

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 13, 2025

TO: Honorable Ken King, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3225 by Alders (Relating to the prohibition of access by minors to sexually explicit materials in municipal public library collections; providing a civil penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3225, As Introduced: a negative impact of (\$761,218) through the biennium ending August 31, 2027.

There could be a positive fiscal impact from penalty revenues associated with any violations. However, the amounts and timing of violations are unknown. Therefore, the fiscal impact cannot be determined.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2026	(\$392,609)
2027	(\$368,609)
2028	(\$368,609)
2029	(\$368,609)
2030	(\$368,609)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2025
2026	(\$392,609)	4.0
2027	(\$368,609)	4.0
2028	(\$368,609)	4.0
2029	(\$368,609)	4.0
2030	(\$368,609)	4.0

Fiscal Analysis

The bill would prohibit a municipal public library from maintaining sexually explicit materials that a minor may access and require age verification to access those materials.

The bill would require the Texas State Library and Archives Commission (commission) to establish guidelines for libraries to review their collections for explicit materials. Libraries would be required to remove any

explicit materials from a minor's section within 45 days of a determination. Libraries would be subject to a civil penalty of \$10,000 for each violation, and a loss of state or local funding for the following year.

The Attorney General would be authorized to bring action to recover civil penalties and other reasonable expenses, and obtain an injunction to restrain the violation.

Methodology

This analysis assumes the Library and Archives Commission would require four additional full-time equivalent positions (4.0 FTEs) to implement the legislation. The additional FTEs include: 1.0 Attorney II to work with staff to review documentation prepared, prepare and submit notice letters to any library found to be in non-compliance, and to coordinate with the Attorney General's Office on any future legal action; 1.0 Librarian III to establish guidelines for municipal libraries and provide guidance to local libraries as they establish procedures; 1.0 Program Specialist III to review any complaints received and coordinate procedures for notifying libraries of non-compliance; and 1.0 Program Supervisor III to supervise program staff and administer a process to address any allegations on non-compliance. Total personnel costs, including equipment, licenses, and benefits, are estimated to be \$382,609 in fiscal year 2026 and \$366,609 in each subsequent fiscal year.

According to the Attorney General's Office, any additional workload related to filing for civil penalties or seeking injunctive relief to restrain ongoing violations could be absorbed using existing resources.

Technology

This analysis assumes the Library and Archives Commission will need to establish an internal tracking system to monitor the progress of each complaint or instance of non-compliance. Total IT related costs are estimated to be \$10,000 in fiscal year 2026 and \$2,000 in each subsequent fiscal year.

Local Government Impact

There could be a significant impact on municipal public libraries related to staffing, implementing age verification systems, creating designated minor sections, and any penalties stemming from violations of the bill's provisions.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 306 Library & Archives Commission

LBB Staff: JMc, WP, LCO, CSmi, NV, CWi