

1-1 By: Paddie (Senate Sponsor - Whitmire) H.B. No. 4042
 1-2 (In the Senate - Received from the House May 1, 2017;
 1-3 May 4, 2017, read first time and referred to Committee on Business
 1-4 & Commerce; May 22, 2017, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
 1-6 May 22, 2017, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 4042 By: Campbell

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the sale by certain alcoholic beverage permit holders
 1-22 of alcoholic beverages at auction.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Chapter 53, Alcoholic Beverage Code, is amended
 1-25 to read as follows:

1-26 CHAPTER 53. TEMPORARY [~~CHARITABLE~~] AUCTION PERMIT

1-27 Sec. 53.001. AUTHORIZED ACTIVITIES. The holder of a
 1-28 temporary [~~charitable~~] auction permit may auction alcoholic
 1-29 beverages for consumption off premises to raise money to support
 1-30 the stated purpose [~~charitable works~~] of the permit holder.

1-31 Sec. 53.002. FEE. (a) The state fee for a temporary
 1-32 [~~charitable~~] auction permit is \$25.

1-33 (b) A local fee may not be charged for the application for or
 1-34 issuance of a temporary [~~charitable~~] auction permit.

1-35 (c) The commission may not impose a surcharge for a
 1-36 temporary auction permit.

1-37 Sec. 53.003. DURATION OF PERMIT. A temporary [~~charitable~~]
 1-38 auction permit may be issued for a period of not more than five
 1-39 days.

1-40 Sec. 53.004. PERMIT. The commission may issue a temporary
 1-41 [~~charitable~~] auction permit only to:

1-42 (1) an organization that is exempt from taxation under
 1-43 Section 501(a), Internal Revenue Code of 1986 (26 U.S.C. Section
 1-44 501(a)) by being listed under Section 501(c)(3), Internal Revenue
 1-45 Code of 1986 (26 U.S.C. Section 501(c)(3)); or

1-46 (2) a person or group of persons who are subject to
 1-47 recordkeeping requirements under Chapter 254, Election Code.

1-48 Sec. 53.005. AUCTION LOCATION. (a) The holder of a
 1-49 temporary [~~charitable~~] auction permit may conduct an auction in any
 1-50 area where the sale of the type of alcoholic beverage to be
 1-51 auctioned is authorized by a local option election.

1-52 (b) The holder of a temporary [~~charitable~~] auction permit
 1-53 may conduct an auction at a premises of another permit or license
 1-54 holder if:

1-55 (1) the alcoholic beverages to be auctioned are kept
 1-56 separate from the alcoholic beverages sold, stored, or served at
 1-57 the premises; and

1-58 (2) the alcoholic beverages subject to the auction,
 1-59 whether sold or unsold, are removed from the premises immediately
 1-60 following the auction.

