

By: Hamilton

H.B. No. 3406

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to fees for and terms of permits and licenses issued by the  
3 Texas Alcoholic Beverage Commission.

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

5 SECTION 1. Section 5.50(b), Alcoholic Beverage Code, is  
6 amended to read as follows:

7 (b) The commission may not increase or decrease a fee set by  
8 this code, but if a statute is enacted creating a certificate,  
9 permit, or license and there is no fee established, the commission  
10 by rule may set a fee. The commission by rule shall assess [~~and~~  
11 ~~collect annual~~] surcharges on [~~from~~] all applicants for an original  
12 or renewal [~~holders of a~~] certificate, permit, or license issued by  
13 the commission in addition to any fee set by this code and collect  
14 the surcharges at the time of application. In assessing a  
15 surcharge, the commission may not overly penalize any segment of  
16 the alcoholic beverage industry or impose an undue hardship on  
17 small businesses.

18 SECTION 2. Section 6.02(c), Alcoholic Beverage Code, is  
19 amended to read as follows:

20 (c) The commission may not abate or refund a license or  
21 permit fee because of a change in the expiration date made under  
22 this section but may authorize a license or permit period of less  
23 than one year for the period during which the expiration date is  
24 changed. The commission may not authorize a license or permit

1 period of greater than two years [~~one year~~].

2 SECTION 3. Section 11.09, Alcoholic Beverage Code, is  
3 amended by amending Subsections (a) and (b) and adding Subsections  
4 (d) and (e) to read as follows:

5 (a) A permit issued under this code expires on the second  
6 anniversary of [~~one year after~~] the date it is issued, except as  
7 [~~otherwise~~] provided by Subsections (d) and (e) or another  
8 provision of this code. Notwithstanding Section 5.50(b), the  
9 commission shall double the amount of fees and surcharges otherwise  
10 applicable under this code for a permit with a two-year term.

11 (b) A secondary permit which requires the holder of the  
12 permit to first obtain another permit, including a late hours  
13 permit or temporary permit, expires on the same date the basic or  
14 primary permit expires. The commission may not prorate or refund  
15 any part of the fee for the secondary permit if the application of  
16 this section results in the expiration of the permit in less than  
17 two years [~~one year~~].

18 (d) The commission by rule may require that the expiration  
19 date for an individual permit holder's permit is the first  
20 anniversary of the date on which the permit is issued due to the  
21 permit holder's violation history.

22 (e) The commission may issue a permit with an expiration  
23 date less than two years after the date the permit is issued in  
24 order to maintain a reasonable annual distribution of renewal  
25 application review work and permit fees. If the commission issues a  
26 permit with an expiration date less than two years after the date  
27 the permit is issued, the commission shall prorate the permit fee on

1 a monthly basis so that the permit holder pays only that portion of  
2 the permit fee that is allocable to the number of months during  
3 which the permit is valid.

4 SECTION 4. Section 61.03, Alcoholic Beverage Code, is  
5 amended by amending Subsections (a) and (b) and adding Subsections  
6 (d) and (e) to read as follows:

7 (a) Except as provided by Subsections (d) and (e) or another  
8 provision of this code, any [~~Subsection (b), a license may not be~~  
9 ~~issued for a term longer than one year. Any~~] license except a  
10 branch, importer's, importer's carrier's, or temporary license  
11 expires on the second anniversary of [~~one year after~~] the date on  
12 which it is issued. Notwithstanding Section 5.50(b), the commission  
13 shall require double the amount of fees and surcharges otherwise  
14 applicable under this code for a license with a two-year term.

15 (b) A secondary license which requires the holder of the  
16 license to first obtain another license, including a late hours  
17 license or temporary license, expires on the same date the basic or  
18 primary license expires. The commission may not prorate or refund  
19 any part of the fee for the secondary license if the application of  
20 this section results in the expiration of the license in less than  
21 two years [~~one year~~].

22 (d) The commission by rule may require that the expiration  
23 date for an individual license holder's license is the first  
24 anniversary of the date on which the license is issued due to the  
25 license holder's violation history.

26 (e) The commission may issue a license with an expiration  
27 date less than two years after the date the license is issued in

1 order to maintain a reasonable annual distribution of renewal  
2 application review work and license fees. If the commission issues  
3 a license with an expiration date less than two years after the date  
4 the license is issued, the commission shall prorate the license fee  
5 on a monthly basis so that the license holder pays only that portion  
6 of the license fee that is allocable to the number of months during  
7 which the license is valid.

8 SECTION 5. The changes in law made by this Act apply only to  
9 a license or permit issued or renewed on or after the effective date  
10 of this Act. A license or permit issued or renewed before the  
11 effective date of this Act expires on its own terms and is governed  
12 by the law in effect when the license or permit was issued or  
13 renewed, and the former law is continued in effect for that purpose.

14 SECTION 6. This Act takes effect September 1, 2007.