

SUBJECT: Beer and wine elections in certain cities located in more than one county

COMMITTEE: Licensing and Administrative Procedures — favorable, without amendment

VOTE: 8 ayes — Wilson, Yarbrough, Goolsby, Haggerty, D. Jones, Moreno, A. Reyna, Wise
0 nays
1 absent — Flores

SENATE VOTE: On final passage, March 15 — 30-0, on Local and Uncontested Calendar

WITNESSES: For — Audie Adkins, Frisco Chamber of Commerce; Curtis Hawk, City of Frisco; Maher Maso, Kathy Seei, and Mike Simpson, Citizens of Frisco; *Registered but did not testify*: Snapper Carr, Texas Municipal League; Rick Donley, Beer Alliance of Texas; Alan Gray and Robert H. Sparks, Licensed Beverage Distributors; Fred Maroske, Texas Package Stores Association; Mickey Moore, Texas Retailers Association
Against — None

BACKGROUND: Under Alcoholic Beverage Code, sec. 251.18, a city or town located in more than one county may hold a local-option election only on the issue of allowing or prohibiting the sale of mixed beverages by holders of food and beverage certificates.

DIGEST: SB 377 would allow a city or town located in more than one county to hold an election to allow or prohibit beer and wine sales if the city or town:

! did not allow beer and wine sales on September 1, 2001, and
! was located in two counties, each of which had a population of at least 250,000 but not more than 1 million, and one of which contained a city or town with a population of 125,000 or more.

The bill would take effect September 1, 2001.

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SUPPORTERS
SAY:

SB 377 would correct an oversight in the Alcoholic Beverage Code's provisions for local-option elections. Commissioners courts may order local-option elections within their counties but not for any areas outside their county. Under current law, a city or town located in two counties cannot call a local-option election on allowing or prohibiting beer and wine sales. SB 377 would apply narrowly to a few cities and towns, such as Frisco.

SB 377 would ensure that the citizens of such cities and towns could enjoy their basic right to vote in a local-option election. It also would prevent cities and towns located in more than one county from losing revenue. Four major grocery stores in Frisco estimated that they could generate \$30,000 more per week in sales if allowed to sell beer and wine. These lost sales cause the city to lose out on the associated sales taxes. The cities surrounding Frisco allow the sale of beer and wine, so they receive revenue from taxes paid by Frisco citizens who go to those cities to buy beer and wine.

OPPONENTS
SAY:

No apparent opposition.