

By: Capriglione

H.B. No. 3506

A BILL TO BE ENTITLED

AN ACT

relating to the certification of businesses in this state as Made in Texas; providing civil and administrative penalties; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 403, Government Code, is amended by adding Subchapter R to read as follows:

SUBCHAPTER R. MADE IN TEXAS PROGRAM

Sec. 403.501. DEFINITION. In this subchapter, "principal place of business" means:

(1) the location of a business's principal office or headquarters; or

(2) the place where the business's officers direct, control, and coordinate the business's activities.

Sec. 403.502. MADE IN TEXAS PROGRAM. (a) The comptroller shall establish and administer a Made in Texas certification program for businesses that qualify under this subchapter.

(b) The comptroller by rule shall:

(1) establish criteria and an application procedure to certify a business as Made in Texas; and

(2) establish criteria and an expedited procedure to allow a business to maintain an existing certification.

(c) In administering the program, the comptroller shall:

(1) design and administer the use of a logo for

1 businesses certified under this subchapter, including merchandise  
2 that features the logo;

3 (2) develop a promotional campaign to market the Made  
4 in Texas program to businesses in this state; and

5 (3) establish an Internet website that contains a list  
6 of all businesses certified as Made in Texas.

7 Sec. 403.503. ELIGIBILITY. (a) A business is eligible to  
8 participate in the Made in Texas program if:

9 (1) it maintains its principal place of business in  
10 this state; and

11 (2) each employee of the business is:

12 (A) a resident of this state; and

13 (B) a United States citizen.

14 (b) The comptroller shall develop criteria and procedures  
15 for verifying a business's eligibility under this section.

16 Sec. 403.504. CERTIFICATION. (a) A certification issued  
17 under this subchapter is valid for one year after the date the  
18 comptroller grants the certification to a business.

19 (b) The comptroller shall require a business certified  
20 under this subchapter to annually complete an expedited renewal  
21 procedure to maintain an existing certification.

22 Sec. 403.505. BENEFITS. A business certified as Made in  
23 Texas may:

24 (1) use the logo designed under Section 403.502; and

25 (2) advertise or promote itself as being certified as  
26 Made in Texas.

27 Sec. 403.506. FEE. (a) To cover the cost of administering

1 the Made in Texas program, the comptroller may require a business to  
2 pay a fee for certification under this subchapter.

3 (b) The comptroller shall require a lower fee to renew an  
4 existing certification than to obtain an original certification.

5 Sec. 403.507. ENFORCEMENT OF SUBCHAPTER; PENALTIES. (a) A  
6 person violates this subchapter if the person uses, reproduces, or  
7 distributes the logo designed by the comptroller under Section  
8 403.502 without the consent of the comptroller or fraudulently  
9 obtains certification under this subchapter without being eligible  
10 to participate in the program under Section 403.503.

11 (b) The comptroller may temporarily suspend or permanently  
12 forfeit the right of a person who violates this subchapter to use  
13 the logo of the Made in Texas program.

14 (c) The comptroller may impose an administrative penalty  
15 not to exceed \$500 against a person who violates this subchapter. A  
16 proceeding to impose the administrative penalty is a contested case  
17 under Chapter 2001.

18 (d) A person who violates this subchapter is subject to a  
19 civil penalty not to exceed \$500 for each violation.

20 (e) Each day that a violation continues may be considered a  
21 separate violation for the purposes of this section.

22 (f) The amount of an administrative or civil penalty imposed  
23 under this section must be based on:

24 (1) the seriousness of the violation, including the  
25 nature, circumstances, extent, and gravity of the violation;

26 (2) the history of previous violations;

27 (3) the amount necessary to deter a future violation;

1           (4) efforts by the person to correct the violation;

2 and

3           (5) any other matter that justice may require.

4           (g) The enforcement of an administrative penalty under this  
5 section may be stayed during the time the order is under judicial  
6 review if the person pays the penalty to the clerk of the court or  
7 files a supersedeas bond with the court in the amount of the  
8 penalty. A person who cannot afford to pay the penalty or file the  
9 bond may stay the enforcement by filing an affidavit in the manner  
10 required by the Texas Rules of Civil Procedure for a party who  
11 cannot afford to file security for costs, subject to the right of  
12 the comptroller to contest the affidavit as provided by those  
13 rules.

14           (h) At the request of the comptroller, the attorney general  
15 or the county attorney or district attorney of the county in which  
16 the violation is alleged to have occurred may file suit to collect  
17 the civil penalty authorized by this section.

18           (i) An administrative or civil penalty collected under this  
19 section shall be deposited to the credit of the general revenue  
20 fund.

21           SECTION 2. As soon as possible after the effective date of  
22 this Act, the comptroller shall adopt rules necessary to implement  
23 Subchapter R, Chapter 403, Government Code, as added by this Act.

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