### **BILL ANALYSIS**

Senate Research Center 86R34909 JG-D

C.S.H.B. 1113
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State Affairs
5/18/2019
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Reports indicate that there are tens of thousands of children and young adults currently being sex trafficked in Texas. While there have been state-level initiatives to address human trafficking, it has been noted that many municipalities lack the resources to implement appropriate programs and strategies in their respective communities to adequately address the prevalence of sex trafficking. H.B. 1113 seeks to set out a multipronged approach to address the issue of child sex trafficking by way of additional prevention and treatment programs and limitations on state contracting.

H.B. 1113 will establish a four-part initiative to create a more comprehensive state plan in preventing and treating child sex trafficking. The bill amends the Health and Safety Code to require the Health and Human Services Commission (HHSC) to establish a treatment program to improve the quality and accessibility of care for victims of child sex trafficking in Texas. The bill requires HHSC to designate a health-related institution of higher education to operate the program and to collaborate with that institution and the Child Sex Trafficking Prevention Unit within the criminal justice division of the Office of the Governor's Office (governor's office) in establishing the program. H.B. 1113 will also require HHSC to establish and administer a matching grant program that awards grants to provide initial money to establish municipal sex trafficking prevention programs in Texas. H.B. 1113 requires the governor's office, in collaboration with the Child Sex Trafficking Prevention Unit, to establish and administer a grant program that awards grants to local law enforcement agencies to train local law enforcement officers to recognize signs of sex trafficking. Lastly, the bill will amend the Government Code to require the comptroller of public accounts of the State of Texas to bar from participating in state contracts that are subject to the State Purchasing and General Services Act a vendor that has taken an action that directly supports or promotes human trafficking. (Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 1113 amends current law relating to state contract limitations and programs for sex trafficking prevention and victim treatment.

#### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 3 (Section 50.0005, Health and Safety Code) and SECTION 4 of this bill.

Rulemaking authority is expressly granted to the governor in SECTION 4 of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 2155, Government Code, by adding Section 2155.0061, as follows:

Sec. 2155.0061. PROHIBITION OF CERTAIN BIDS AND CONTRACTS RELATED TO PERSONS INVOLVED IN HUMAN TRAFFICKING. (a) Prohibits a state agency from accepting a bid or awarding a contract, including a contract for which purchasing authority is delegated to a state agency, that includes proposed financial participation by a

person who, during the five-year period preceding the date of the bid or award, has been convicted of any offense related to the direct support or promotion of human trafficking.

- (b) Requires a bid or award subject to the requirements of this section to include a certain statement and sets forth the required language of the statement.
- (c) Authorizes a state agency, if the state agency determines that an individual or business entity holding a state contract was ineligible to have the bid accepted or contract awarded under this section, to immediately terminate the contract without further obligation to the vendor.
- (d) Provides that this section does not create a cause of action to contest a bid or award of a state contract.

#### SECTION 2. Amends Section 2155.077(a-1), Government Code, as follows:

- (a-1) Requires the Health and Human Services Commission (HHSC) to bar a vendor from participating in state contracts that are subject to this subtitle (State Purchasing and General Services), including contracts for which purchasing authority is delegated to a state agency, if the vendor has been:
  - (1)–(2) makes nonsubstantive changes to those subdivisions; or
  - (3) convicted of any offense related to the direct support or promotion of human trafficking.

SECTION 3. Amends Subtitle B, Title 2, Health and Safety Code, by adding Chapter 50, as follows:

# CHAPTER 50. SEX TRAFFICKING PREVENTION AND VICTIM TREATMENT PROGRAMS

## SUBCHAPTER A. TREATMENT PROGRAM FOR VICTIMS OF CHILD SEX TRAFFICKING

Sec. 50.0001. DEFINITIONS. Defines "child sex trafficking" and "program" for purposes of this subchapter.

Sec. 50.0002. ESTABLISHMENT; PURPOSE. Requires HHSC, in collaboration with the institution designated under Section 50.0003, to establish a program to improve the quality and accessibility of care for victims of child sex trafficking in this state.

Sec. 50.0003. DESIGNATION OF INSTITUTION; OPERATION OF PROGRAM. (a) Requires HHSC to designate a health-related institution of higher education to operate the program.

- (b) Requires the designated institution to improve the quality and accessibility of care for victims of child sex trafficking by:
  - (1) dedicating a unit at the institution to provide or contract for inpatient care for victims of child sex trafficking;
  - (2) dedicating a unit at the institution to provide or contract for outpatient care for victims of child sex trafficking;
  - (3) creating opportunities for research and workforce expansion related to treatment of victims of child sex trafficking; and
  - (4) assisting other health-related institutions of higher education in this state to establish similar programs.

(c) Requires HHSC to solicit and review applications from health-related institutions of higher education before designating an institution under this section.

Sec. 50.0004. FUNDING. Authorizes the designated institution, in addition to money appropriated by the legislature, to accept gifts, grants, and donations from any public or private person for the purpose of carrying out the program.

Sec. 50.0005. RULES. Requires the executive commissioner of HHSC (executive commissioner) to adopt rules necessary to implement this subchapter.

## SUBCHAPTER B. MATCHING GRANT PROGRAM FOR MUNICIPAL SEX TRAFFICKING PREVENTION PROGRAMS

Sec. 50.0051. ESTABLISHMENT OF MATCHING GRANT PROGRAM. (a) Requires HHSC to establish a matching grant program to award to a municipality a grant in an amount equal to the amount committed by the municipality for the development of a sex trafficking prevention needs assessment. Requires a municipality that is awarded a grant to develop the needs assessment in collaboration with a local institution of higher education and on completion submit a copy of the needs assessment to HHSC.

- (b) Requires a sex trafficking prevention needs assessment developed under Subsection (a) to outline:
  - (1) the prevalence of sex trafficking crimes in the municipality;
  - (2) strategies for reducing the number of sex trafficking crimes in the municipality; and
  - (3) the municipality's need for additional funding for sex trafficking prevention programs and initiatives.

Sec. 50.0052. APPLICATION. (a) Authorizes a municipality to apply to HHSC in the form and manner prescribed by HHSC for a matching grant under this subchapter. Requires an applicant, to qualify for a grant, to:

- (1) develop a media campaign and appoint a municipal employee to oversee the program; and
- (2) provide proof that the applicant is able to obtain or secure municipal money in an amount at least equal to the amount of the awarded grant.
- (b) Requires HHSC to review applications for a matching grant submitted under this section and award matching grants to each municipality that demonstrates in the application the most effective strategies for reducing the number of sex trafficking crimes in the municipality and the greatest need for state funding.
- (c) Authorizes HHSC to provide a grant under Subsection (b) only in accordance with a contract between HHSC and the municipality. Requires the contract to include provisions under which HHSC is granted sufficient control to ensure the public purpose of sex trafficking prevention is accomplished and the state receives the return benefit.

Sec. 50.0053. FUNDING. Authorizes HHSC to solicit and accept, in addition to money appropriated by the legislature, to solicit and accept gifts, grants, or donations from any source to administer and finance the matching grant program established under this subchapter.

## SUBCHAPTER C. SEX TRAFFICKING GRANT PREVENTION PROGRAM FOR LOCAL LAW ENFORCEMENT

Sec. 50.0101. ESTABLISHMENT OF GRANT PROGRAM. (a) Requires the Office of the Governor (governor's office), in collaboration with the Child Sex Trafficking Prevention Unit established under Section 772.0062 (Child Sex Trafficking Prevention Unit), Government Code, to establish and administer a grant program to train local law enforcement officers to recognize signs of sex trafficking.

- (b) Authorizes the governor's office to establish eligibility criteria for a grant applicant.
- (c) Requires a grant awarded under this section to include provisions under which the governor's office is provided sufficient control to ensure the public purpose of sex trafficking prevention is accomplished and the state receives the return benefit.

Sec. 50.0102. FUNDING. Authorizes the governor's office, in addition to money appropriated by the legislature, to solicit and accept gifts, grants, or donations from any source to administer and finance the grant program established under this subchapter.

SECTION 4. Provides that, as soon as practicable after the effective date of this Act:

- (1) the executive commissioner is required to adopt rules as necessary to implement Subchapters A and B, Chapter 50, Health and Safety Code, as added by this Act; and
- (2) the governor is required to adopt rules as necessary to implement Subchapter C, Chapter 50, Health and Safety Code, as added by this Act.

SECTION 5. Makes application of Section 2155.0061, Government Code, as added by this Act, prospective.

SECTION 6. Makes application of Section 2155.077, Government Code, as amended by this Act, prospective.

SECTION 7. Provides that a state agency is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. Authorizes, but does not require, the agency, if the legislature does not appropriate money specifically for the purpose of implementing the applicable provision, to implement the provision using other appropriations available for that purpose.

SECTION 8. Effective date: September 1, 2019.