

BILL ANALYSIS

Senate Research Center
84R8419 AJA-F

S.B. 700
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Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In past legislative sessions, the Texas Alcoholic Beverage Code has been amended to require the Texas Alcoholic Beverage Commission (TABC) to utilize technology to allow for the electronic processing of licenses and permits as well as technology to improve TABC's abilities to perform its functions.

Online renewal is now available for all licenses and permits. On average 5,000 renewals are submitted either online or in paper form on a monthly basis.

In the near future, TABC will begin implementing the ability to file original applications online, which represents approximately 1,500 applications per month. Oftentimes, additional documentation is required for the applications, which also requires a notarized signature. Lastly, an average of 2,000 applications for label certificates is received each month. By the end of the fiscal year, this process will be available online and will require a notarized signature.

TABC has met the demands of previous legislatures by enhancing technology to create efficiencies and establishing effective business processes. This results in new businesses to expand local and state tax bases and new products to enter the marketplace.

S.B. 700 allows TABC and the alcoholic beverage industry to use electronic signatures and holds electronic filers of applications to the same standards and penalties as paper filers.

As proposed, S.B. 700 amends current law relating to the use of electronic processes by and electronic information submitted to the Texas Alcoholic Beverage Commission, and authorizes a fee.

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 Subchapter B, Chapter 5, Alcoholic Beverage Code, by adding Section 5.321, as follows:

Sec. 5.321. ELECTRONIC SIGNATURES. Provides that any electronic information, record, or other document, including an application, submitted to the Texas Alcoholic Beverage Commission (TABC) that has an electronic signature with the required specific identifiers of the signatory has the same force and effect as a manual signature before a notary public and is considered a sworn statement for purposes of Section 101.69 (False Statement), notwithstanding any other law.

SECTION 2. Amends Section 5.55, Alcoholic Beverage Code, as follows:

Sec. 5.55. New heading: ELECTRONIC PROCESSING OF LICENSES, PERMITS, AND CERTIFICATES. (a) Requires TABC to expedite the processing of original and

renewal applications for licenses, permits, and certificates by using electronic means, including the Internet. Makes nonsubstantive changes.

(b) Authorizes TABC or the TABC administrator to enter into an agreement with another agency of this state to provide for the issuance of original or renewal licenses, permits, or certificates through the use of electronic means, including use of the Internet, to facilitate the licensing process. Make a nonsubstantive change.

(c) Authorizes that a reasonable service fee to be charged to applicants who choose to use electronic or Internet service to apply for original or renewal licenses, permits, or certificates, rather than to apply for original licenses or permits or to renew licenses or permits, subject to other laws limiting or defining those fees; provided, that no service fee may be charged by TABC or by another agency to those applicants who choose not to utilize the electronic or Internet method to apply for an original or a renewal license, permit, or certificate. Makes nonsubstantive changes

SECTION 3. Makes application of Section 5.321, Alcoholic Beverage Code, as added by this Act, prospective.

SECTION 4. Effective date: September 1, 2015.