

## **BILL ANALYSIS**

Senate Research Center  
86R7520 JAM-D

S.B. 699  
By: Hall  
Business & Commerce  
3/13/2019  
As Filed

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

The Alcoholic Beverage Code requires county clerks and city clerks or secretaries to certify that a proposed business is in a wet area and is not prohibited by local law before the Texas Alcoholic Beverage Commission may approve a licensing application.

Applicants are entitled to a hearing before the county judge if a local official certifies that an area is not wet or refuses to issue the certification. However, the code does not establish a deadline by which local officials must complete the certification process.

This bill would establish a clear time frame for the certification process to ensure that applications can be processed in a timely manner. County clerks and city clerks or secretaries would be required to complete the certification process within 30 days after receiving the application.

If the clerk refuses to issue the certification within the allotted time or certifies the address as not in a wet area, the prospective applicant is entitled to a hearing before the county judge to contest the adverse action by the clerk.

As proposed, S.B. 699 amends current law relating to the certification of an area's wet or dry status for the purpose of an alcoholic beverage permit or license.

### **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 Sections 11.37(a), (b), and (d), Alcoholic Beverage Code, as follows:

(a) Requires the county clerk of the county in which the request is made, not later than the 30th day after the date a prospective applicant for a permit issued by the Texas Alcoholic Beverage Commission (TABC) requests certification, to certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order of the commissioners court, rather than requiring the county clerk of the county in which an application for a permit is made to certify whether the location or address given in the application is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order of the commissioners court.

(b) Requires the city secretary or clerk of the city in which the request is made, not later than the 30th day after the date a prospective applicant for a permit issued by TABC requests certification, to certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance, rather than requiring the city secretary or clerk of the city in which an application for a permit is made to certify whether the location or address given in the application is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

(d) Entitles the prospective applicant, rather than the applicant, notwithstanding any other provision of this code, if the county clerk, city secretary, or city clerk certifies that the location or address given in the request, rather than the application, is not in a wet area or refuses to issue the certification required by this section, to a hearing before the county judge to contest the certification or refusal to certify. Requires the prospective applicant, rather than the applicant, to submit a written request to the county judge for a hearing under this subsection

SECTION 2. Amends Sections 61.37(a), (b), and (d), Alcoholic Beverage Code, as follows:

(a) Requires the county clerk of the county in which the request, rather than an application for a license, is made, to certify, not later than the 30th day after the date a prospective applicant for a license issued by TABC requests certification, whether the location or address given in the request, rather than the application, is in a wet area and whether the sale of alcoholic beverages for which the license is sought is prohibited by any valid order of the commissioners court.

(b) Requires the city secretary or clerk of the city in which the request, rather than an application for a license, is made, to certify, not later than the 30th day after the date a prospective applicant for a license issued by TABC requests certification, whether the location or address given in the request, rather than in the application, is in a wet area and whether the sale of alcoholic beverages for which the license is sought is prohibited by charter or ordinance.

(d) Entitles the prospective applicant, rather than the applicant, notwithstanding any other provision of this code, if the county clerk, city secretary, or city clerk certifies that the location or address given in the request, rather than the application, is not in a wet area or refuses to issue the certification required by this section, to a hearing before the county judge to contest the certification or refusal to certify. Requires the prospective applicant, rather the applicant, to submit a written request to the county judge for a hearing under this subsection.

SECTION 3. Makes application of Sections 11.37 and 61.37, Alcoholic Beverage Code, as amended by this Act, prospective.

SECTION 4. Effective date: September 1, 2019.