

BILL ANALYSIS

Senate Research Center
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H.B. 2702
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Veterans of Foreign Wars (VFW) of Texas is a nonprofit organization of U.S. war veterans who continue to serve their communities by hosting youth programs and civic events across the state. Many VFW posts operate under liquor licenses and were forced to close during the COVID-19 pandemic due to a 2020 executive order targeting businesses earning 51 percent or more from alcohol sales. H.B. 2702 ensures that future emergency executive orders—except those issued during natural disasters—cannot restrict the operations or hours of veteran-serving, tax-exempt organizations that sell alcohol.

H.B. 2702 amends current law relating to prohibiting certain limitations on the operation of certain organizations that benefit veterans during a declared state of disaster.

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 418.012, Government Code, as follows:

Sec. 418.012. EXECUTIVE ORDERS. (a) Creates this subsection from existing text and makes no further changes.

(b) Prohibits an executive order, proclamation, or regulation issued by the governor under Chapter 418 (Emergency Management) that restricts the operation of or the hours of operation for a business that sells alcoholic beverages from including an organization exempt from federal taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(19) of that code, that benefits veterans of the United States armed forces. Provides that this subsection does not apply to an executive order, proclamation, or regulation issued by the governor during a natural disaster.

SECTION 2. Makes application of Section 418.012, Government Code, as amended by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2025.