

BILL ANALYSIS

Senate Research Center
79R9403 AJA-F

S.B. 1246
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Business & Commerce
4/13/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Current law states that local option elections under the Alcoholic Beverage Code are placed on the ballot by means of petition. The minimum petition requires a number of signatures equal to 35 percent of the voters who voted in the most recent gubernatorial election, gathered within 60 days. Due to the petition requirements, it is virtually impossible to call an election in a populous area.

As proposed, S.B. 1246 calls for an immediate local option election to allow mixed beverage sales in restaurants in certain metropolitan areas. A petition will not be required and will not have an impact on the sale of alcohol in bars, liquor stores, or by other retailers. The issue will be voted on during the next election held by the county, so local governments will not incur additional costs. This legislation would affect the following counties: Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise.

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 Chapter 251, Alcoholic Beverage Code, by adding Section 251.011, as follows:

Sec. 251.011. ELECTION IN CERTAIN POPULOUS AREAS. (a) Provides that this section applies to certain populous counties.

(b) Requires an election to be held, if the sale of mixed beverages in restaurants is not legal in all or part of a political subdivision described by Subsection (a), on the issue of "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only" during the first uniform election held by the political subdivision after the date on which the political subdivision becomes subject to this section.

SECTION 2. Amends Chapter 28, Alcoholic Beverage Code, by adding Section 28.19, as follows:

Sec. 28.19. ISSUANCE OF MIXED BEVERAGE PERMIT TO PRIVATE CLUB AFTER CERTAIN LOCAL OPTION ELECTIONS. (a) Authorizes the holder of a private club registration permit with a food and beverage certificate located in a political subdivision to be issued a mixed beverage permit with a food and beverage certificate at the time the private club permit is eligible for renewal if the application for the permit is approved by a vote of the private club's members before the second anniversary of a local option election authorizing the sale of mixed beverages in restaurants in the political subdivision.

(b) Requires the state fee under Section 28.02 (Fee), for a permit granted under this section, to be computed and authorizes the local fee under Section 11.38 (Local Fee Authorized) to be assessed as if the permit holder's original private

club permit and any renewal of the private club permit were mixed beverage permits.

(c) Provides that the permit holder is not required to maintain an amount of security under Section 183.053 (Security Requirement), Tax Code, that exceeds the amount the permit holder would be required to maintain had the permit holder continued to hold a private club permit.

SECTION 3. Effective date: September 1, 2005.