

## **BILL ANALYSIS**

Senate Research Center  
83R8804 MCK-F

S.B. 1034  
By: Carona  
Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In the context of the Texas Alcoholic Beverage Code, subterfuge occurs when an unlicensed business uses a valid permit issued to another person or business by the Texas Alcoholic Beverage Commission (TABC). Under current law, only the permit holder who allows the business to illegally use the permittee's permit gets penalized.

S.B. 1034 creates a felony for a person committing subterfuge by using a permit issued by TABC that they do not hold and may not be eligible for.

As proposed, S.B. 1034 amends current law relating to the unauthorized use of an alcoholic beverage permit or license and provides a criminal penalty.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 11.05, Alcoholic Beverage Code, as follows:

Sec. 11.05. UNAUTHORIZED USE OF PERMIT. (a) Creates this subsection from existing text. Prohibits a permittee from consenting to or allowing the use or display of the permittee's permit by a person other than the person to whom the permit was issued.

(b) Provides that a person commits an offense if the person is a party to, or is directly or indirectly interested in or connected with, the unauthorized use of a permit as prohibited by the provisions of this code. Provides that an offense under this subsection is a state jail felony.

SECTION 2. Amends Subchapter A, Chapter 61, Alcoholic Beverage Code, by adding Section 61.16, as follows:

Sec. 61.16. UNAUTHORIZED USE OF LICENSE. (a) Prohibits a licensee from consenting to or allowing the use or display of the licensee's license by a person other than the person to whom the license was issued.

(b) Provides that a person commits an offense if the person is a party to, or is directly or indirectly interested in or connected with, the unauthorized use of a license as prohibited by the provisions of this code. Provides that an offense under this subsection is a state jail felony.

SECTION 3. Effective date: September 1, 2013.