

1-1 By: Jackson S.B. No. 935  
1-2 (In the Senate - Filed March 6, 2003; March 11, 2003, read  
1-3 first time and referred to Committee on Business and Commerce;  
1-4 March 19, 2003, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; March 19, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to fraternal organizations that are exempt from certain  
1-9 requirements of the Alcoholic Beverage Code.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subdivision (1), Subsection (a), Section 32.11,  
1-12 Alcoholic Beverage Code, is amended to read as follows:

1-13 (1) "Fraternal organization" means:

1-14 (A) any chapter, aerie, parlor, lodge, or other  
1-15 local unit of an American national fraternal organization or Texas  
1-16 state fraternal organization that, as the owner, lessee, or  
1-17 occupant, has operated an establishment for fraternal purposes for  
1-18 at least one year. If an American national fraternal organization,  
1-19 it must actively operate in not fewer than 31 states and have at  
1-20 least 300 local units in those 31 states, and must have been in  
1-21 active, continuous existence for at least 20 years. If a Texas  
1-22 state fraternal organization, it must actively operate in at least  
1-23 two counties of the state and have at least 10 local units in those  
1-24 two counties, and must have been in active, continuous existence  
1-25 for at least five years;

1-26 (B) a hall association or building association of  
1-27 a local unit described in Paragraph (A), all the capital stock of  
1-28 which is owned by the local unit or the members of the local unit,  
1-29 and which operates the clubroom facilities of the local unit;

1-30 (C) a building association not owned by a local  
1-31 unit described in Paragraph (A) but one that is composed wholly of  
1-32 members appointed by a county commissioners court to administer,  
1-33 manage, and control an exposition center containing an exhibition  
1-34 area of not less than 100,000 square feet and an arena with not less  
1-35 than 6,000 fixed seats, situated on property with an area of not  
1-36 less than 50 acres that is owned, together with all buildings,  
1-37 appurtenances, and parking areas, by a county; ~~or~~

1-38 (D) a chapter or other local unit of an American  
1-39 national fraternal organization that promotes physical fitness and  
1-40 provides classes in athletics to children and that, as owner,  
1-41 lessee, or occupant, has operated an establishment for fraternal  
1-42 purposes for at least one year. The fraternal organization must:

1-43 (i) actively operate in not fewer than 12  
1-44 states;

1-45 (ii) have at least six local units in this  
1-46 state; and

1-47 (iii) have at least one unit in this state  
1-48 that has been in active, continuous existence for at least 75 years;  
1-49 or

1-50 (E) a chapter or other local unit of an American  
1-51 national fraternal organization that promotes the moral,  
1-52 educational, social, and recreational welfare of merchant  
1-53 seafarers and that, as owner, lessee, or occupant, has operated an  
1-54 establishment for fraternal purposes for at least one year. The  
1-55 fraternal organization must:

1-56 (i) actively operate in not fewer than 12  
1-57 states;

1-58 (ii) have at least four local units in this  
1-59 state; and

1-60 (iii) have at least one unit in this state  
1-61 that has been in active, continuous existence for at least 15 years.

1-62 SECTION 2. This Act takes effect September 1, 2003.

1-63 \* \* \* \* \*