

BILL ANALYSIS

Senate Research Center
86R23860 JAM-F

H.B. 3754
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Concerns have been raised regarding the lack of protections in place for cities and counties when an establishment that is permitted or licensed to sell alcoholic beverages falls behind on the payment of local permit or license fees. While the Texas Alcoholic Beverage Commission is able to cancel the permit or license of such an establishment, it has been noted that cities and counties have little recourse to recoup the delinquent fees. H.B. 3754 seeks to provide a mechanism for the collection of these fees by a city, town, or county.

H.B. 3754 amends current law relating to the collection of local permit and license fees authorized under the Alcoholic Beverage Code 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 Section 11.38, Alcoholic Beverage Code, by amending Subsection (b) and adding Subsections (b-1) and (b-2), as follows:

(b) Authorizes the Texas Alcoholic Beverage Commission (TABC) or the administrator to cancel or suspend a permit if it finds that the permittee has not paid a fee levied under this section (Local Fee Authorized) within 180 days after the date the fee was levied, rather than authorizing TABC or the administrator to cancel a permit if it finds that the permittee has not paid a fine levied under this section.

(b-1) Provides that a city, town, or county is authorized to enter into a contract with a private attorney or a public or private vendor for the collection of an unpaid permit fee levied under this section that is more than 60 days past due. Authorizes a private attorney or a public or private vendor collecting a fee under this subsection to assess a collection charge to a permit holder for late payment or nonpayment of a fee levied under this section.

(b-2) Authorizes a city, town, or county to enter into an interlocal agreement with another entity authorized to levy a fee under this section for the collection of a permit fee that is more than 60 days past due on behalf of the other entity and is required to remit the appropriate fees collected to the other entity. Prohibits the amount collected through an interlocal agreement under this subsection from exceeding the amount of the fee levied by the city, town, or county under this section and any collection charge assessed by a private attorney or a public or private vendor under Subsection (b-1).

SECTION 2. Amends Section 61.36, Alcoholic Beverage Code, by amending Subsection (b) and adding Subsections (b-1) and (b-2), as follows:

(b) Makes a conforming change to this subsection.

(b-1) Authorizes a city, town, or county to enter into a contract with a private attorney or a public or private vendor for the collection of an unpaid license fee levied under this section (Local Fee Authorized) that is more than 60 days past due. Authorizes a private attorney or a public or private vendor collecting a fee under this subsection to assess a collection charge to a license holder for late payment or nonpayment of a fee levied under this section.

(b-2) Provides that a city, town, or county is authorized to enter into an interlocal agreement with another entity authorized to levy a fee under this section for the collection of a license fee that is more than 60 days past due on behalf of the other entity and is required to remit the appropriate fees collected to the other entity. Prohibits the amount collected through an interlocal agreement under this subsection from exceeding the amount of the fee levied by the city, town, or county under this section and any collection charge assessed by a private attorney or a public or private vendor under Subsection (b-1).

SECTION 3. Makes application of Sections 11.38(b) and 61.36(b), Alcoholic Beverage Code, as amended by this Act, prospective. Provides that fees originally levied before the effective date of this Act are governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 4. Effective date: September 1, 2019.