "sexually oriented business" as used in the bill. Finally, C.S.H.B 1751 makes certain conforming changes related to designating certain sections of Chapter 47, Business & Commerce Code as Subchapter A, Chapter 47, Business & Commerce Code.

This Act takes effect September 1, 2007.

EFFECTIVE DATE

September 1, 2007.

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COMPARISON OF ORIGINAL TO SUBSTITUTE

The original required the Comptroller to deposit all fee revenue to the general revenue fund. The substitute requires that the fee to be deposited to the credit of the sexual assault program fund until those deposits exceed eighteen million dollars in a fiscal biennium, with the excess deposited to the credit of the general revenue fund.

The original authorized the Comptroller to adopt rules for the administration, payment, collection, and enforcement of the fee. The substitute applies Subtitle B, Title 2, Tax Code to the administration, payment, collection, and enforcement of the fee.

The substitute adds a provision authorizing the Attorney General to award grants to certain programs described by statute and adds a provision that authorizes the Attorney General adopt grant eligibility rules that require a prospective grantee to provide certain minimum services. The original contained no comparable provision.

The substitute adds a provision that amends the statutory composition of the sexual assault program fund to include the fee imposed by the bill. The original contained no comparable provision.

The substitute authorizes the Legislature to appropriate money from the sexual assault program fund to the attorney general for certain enumerated programs and purposes and also authorizes the appropriation of monies from the fund to certain other state agencies and institutions of higher education for certain enumerated programs and purposes. The original contained no comparable provisions.