

SUBJECT: Proceeds from criminal asset forfeitures for certain college scholarships

COMMITTEE: Criminal Jurisprudence — favorable, without amendment

VOTE: 5 ayes — Herrero, Moody, Canales, Hunter, Leach

0 nays

2 absent — Shaheen, Simpson

WITNESSES: For — Derek Cohen, Texas Public Policy Foundation; (*Registered, but did not testify*: William Squires, Bexar County District Attorney; Daniel Earnest, Combined Law Enforcement of Texas; Bill Elkin, Houston Police Retired Officers Association; James Smith, San Antonio Police Department; Joe Carrillo and Jimmy Rodriguez, San Antonio Police Officers Association; R. Glenn Smith, Sheriffs Association of Texas; Scott Henson, Texas Criminal Justice Coalition)

Against — (*Registered, but did not testify*: Lisa Dickison; Leah Lobsiger)

On — (*Registered, but did not testify*: Nicole Czajkoski, Montgomery County District Attorney's Office)

BACKGROUND: Code of Criminal Procedure Chapter 59 governs the forfeiture of contraband used in the commission of crimes. Art. 59.06 covers the disposition of forfeited assets and property. Under Art. 59.06(c), if there is an agreement between the prosecutor and local and state law enforcement agencies, the money, securities, and proceeds from the sale of forfeited contraband must be deposited according to the terms of the agreement into one or more funds listed in the section.

Under Art. 59.06(g), law enforcement agencies and prosecutors are required to account for seized property and proceeds in an annual audit that is submitted to the attorney general.

DIGEST: HB 530 would allow law enforcement agencies that receive proceeds from

the sale of forfeited contraband under the Code of Criminal Procedure Chapter 59 to transfer up to 10 percent of the amount they receive to a fund for college scholarships for children of peace officers killed in the line of duty. The scholarships could go only to children of officers employed by the law enforcement agency or another agency with overlapping jurisdiction. The scholarships could be used only to pay for the cost of higher education, including tuition, fees, and costs for housing, books, supplies, transportation, and other related personal expenses.

The attorney general would be required to develop a report on forfeited assets based on information currently submitted to the attorney general by law enforcement agencies and prosecutors. The report would have to detail the total funds forfeited or received after the sale of forfeited property. The attorney general would have to include a link to the report on the agency's website.

The bill would take effect September 1, 2015.

**SUPPORTERS
SAY:**

HB 530 would help support the families of peace officers killed in the line of duty by allowing proceeds from criminal asset forfeitures to be used for college scholarships for the officers' children. The state should do all it can to support the families of officers who give their lives protecting Texans.

HB 530 would be a logical extension of the current allowable uses of the proceeds from asset forfeitures which include donations to entities to assist with victims and witness services, certain education, and training programs, and other law enforcement purposes. The bill would not require agencies to offer scholarships, but allow agencies to do so if they choose. The bill would limit the amount of funds that can be used for scholarships and would set appropriate parameters on how the money could be used.

The reporting requirement in HB 530 would increase transparency about seized assets by making information about them more accessible. Law enforcement agencies and prosecutors already are required to submit audits on seized property to the attorney general, and HB 530 would

require only that the information be compiled into a report and accessible.

HB 530 is narrowly drawn to apply only to scholarships and reporting and is not designed to be a vehicle to address larger issues about the overall structure of state's asset forfeiture laws.

**OPPONENTS
SAY:**

Rather than expand uses of assets from the state's forfeiture laws, the state should reexamine the entire program. Expanding the uses of the funds could help build a constituency for a flawed program.

**OTHER
OPPONENTS
SAY:**

Any funds seized under the state's asset forfeiture laws should go into the state's general fund, not a special fund. These proceeds should not go to the benefit of those who seize them, however worthy the proposed use of the proceeds may be.