

BILL ANALYSIS

C.S.H.B. 273

By: Farrar

Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Due to the lack of zoning in Houston, neighborhoods frequently contain bars located in residential areas. Neighborhood groups attempting to limit the number of nuisance bars in their areas report problems in keeping problematic bars closed due to family members re-applying for permits at the same locations. In many cases, a judge will deny a permit only to have a relative of the applicant immediately re-apply for the same permit.

C.S.H.B. 273 creates certain prohibitions and requirements concerning the application and procedures regarding a wine and beer retailer's permit or a retail dealer's on-premises licenses in counties with a population of 1.4 million or more and only when the permit is not in connection with a food and beverage license.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

Amends the Alcoholic Beverage Code to create certain prohibitions, penalties, and requirements for an applicant and the commission regarding a wine and beer retailer's permit or a retail dealer's on-premises license. The following conditions apply only in connection with a premises located in a county with a population of 1.4 million or more and not when the permit is held in conjunction with a food and beverage certificate.

Prohibits a person who is related within the fourth degree by consanguinity or affinity to a person against whom a proceeding is pending to determine whether to suspend or cancel the person's wine and beer retailer's permit from applying for any permit or license under this code for the premises covered by the wine and beer retailer's permit while the proceeding is pending. Prohibits a violator of this section from applying for a permit or license for the premises covered by the suspended or canceled permit for a period of two years.

Authorizes the commission to impose an administrative penalty on a person who makes a false or misleading statement in or in connection with an original or renewal application for a wine and beer retailer's permit or a retail dealer's on-premises license.

Requires that a hearing regarding the suspension of a wine and beer retailer's permit or a retail dealer's on-premises license is to be concluded not later than the 60th day after the date notice is provided under that subsection. Prohibits the provisions of this subsection from being waived by the commission or the permit holder.

Requires that a person who applies for a permit to file with the commission a surety bond, in an amount determined by the commission and conditioned on the permit holder's compliance with the alcoholic beverage law. Provides that a bond filed is forfeited to the commission on the first and second suspension of the permit. Requires that the permit holder file a surety bond, in an amount determined by the commission and conditioned on the permit holder's compliance with the alcoholic beverage law, before the suspended permit may be reinstated following the first and second suspension. Provides that if the permit is suspended a third time, the bond is forfeited and the commission is required to cancel the permit.

C.S.H.B. 273 79(R)

EFFECTIVE DATE

September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 273 modifies the substitute by adding new language providing that in this section "person" includes each member of a partnership or association and, with respect to a corporation, each officer and the owner or owners of a majority of the corporation stock.

The substitute modifies the bill by adding new language providing that each section of the Act applies only to an application for a license or permit under this code in connection with premises located in a county with a population of 1.4 million or more and only if the permit or license is not in connection with a food and beverage license.

C.S.H.B. 273 modifies the bill by adding new language prohibiting certain individuals related to a permittee from applying for a wine and beer retailer's permit or a retail dealer's on-premises license during specific times and given certain circumstances.

C.S.H.B. 273 modifies the bill by adding new language providing penalties for persons who make false or misleading statements in or in connection to an original or renewal application for a wine and beer retailer's permit or a retail dealer's on-premises license.

C.S.H.B. 273 modifies the bill by adding new language requiring a hearing to be concluded not longer than the 60th day after notice is provided.

C.S.H.B. 273 modifies the bill by adding new language requiring certain permit applicants to file a surety bond with the commission.