

## **BILL ANALYSIS**

C.S.H.B. 3642  
By: Parker  
Licensing & Administrative Procedures  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The Town of Northlake has experienced rapid economic development and growth, some of which has taken place in areas annexed to the town. Residents of Northlake have expressed their desire for restaurants in these annexed areas to have the authority to sell alcohol in hopes of attracting further economic development. C.S.H.B. 3642 seeks to ensure that the authority to sell alcohol is available to businesses throughout the town by providing for annexed areas to automatically assume the town's wet status.

### **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. 3642 amends the Alcoholic Beverage Code to establish that an area annexed to a municipality that meets the following criteria automatically assumes the wet or dry status of that municipality on annexation:

- the municipality has a municipal boundary located not more than 1.5 miles from an automobile racetrack with a seating capacity of more than 100,000;
- the municipality has a population of more than 1,000 and less than 3,000; and
- the municipality is located entirely within a county with a population of more than 650,000 that is adjacent to two counties, each of which has a population of more than 1.8 million.

This change applies to an area annexed by a municipality before, on, or after the bill's effective date.

### **EFFECTIVE DATE**

September 1, 2021.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3642 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 changes the identifying features of the municipality to which the bill's provisions apply by doing the following:

- removing a provision establishing that the municipality contains Farm to Market Road No. 407, Farm to Market Road No. 1171, and State Highway 114;
- including provisions establishing that the municipality has a population of more than 1,000 and less than 3,000 and has a municipal boundary located not more than 1.5 miles from an automobile racetrack with a seating capacity of more than 100,000; and
- specifying that the municipality is located entirely within the applicable county.