

BILL ANALYSIS

Senate Research Center
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S.B. 1468
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas manufacturers have stated a need for a unified branding program to promote Texas-made products. The program would have a wide-ranging constituency with a common goal of competing and excelling in a global marketplace. The Texas manufacturing sector is strong but strives to maintain a solid market share against competition from cheap labor in India, China, and other nations. Identification of products made in Texas allows consumers to make a choice to support Texas manufacturers.

As proposed, S.B. 1468 establishes a "Genuine Texas" program in the Office of the Comptroller of Public Accounts (comptroller), whereby good manufactured in Texas can be identified with a "Genuine Texas" logo. The comptroller would administer the program by developing and expanding markets for Texas manufactured products, developing promotional campaigns, and adopting manufactured quality standards and other criteria for use of the logo.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 (Section 490C.052, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 4, Government Code, by adding Chapter 490C, as follows:

CHAPTER 490C. PROMOTION OF TEXAS MANUFACTURED PRODUCTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 490C.001. DEFINITIONS. Defines "Genuine Texas program" and "Texas manufactured product."

[Reserves Sections 490C.002-490C.050 for expansion.]

SUBCHAPTER B. POWERS AND DUTIES OF COMPTROLLER

Sec. 490C.051. ESTABLISHMENT OF GENUINE TEXAS PROGRAM. Authorizes the comptroller of public accounts (comptroller) to establish and administer a program in accordance with this chapter to develop and expand markets for Texas manufactured products.

Sec. 490C.052. RULEMAKING AUTHORITY. Authorizes the comptroller to adopt rules and establish procedures to administer this chapter.

Sec. 490C.053. DUTIES OF COMPTROLLER. Requires the comptroller to perform certain duties if he or she establishes a Genuine Texas program (program) under this chapter.

Sec. 490C.054. FEE FOR USE OF LOGO. Authorizes the comptroller to require a person to pay a fee not to exceed \$25 a year for use of the logo designed under Section 490C.053(1).

Sec. 490C.055. PROMOTIONAL EVENTS. Authorizes the comptroller to use available money to purchase food and beverages for a promotional event.

Sec. 490C.056. SALE OF PROMOTIONAL ITEMS. (a) Authorizes the comptroller to sell or contract for the sale of items, including clothing, posters, and banners, to promote Texas manufactured products.

(b) Authorizes the comptroller to use the comptroller's Internet website to advertise and sell the items described by Subsection (a).

Sec. 490C.057. ADVISORY BOARD. (a) Requires the comptroller to appoint an advisory board to assist in the implementation of the program, if one is established.

(b) Provides that a member of the advisory board serves at the pleasure of the comptroller.

(c) Provides that a member of the advisory board serves without compensation but entitles a member of the advisory board to reimbursement for actual expenses incurred in the performance of official board duties, subject to approval of the comptroller.

(d) Provides that Chapter 2110 (State Agency Advisory Committees) does not apply to the advisory board.

(e) Requires the advisory board, at the request of the comptroller, to advise the comptroller on the adoption of rules and the establishment of procedures relating to the administration of the program.

(f) Requires the comptroller to provide the advisory board with the staff necessary to assist the board in carrying out board duties under this section.

[Reserves Sections 490C.058-490C.100 for expansion.]

SUBCHAPTER C. ENFORCEMENT

Sec. 490C.101. VIOLATION. Sets forth certain actions that constitute violations of this chapter.

Sec. 490C.102. FORFEITURE OF RIGHT TO USE LOGO. Prohibits a person who violates this chapter from using the logo of the program.

Sec. 490C.103. ADMINISTRATIVE PENALTY. Authorizes the comptroller to impose an administrative penalty not to exceed \$500 against a person who violates this chapter. Provides that a proceeding to impose the administrative penalty is a contested case under Chapter 2001 (Administrative Procedure).

Sec. 490C.104. CIVIL PENALTY. Provides that a person who violates this chapter is subject to a civil penalty not to exceed \$500 for each violation.

Sec. 490C.105. CALCULATING AMOUNT OF ADMINISTRATIVE OR CIVIL PENALTY. (a) Authorizes each day a violation continues to be considered a separate violation for purposes of an administrative or civil penalty under this subchapter.

(b) Requires the amount of an administrative or civil penalty to be based on certain factors.

Sec. 490C.106. ENFORCEMENT OF ADMINISTRATIVE OR CIVIL PENALTY. (a) Authorizes the enforcement of an administrative penalty under this section to be stayed during the time the order is under judicial review if the person pays the penalty to the clerk of the court or files a supersedeas bond with the court in the amount of the penalty.

Authorizes a person who cannot afford to pay the penalty or file the bond to stay the enforcement by filing an affidavit in the manner required by the Texas Rules of Civil Procedure for a party who cannot afford to file security for costs, subject to the right of the comptroller to contest the affidavit as provided by those rules.

(b) Requires the attorney general or the county or district attorney of the county in which the violation is alleged to have occurred, at the request of the comptroller, to file suit to collect the civil penalty.

Sec. 490C.107. DEPOSIT OF MONEY. Requires an administrative or civil penalty collected under this subchapter to be deposited to the credit of the general revenue fund.

Sec. 490C.108. INJUNCTIVE RELIEF. (a) Requires the attorney general or the county or district attorney of the county in which the alleged violation is threatened to occur or is occurring, at the request of the comptroller, to file suit for the appropriate injunctive relief to prevent or abate a violation of this chapter.

(b) Provides that the venue for an action brought under this section is in Travis County.

SECTION 2. Effective date: September 1, 2007.