

## **BILL ANALYSIS**

H.B. 4449  
By: Smithee  
Licensing & Administrative Procedures  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

In Texas, local option elections allow communities to decide whether to permit or ban alcohol sales, and current law establishes that such a decision made by the voters remains in place until another election changes it. The bill author has informed the committee that this creates obstacles when cities annex new areas. The bill author has further informed the committee of an example of this in the City of Canyon, whose voters approved local options in 2014 for the legal sale of beer and wine for off-premises consumption and the legal sale of mixed beverages in restaurants by food and beverage certificate holders; however, newly annexed areas follow stricter county rules that only allow off-premises beer and wine sales, limiting alcohol service options for businesses in annexed areas, making it harder for new restaurants to open, and hindering economic growth in those parts of the city. H.B. 4449 seeks to address this issue by establishing that an area annexed to a municipality that is wholly located in a county containing portions of U.S. Highways 60 and 87 and that has a population of more than 12,000 assumes the wet or dry status of that municipality.

### **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**

H.B. 4449 amends the Alcoholic Beverage Code to establish that an area annexed to a municipality that is wholly located in a county containing a portion of U.S. Highways 60 and 87 and that has a population of more than 12,000 assumes the wet or dry status of that municipality.

H.B. 4449 excepts the bill's provisions from statutory provisions establishing that an authorized voting unit that has exercised or may exercise the right of local option retains the status adopted, whether absolute prohibition or legalization of the sale of alcoholic beverages of one or more of the various types and alcoholic contents on which an issue may be submitted under the terms of local option elections on the sale of alcoholic beverages, until that status is changed by a subsequent local option election in the same authorized voting unit.

H.B. 4449 applies to an area annexed by a municipality before, on, or after the bill's effective date.

**EFFECTIVE DATE**

September 1, 2025.