

## **BILL ANALYSIS**

Senate Research Center  
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S.B. 1493  
By: Springer  
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### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In the spring of 2020, the Governor of Texas took one of the more drastic actions in responding to the post-reopening coronavirus surge in Texas, shutting bars down and scaling back restaurant capacity to 50 percent. Governor Abbott's executive order required any business that gets 51 percent or more of its revenue from alcohol sales to close.

The governor's order to close businesses that earn 51 percent or more of their revenue from alcohol sales also applied to distilleries, wineries, and brewpubs, which immediately claimed their companies are different from traditional bars. Some interested parties remarked that the executive order unfairly lumped them together with bars and nightclubs. One such organization, the Veterans of Foreign Wars (VFW), has over 250 chapters in Texas, many of which have a license issued by the Texas Alcoholic Beverage Commission (TABC). As such, many of them had to close their posts under the governor's executive order.

VFW of Texas is an organization of United States war veterans who, as military service members, fought in wars, campaigns, and expeditions on foreign land, waters, or airspace. The VFW of Texas has more than 68,500 members, who provide veterans with a wide range of services that also benefit their communities. Last year, VFW members worked on 154,456 community service projects, totaling over \$4.1 million for Texas communities. Yet to continue their good works, their posts must remain open.

Therefore this legislation prevents VFW posts from being included in any regulation issued by the governor during a declared emergency that restricts the operations of a business that sells alcoholic beverages.

The bill prescribes how an executive order under a declared emergency which restricts the operation for a business that sells alcoholic beverages may not include an organization exempt from federal taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(19) of that code, that benefits veterans of the United States armed forces.

The legislation clarifies that the law's change is prospective and only applies during the declared time of the state of disaster.

As proposed, S.B. 1493 amends current law relating to prohibiting certain limitations on the operation of certain organizations that benefit veterans during a declared state of disaster.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 418.012, Government Code, as follows:

Sec. 418.012. EXECUTIVE ORDERS. (a) Creates this subsection from existing text and makes no further changes.

(b) Prohibits an executive order, proclamation, or regulation issued by the governor under Chapter 418 (Emergency Management) that restricts the operation of or the hours of operation for a business that sells alcoholic beverages from including an organization exempt from federal taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(19) of that code, that benefits veterans of the United States armed forces.

SECTION 2. Makes Section 418.012, Government Code, as amended by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2021.