

BILL ANALYSIS

Senate Research Center

S.B. 1216
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Election Code, Chapter 501, governs local option elections on the sale of alcoholic beverages. The City of Portland, located in San Patricio County in the Coastal Bend, seeks to establish a cultural district in its downtown area for economic development purposes. Part of that plan is to allow businesses not typically permitted to sell alcoholic beverages, namely, local art galleries and similar cultural institutions, to obtain such permits. A local bill, S.B. 1216 would authorize a local option election to create a zone within Portland in which such businesses can apply for a permit to sell alcoholic beverages. The bill also provides means by which Portland residents can petition the city to hold future local option elections to change the allowances within the zone.

S.B. 1216 amends current law relating to a local option election on the sale of alcoholic beverages in certain areas of a municipality.

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 Subchapter D, Chapter 251, Alcoholic Beverage Code, by adding Section 251.742, as follows:

Sec. 251.742. MUNICIPAL ALCOHOLIC BEVERAGE ZONE. (a) Defines "commercial area."

(b) Provides that this section applies only to a municipality that:

(1) has a population of 15,000 or more; and

(2) is located in two counties one of which has a population of 340,000 or more and borders the Gulf of Mexico.

(c) Authorizes the governing body of a municipality by resolution to propose a zone within a commercial area of the municipality to be designated as a zone in which the legal sale of one or more prohibited types or classifications of alcoholic beverages are authorized to be considered in a local option election under this section. Requires that the resolution describe the boundaries of the proposed zone.

(d) Requires the governing body of the municipality to order an election on the issue and prepare the ballot for the election that describes the boundaries of the proposed zone and permits voting for or against one of the ballot issues prescribed by Section 501.035 (Issues), Election Code, with respect to the proposed zone.

(e) Authorizes the qualified voters of a municipality to petition the governing body of the municipality, in the manner prescribed by Chapter 501 (Local Option Elections on Sale of Alcoholic Beverages), Election Code, to order an election to

alter the status of the sale of any type or classification of alcoholic beverages that has been legalized in a zone by an election conducted under this section.

(f) Requires that an election conducted under this section be conducted within the entire boundaries of the municipality in which an alcoholic beverage zone is proposed as those boundaries exist on the date of the election. Provides that the results of the election affect only the wet or dry status of the area within the boundaries of the zone.

(g) Provides that the provisions for conducting a local option election under Chapter 501, Election Code, apply to an election conducted under this section to the extent those provisions do not conflict with this section.

(h) Provides that the results of an election conducted under this section do not affect the legal sale of one or more types or classifications of alcoholic beverages that are permitted in the zone because of the zone's inclusion in a political subdivision.

SECTION 2. Effective date: September 1, 2021.