

BILL ANALYSIS

H.B. 3373
By: Burrows
Culture, Recreation & Tourism
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that independent live music venues need to be defined in statute and need a state office that can provide oversight and administrative support in navigating federal programs that support independent live music venues, operators, producers, or promoters. H.B. 3373 seeks to address this issue by requiring the Texas Music Office in the office of the governor to oversee and administer federal programs supporting independent live music venues, operators, producers, or promoters and issue certification to those entities for purposes of overseeing and administering the federal programs. The bill also sets out the requirements for those entities to receive certification.

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

H.B. 3373 amends the Government Code to require the Texas Music Office in the office of the governor to do the following:

- administer and oversee federal programs in Texas supporting independent live music venues, operators, producers, or promoters, including monitoring changes to those programs to ensure efficient implementation;
- issue certifications to those entities for the purpose of administering and overseeing the federal programs; and
- ensure each certification holder maintains compliance with the requirements for certification.

H.B. 3373 requires the music office to issue a certification as an independent live music venue, operator, producer, or promotor, for purposes of any federal program requiring such certification, to an individual or entity that:

- organizes, promotes, sells tickets, produces, manages, or hosts live concerts;
- generates at least 60 percent of primary business revenue from entrance fees or ticket sales and fees, production reimbursements, and the sale of beverages, food, and merchandise at events;
- has operated its primary business in Texas for at least one year preceding certification;
- pays artists fairly, as specified by the bill; and
- satisfies certain criteria relating to the nature of the services provided by the individual or entity.

The music office may not issue a certification unless the individual or entity employs as full-time equivalents 50 or more employees or contractors, derives not less than 10 percent of the individual's or entity's gross revenue from federal funding, or is majority-owned, controlled, or operated by an individual or entity that meets either the employee or federal funding threshold.

H.B. 3373 prohibits the music office from issuing a certification to any individual or entity that does the following:

- presents live performances of a prurient sexual nature, as determined by the music office;
or
- derives directly or indirectly a more than de minimis gross revenue, as determined by the music office, through the sale of products or services or the presentation of any depictions or displays of such a nature.

EFFECTIVE DATE

September 1, 2021.