

By: Guillen

H.B. No. 475

A BILL TO BE ENTITLED

AN ACT

relating to authorizing the adjutant general to operate post exchanges on state military property.

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

SECTION 1. Subchapter B, Chapter 431, Government Code, is amended by adding Section 431.040 to read as follows:

Sec. 431.040. POST EXCHANGES ON STATE MILITARY PROPERTY.

(a) The adjutant general may establish and operate military-type post exchanges similar to those operated by the armed forces of the United States on any real property under the management and control of the department. A post exchange may sell, lease, or rent goods and services, including alcohol, tobacco products, and prepared foods. The adjutant general may designate facilities located on department property to use for purposes of this section.

(b) The adjutant general shall adopt rules to govern post exchanges established under this section that are similar to the procedures, policies, and restrictions governing exchanges of the Army and Air Force Exchange Service, including rules that require an individual to show identification that indicates that the individual is qualified to buy, lease, or rent goods at the post exchange.

(c) The adjutant general may:

(1) contract with wholesalers, distributors, or suppliers of inventory items for stocking the post exchanges; and

1 (2) contract with a person to operate a post exchange
2 created under this section.

3 (d) A post exchange may sell, lease, or rent goods and
4 services only to:

5 (1) active, retired, and reserve members of the United
6 States armed services;

7 (2) active and retired members of the state military
8 forces;

9 (3) full-time employees of the adjutant general's
10 department; and

11 (4) dependents of an individual described by
12 Subdivisions (1)-(3).

13 (e) The post exchange services account is an account in the
14 general revenue fund. Money in the account may be appropriated only
15 to the department for the purposes of this section. The post
16 exchange services account is exempt from the application of Section
17 403.095. The account consists of:

18 (1) money received from sales at post exchanges
19 created under this section; and

20 (2) notwithstanding Section 404.071, all interest
21 attributable to money held in the account.

22 (f) A post exchange created under this section may sell
23 goods and services including alcoholic beverages for off-premises
24 consumption, without holding a license or permit issued by the
25 comptroller or the Texas Alcoholic Beverage Commission.
26 Notwithstanding any other law, the department may use appropriated
27 money to purchase alcoholic beverages for sale at a post exchange.

1 SECTION 2. Subchapter H, Chapter 151, Tax Code, is amended
2 by adding Section 151.344 to read as follows:

3 Sec. 151.344. POST EXCHANGES ON STATE MILITARY PROPERTY. A
4 taxable item sold, leased, or rented to, or stored, used, or
5 consumed by, a post exchange under Section 431.040, Government
6 Code, is exempt from the taxes imposed by this chapter.

7 SECTION 3. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2011.