

BILL ANALYSIS

Senate Research Center
87R1701 JAM-D

S.B. 195
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Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Drink solicitation refers to the practice of enticing a customer at a bar or nightclub to purchase a drink at a marked-up price for an employee of the establishment, typically in exchange for companionship. It frequently is associated with organized criminal activity, especially human trafficking and prostitution. Drink solicitation is a criminal act in Texas currently, but a finding of drink solicitation is not an automatic grounds for refusal for an alcoholic beverage license from the Texas Alcoholic Beverage Commission (TABC).

S.B. 195 would add a finding of drink solicitation within the last three years to the list of offenses that trigger an automatic denial of a permit or license application from TABC.

As proposed, S.B. 195 amends current law relating to grounds for refusal of certain alcoholic beverage licenses and permits.

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 11.44(b), Alcoholic Beverage Code, as follows:

(b) Requires the Texas Alcoholic Beverage Commission (TABC) to deny an application for a permit or license for any location of an applicant who submitted a prior application that expired or was voluntarily surrendered before the hearing on the application was held on a protest involving certain allegations or offenses, including an offense involving drink solicitation as described by Section 104.01 (Lewd, Immoral, Indecent Conduct) before the third anniversary of the date the prior application expired or was voluntarily surrendered. Makes nonsubstantive changes.

SECTION 2. Amends Section 11.46(c), Alcoholic Beverage Code, to require TABC to deny for one year after cancellation an application for a mixed beverage permit or private club registration permit for premises where a license or permit has been cancelled in the preceding 12 months as a result of certain acts or offenses, including an offense involving drink solicitation as described by Section 104.01. Makes nonsubstantive changes.

SECTION 3. Amends Section 61.42(c), Alcoholic Beverage Code, as effective September 1, 2021, to require TABC to deny for one year an application for a retail dealer's on-premise license or a wine and malt beverage retailer's permit for a premises where a license or permit has been cancelled during the preceding 12 months as a result of certain acts or offenses, including an offense involving drink solicitation as described by Section 104.01. Makes nonsubstantive changes.

SECTION 4. Provides that Sections 11.44(b), 11.46(c), and 61.42(c), Alcoholic Beverage Code, as amended by this Act, apply to an application for an alcoholic beverage permit or license filed on or after the effective date of this Act or pending on the effective date of this Act.

SECTION 5. Effective date: September 1, 2021.