

## **BILL ANALYSIS**

C.S.H.B. 1826  
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Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The House Committee on Business & Industry studied the effects of organized retail theft on Texas businesses as one of their interim charges. The committee found that this type of theft is a serious problem increasing in intensity in Texas and across the country and that retailers are looking for help combating it. Witnesses testified that when thieves conduct organized retail crime across jurisdictions, it can be more difficult to apprehend and charge them due to a lack of coordination between jurisdictions. Retailers, law enforcement, and online marketplaces came to an agreement that a task force with the goal of coordinating a response to organized retail theft would be an effective tool against this type of crime. C.S.H.B. 1826 takes a step towards addressing this problem by directing the comptroller of public accounts to appoint a statewide task force to study the impact of organized retail crime in Texas and provide recommendations to address this type of crime. This study would culminate with a report given to relevant public officials.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 1826 amends the Government Code to require the comptroller of public accounts to appoint a task force to conduct a study and make recommendations relating to the prevention of organized retail theft in Texas. The bill requires the task force to include at least one representative from a retailer with a physical retail location; at least one representative from an online retailer; and representatives from local, state, and federal law enforcement agencies. The bill requires the comptroller to designate the task force's presiding officer and requires the task force to meet at least quarterly, with the option to meet virtually. The bill makes state law governing state agency advisory committees inapplicable to the task force with respect to its duration and the designation of its presiding officer. The bill requires the task force to do the following in conducting the study:

- review laws and regulations addressing organized retail theft in other jurisdictions, including international political and economic organizations;
- analyze the impact of organized retail theft on sales tax collection, the long-term economic impacts of organized retail theft, and the advantages and disadvantages of taking various actions to reduce such theft; and

- make recommendations regarding:
  - organized retail theft outreach and prevention programs, including coordination among local, state, and federal law enforcement agencies; and
  - training for law enforcement officers and prosecutors on effective strategies for combating organized retail theft.

C.S.H.B. 1826 authorizes the members of the task force to consult with any organization, governmental entity, or person the task force considers necessary in conducting the study and to collaborate and share information relating to an active criminal investigation with one another regardless of whether the information would otherwise be confidential and not subject to disclosure under state public information law. The bill requires the task force, not later than December 1 of each even-numbered year, to prepare and submit a report of the study to the governor, lieutenant governor, speaker of the house of representatives, comptroller, and each standing committee of the legislature with primary jurisdiction over criminal justice matters. The report, which may be submitted electronically, must include legislative and other recommendations to increase transparency, improve security, enhance consumer protections, prevent organized retail theft, and address the long-term economic impact of organized retail theft.

#### **EFFECTIVE DATE**

September 1, 2023.

#### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 1826 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced required the task force to include at least one representative working in a physical retail location, the substitute requires inclusion of at least one representative from a retailer with a physical retail location.

The substitute includes the following provisions that were not in the introduced:

- an authorization for the task force to conduct meetings virtually;
- a requirement for the task force to make recommendations regarding training for law enforcement officers and prosecutors on effective strategies for combating organized retail theft;
- an authorization for the members of the task force to collaborate and share information relating to an active criminal investigation with one another regardless of whether the information would otherwise be confidential and not subject to disclosure under state public information law; and
- an authorization for the task force report to be submitted electronically.