

BILL ANALYSIS

C.S.H.B. 3754
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

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. C.S.H.B. 3754 seeks to provide a mechanism for the collection of these fees by a city, town, or county.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3754 amends the Alcoholic Beverage Code to give the Texas Alcoholic Beverage Commission (TABC) the option to suspend certain permits or licenses under the Alcoholic Beverage Code as an alternative to canceling the permit or license if TABC finds the permittee or licensee has not paid the requisite local permit or license fee, as applicable, and specifies that the time period during which the permittee or licensee must pay the fee is within 180 days after the date the fee was levied. The bill 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 local permit or license fee that is more than 60 days past due. The bill authorizes a private attorney or a public or private vendor collecting either fee to assess a collection charge to the applicable permit or license holder for late payment or nonpayment of the fee. The bill authorizes a city, town, or county to enter into an interlocal agreement with another entity authorized to levy a local permit or license fee for the collection of a permit or license fee, as applicable, that is more than 60 days past due on behalf of the other entity and requires the city, town, or county to remit the appropriate fees collected to the other entity. The bill caps the amount collected through such an interlocal agreement at the amount of the fee levied by the city, town, or county and any collection charge assessed by a private attorney or a public or private vendor collecting the fee.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3754 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include an authorization for a city, town, or county to enter into a contract with TABC for the collection of an unpaid local permit or license fee.

The substitute includes a specification that the unpaid fees for which a city, town, or county may enter into a contract or an interlocal agreement to collect are unpaid fees more than 60 days past due.

The substitute raises the cap on the amount collected through an interlocal agreement by the amount of any collection charge assessed by a private attorney or a public or private vendor collecting the fee.