

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 24, 2013  
Date

Honorable David Dewhurst  
President of the Senate

Honorable Joe Straus  
Speaker of the House of Representatives

Sirs:

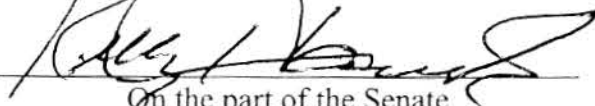
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 2818 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.


  
Sen. Carona (Chair)

  
Sen. Van de Putte

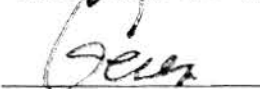
Sen. Eltife

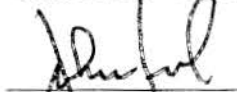
Sen. Estes


  
On the part of the Senate  
Sen. Hancock

  
Sheffield of Bell (Chair)

  
Thompson of Harris

  
Charlie Geren

  
John Kuempel

  
On the part of the House  
Eric Johnson

## Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 2818

A BILL TO BE ENTITLED

AN ACT

relating to certain local option elections and the permits and licenses that can be issued in areas that approved the sale of certain alcoholic beverages in a local option election.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 25, Alcoholic Beverage Code, is amended by adding Section 25.14 to read as follows:

Sec. 25.14. ISSUANCE OF PERMIT AUTHORIZED FOR CERTAIN AREAS. (a) Notwithstanding any other provision of this code, a permit under this chapter may be issued for a premises in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:

(1) "The legal sale of beer and wine for off-premise consumption only."; and

(2) either:

(A) "The legal sale of mixed beverages."; or

(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

(b) A premises that qualifies for a permit under this chapter because it is located in an area that approved the ballot issue described by Subsection (a)(2)(B) may be issued a permit under this chapter only if the premises is issued a food and beverage certificate.

SECTION 2. Chapter 69, Alcoholic Beverage Code, is amended

1 by adding Section 69.17 to read as follows:

2 Sec. 69.17. ISSUANCE OF LICENSE AUTHORIZED FOR CERTAIN  
3 AREAS. (a) Notwithstanding any other provision of this code, a  
4 license under this chapter may be issued for a premises in an area  
5 in which the voters have approved the following alcoholic beverage  
6 ballot issues in a local option election:

7 (1) "The legal sale of beer and wine for off-premise  
8 consumption only."; and

9 (2) either:

10 (A) "The legal sale of mixed beverages."; or

11 (B) "The legal sale of mixed beverages in  
12 restaurants by food and beverage certificate holders only."

13 (b) A premises that qualifies for a license under this  
14 chapter because it is located in an area that approved the ballot  
15 issue described by Subsection (a)(2)(B) may be issued a license  
16 under this chapter only if the premises is issued a food and  
17 beverage certificate.

18 SECTION 3. Chapter 70, Alcoholic Beverage Code, is amended  
19 by adding Section 70.04 to read as follows:

20 Sec. 70.04. ISSUANCE OF LICENSE AUTHORIZED FOR CERTAIN  
21 AREAS. (a) Notwithstanding any other provision of this code, a  
22 license under this chapter may be issued for a premises in an area  
23 in which the voters have approved the following alcoholic beverage  
24 ballot issues in a local option election:

25 (1) "The legal sale of beer and wine for off-premise  
26 consumption only."; and

27 (2) either:

1                   (A) "The legal sale of mixed beverages."; or

2                   (B) "The legal sale of mixed beverages in  
3 restaurants by food and beverage certificate holders only."

4           (b) A premises that qualifies for a license under this  
5 chapter because it is located in an area that approved the ballot  
6 issue described by Subsection (a)(2)(B) may be issued a license  
7 under this chapter only if the premises is issued a food and  
8 beverage certificate.

9           SECTION 4. Section 251.72, Alcoholic Beverage Code, is  
10 amended to read as follows:

11           Sec. 251.72. CHANGE OF STATUS. Except as provided in  
12 Sections [Section] 251.73 and 251.80 [of this code], an authorized  
13 voting unit that has exercised or may exercise the right of local  
14 option retains the status adopted, whether absolute prohibition or  
15 legalization of the sale of alcoholic beverages of one or more of  
16 the various types and alcoholic contents on which an issue may be  
17 submitted under the terms of Section 501.035, Election Code, until  
18 that status is changed by a subsequent local option election in the  
19 same authorized voting unit.

20           SECTION 5. Section 251.80, Alcoholic Beverage Code, is  
21 amended by amending Subsection (a) and adding Subsection (a-1) to  
22 read as follows:

23           (a) A local option election held in a justice precinct shall  
24 be held in the territory comprising the justice precinct at the time  
25 the election is held. If a justice precinct has established  
26 [Whenever] a local option status as a result of a previous local  
27 option election [is once legally put into effect as the result of

1 ~~the vote]~~ in the [a] justice precinct, such status shall remain in  
2 effect until the status is changed as the result of a subsequent  
3 local option election [vote] in the [~~same territory that comprised~~  
4 ~~the]~~ precinct [~~when such status was established~~]. If the  
5 boundaries of the justice precinct have changed since such status  
6 was established, [~~the commissioners court shall, for purposes of]~~ a  
7 subsequent local option election will only change the local option  
8 status in the territory that is part of the justice [~~, define the~~  
9 ~~boundaries of the original]~~ precinct on the date of the subsequent  
10 local option election[~~. A local option election may be held within~~  
11 ~~the territory defined by the commissioners court as constituting~~  
12 ~~such original precinct~~].

13       (a-1) For purposes of a local option election, a newly  
14 created justice precinct shall be considered to have not held a  
15 local option election on the sale of alcoholic beverages. Any local  
16 option status established in the territory comprising the new  
17 justice precinct that resulted from a local option election held in  
18 the territory when the territory was part of another justice  
19 precinct remains in effect until that status is changed by a local  
20 option election held in the new justice precinct.

21       SECTION 6. Section 251.80(c), Alcoholic Beverage Code, is  
22 repealed.

23       SECTION 7. Sections 25.14, 69.17, and 70.04, Alcoholic  
24 Beverage Code, as added by this Act, apply to a permit or license  
25 issued on or after the effective date of this Act regardless of when  
26 the local option election approving the sale of mixed beverages was  
27 held.

H.B. No. 2818

1       SECTION 8.   This Act takes effect September 1, 2013.

**House Bill 2818**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

No equivalent provision.

SECTION 1. Chapter 25, Alcoholic Beverage Code, is amended by adding Section 25.14 to read as follows:  
Sec. 25.14. ISSUANCE OF PERMIT AUTHORIZED FOR CERTAIN AREAS. (a) Notwithstanding any other provision of this code, a permit under this chapter may be issued for a premises in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:  
(1) "The legal sale of beer and wine for off-premise consumption only."; and  
(2) either:  
(A) "The legal sale of mixed beverages."; or  
(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."  
(b) A premises that qualifies for a permit under this chapter because it is located in an area that approved the ballot issue described by Subsection (a)(2)(B) may be issued a permit under this chapter only if the premises is issued a food and beverage certificate.

SECTION 1. Same as Senate version.

No equivalent provision.

SECTION 2. Chapter 69, Alcoholic Beverage Code, is amended by adding Section 69.17 to read as follows:  
Sec. 69.17. ISSUANCE OF LICENSE AUTHORIZED FOR CERTAIN AREAS. (a) Notwithstanding any other provision of this code, a license under this chapter may be issued for a premises in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:  
(1) "The legal sale of beer and wine for off-premise consumption only."; and  
(2) either:  
(A) "The legal sale of mixed beverages."; or

SECTION 2. Same as Senate version.

**House Bill 2818**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

(b) A premises that qualifies for a license under this chapter because it is located in an area that approved the ballot issue described by Subsection (a)(2)(B) may be issued a license under this chapter only if the premises is issued a food and beverage certificate.

No equivalent provision.

SECTION 3. Chapter 70, Alcoholic Beverage Code, is amended by adding Section 70.04 to read as follows:

Sec. 70.04. ISSUANCE OF LICENSE AUTHORIZED FOR CERTAIN AREAS. (a) Notwithstanding any other provision of this code, a license under this chapter may be issued for a premises in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:

(1) "The legal sale of beer and wine for off-premise consumption only."; and

(2) either:

(A) "The legal sale of mixed beverages."; or

(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

(b) A premises that qualifies for a license under this chapter because it is located in an area that approved the ballot issue described by Subsection (a)(2)(B) may be issued a license under this chapter only if the premises is issued a food and beverage certificate.

SECTION 3. Same as Senate version.

SECTION 1. Section 251.72, Alcoholic Beverage Code, is amended.

SECTION 4. Same as House version.

SECTION 4. Same as House version.



**House Bill 2818**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
SECTION 2. Section 251.80, Alcoholic Beverage Code, is amended.	SECTION 5. Same as House version.	SECTION 5. Same as House version.
SECTION 3. Section 251.80(c), Alcoholic Beverage Code, is repealed.	SECTION 6. Same as House version.	SECTION 6. Same as House version.
No equivalent provision.	SECTION 7. Saving provision.	SECTION 7. Same as Senate version.
SECTION 4. Effective date.	SECTION 8. Same as House version.	SECTION 8. Same as House version.
No equivalent provision.	SECTION __. Section 11.05, Alcoholic Beverage Code, is amended. [FA1]	Same as House version.
No equivalent provision.	SECTION __. Section 11.46, Alcoholic Beverage Code, is amended by adding Subsection (d). [FA1]	Same as House version.
No equivalent provision.	SECTION __. Section 11.61, Alcoholic Beverage Code, is amended by adding Subsection (d-1). [FA1]	Same as House version.
No equivalent provision.	SECTION __. Subchapter A, Chapter 61, Alcoholic Beverage Code, is amended by adding Section 61.16. [FA1]	Same as House version.
No equivalent provision.	SECTION __. Section 61.42, Alcoholic Beverage Code, is amended by adding Subsection (d). [FA1]	Same as House version.
No equivalent provision.	SECTION __. Subchapter C, Chapter 61, Alcoholic Beverage Code, is amended by adding Section 61.713. [FA1]	Same as House version.
No equivalent provision.	SECTION __. Subchapter D, Chapter 101, Alcoholic Beverage Code, is amended by adding Section 101.76. [FA1]	Same as House version.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 25, 2013**

**TO:** Honorable David Dewhurst, Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2818** by Sheffield, Ralph (Relating to certain local option elections and the permits and licenses that can be issued in areas that approved the sale of certain alcoholic beverages in a local option election.), **Conference Committee Report**

The fiscal implications of the bill cannot be determined at this time, as the results of local option elections cannot be predicted.

The bill would amend the Alcoholic Beverage Code relating to permits and licenses that can be issued in areas that approve the sale of certain alcoholic beverages in a local option election. Sections 25.14, 69.17, and 70.04, Alcoholic Beverage Code, as added by this Act, apply to a permit or license issued on or after the effective date of this Act regardless of when the local option election approving the sale of mixed beverages was held. The bill would take effect on September 1, 2013.

An indeterminate impact to revenue could occur as a result of the bill depending on the results of subsequent local option elections and the number of permittees and licensees that choose to switch to a license or permit that allows them to sell beer and wine at a lower sales tax rate.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

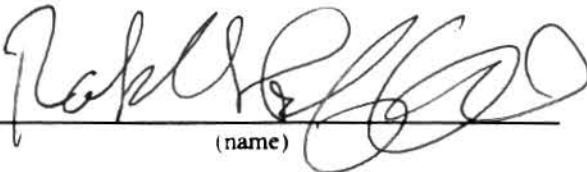
**Source Agencies:** 458 Alcoholic Beverage Commission, 304 Comptroller of Public Accounts

**LBB Staff:** UP, RB, KKR, AI, KNI

## Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must be furnished to each member of the committee in person or if unable to deliver in person by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.

I certify that a copy of the conference committee report on H. B. 2818 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.

  
(name)

5/24/13  
(date)