

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 8, 2021

TO: Honorable Senfronia Thompson, Chair, House Committee on Licensing & Administrative Procedures

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3520 by Hunter (Relating to restrictions on the age of persons employed by or allowed on the premises of a sexually oriented business; creating a criminal offense.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Alcoholic Beverage Code to prohibit an individual younger than 18 years of age from being on the premises of a sexually oriented business. The bill would allow the attorney general, a district attorney, or a county attorney to seek an injunction or other action against a business that violates the prohibition. A sexually oriented business that habitually employs or contracts with a person under the age of 21 to provide work or services or allows persons under the age of 18 to enter the business premises would be designated a common nuisance, subject to a lawsuit seeking injunction and abatement. A violation of the prohibitions upon allowing persons under 18 to enter sexually oriented businesses and employing or contracting with persons under 21 to work at those businesses would be designated as offenses punishable as a Class A misdemeanor.

Based on the analysis of the Office of Court Administration, the Office of the Attorney General, the Texas Alcoholic Beverage Commission, and Department of Criminal Justice, it is assumed that duties and responsibilities associated with implementing the bill could be accomplished utilizing available resources. In addition, no significant fiscal impact to the state court system is anticipated with the implementation of the bill.

Based on the analysis of the Comptroller, the bill could result in an increase in criminal penalty revenue; however, the amount of the increases cannot be estimated.

The bill would take effect immediately upon enactment, assuming it received a two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2021.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. A Class B misdemeanor is punishable by a fine of not more than \$2,000, confinement in jail for a term not to exceed 180 days, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 458 Alcoholic Beverage Commission, 696 Department of Criminal Justice

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