

By: Smith of Harris

H.B. No. 691

A BILL TO BE ENTITLED

AN ACT

1
2 relating to fraternal organizations that are exempt from certain
3 requirements of the Alcoholic Beverage Code.

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

5 SECTION 1. Section 32.11(a)(1), Alcoholic Beverage Code, is
6 amended to read as follows:

7 (1) "Fraternal organization" means:

8 (A) any chapter, aerie, parlor, lodge, or other
9 local unit of an American national fraternal organization or Texas
10 state fraternal organization that, as the owner, lessee, or
11 occupant, has operated an establishment for fraternal purposes for
12 at least one year. If an American national fraternal organization,
13 it must actively operate in not fewer than 31 states and have at
14 least 300 local units in those 31 states, and must have been in
15 active, continuous existence for at least 20 years. If a Texas state
16 fraternal organization, it must actively operate in at least two
17 counties of the state and have at least 10 local units in those two
18 counties, and must have been in active, continuous existence for at
19 least five years;

20 (B) a hall association or building association of
21 a local unit described in Paragraph (A), all the capital stock of
22 which is owned by the local unit or the members of the local unit,
23 and which operates the clubroom facilities of the local unit;

24 (C) a building association not owned by a local

1 unit described in Paragraph (A) but one that is composed wholly of
2 members appointed by a county commissioners court to administer,
3 manage, and control an exposition center containing an exhibition
4 area of not less than 100,000 square feet and an arena with not less
5 than 6,000 fixed seats, situated on property with an area of not
6 less than 50 acres that is owned, together with all buildings,
7 appurtenances, and parking areas, by a county; [~~or~~]

8 (D) a chapter or other local unit of an American
9 national fraternal organization that promotes physical fitness and
10 provides classes in athletics to children and that, as owner,
11 lessee, or occupant, has operated an establishment for fraternal
12 purposes for at least one year. The fraternal organization must:

13 (i) actively operate in not fewer than 12
14 states;

15 (ii) have at least six local units in this
16 state; and

17 (iii) have at least one unit in this state
18 that has been in active, continuous existence for at least 75 years;
19 or

20 (E) a chapter, member, or other local unit of an
21 American national fraternal organization that promotes the moral,
22 educational, social, and recreational welfare of merchant
23 seafarers and that, as owner, lessee, or occupant, has operated an
24 establishment for fraternal purposes for at least one year. The
25 fraternal organization must:

26 (i) actively operate in not fewer than 12
27 states;

1 (ii) have at least six local units in this
2 state; and

3 (iii) have at least one unit in this state
4 that has been in active, continuous existence for at least 15 years.

5 SECTION 2. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2003.