

AN ACT

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

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

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

(1) "Fraternal organization" means:

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

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

(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 or other local unit of an American  
21 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 four 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 September 1, 2003.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 935 passed the Senate on  
March 27, 2003, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 935 passed the House on  
May 16, 2003, by a non-record vote.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor