

## **BILL ANALYSIS**

C.S.S.B. 650  
By: West  
Licensing & Administrative Procedures  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

According to Forbes, Texas has the third-highest rate of any state for the involvement of drunk drivers under age 21 in fatal crashes, reaching 0.94 per 100,000 licensed drivers. While it is illegal to sell alcohol to a minor, convenience and grocery store clerks, who are the front line of defense against selling alcohol to minors, often make determinations regarding whether or not identification presented by a customer is valid. The bill sponsor has informed the committee that the rise in fake identification cards, which are made to look like state identification and driver's licenses, makes it more difficult for store clerks to make that determination, which may lead to minors being sold and allowed to consume alcohol. The bill sponsor has further informed the committee of a preventable death that occurred in Dallas in the spring of 2022 when Deshawn Jagwan, an 18-year-old Woodrow Wilson High School senior, went to a convenience store on his prom night and made multiple alcohol purchases with multiple store clerks without his ID ever being checked or verified. Deshawn consumed the alcohol, became intoxicated, and was killed when the vehicle he was driving crashed. C.S.S.B. 650 seeks to ensure that there are no more stories like Deshawn's by requiring the use of electronically readable information to verify a purchaser's age in the retail sale of alcoholic beverages on certain premises.

### **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 rulemaking authority is expressly granted to the Texas Alcoholic Beverage Commission in SECTION 3 of this bill.

### **ANALYSIS**

C.S.S.B. 650 amends the Alcoholic Beverage Code to require a person to visually inspect and access electronically readable information on a driver's license, commercial driver's license, or identification certificate for the purpose of verifying a purchaser's age in any retail sale of an alcoholic beverage for off-premises consumption. The bill authorizes such a person to manually enter into an electronic reader the information on the driver's license, commercial driver's license, or identification certificate if the license or certificate cannot be electronically scanned. The bill makes these provisions inapplicable to the following:

- the retail sale of an alcoholic beverage on the premises of the following:
  - the holder of:
    - a package store permit;
    - a distiller's and rectifier's permit;
    - a winery permit;
    - a brewer's license;
    - a brewpub license; or

- a mixed beverage permit;
  - the holder of a food and beverage certificate operating a restaurant on the premises; or
  - a restaurant;
- the retail sale of an alcoholic beverage at a public entertainment facility property, as defined by the Industry Public Entertainment Facilities Act, during a sporting event, concert, festival, or other similar temporary event at the facility by a permit or license holder authorized to sell alcoholic beverages during the event;
- the holder of a carrier permit delivering wine to an ultimate consumer on behalf of the holder of an out-of-state winery direct shipper's permit;
- the holder of or an individual contracted with or employed by the holder of a wine only package store permit, local cartage permit, or consumer delivery permit delivering alcoholic beverages to an ultimate consumer as provided by state law governing those permits, as applicable; and
- the retail sale of an alcoholic beverage in an original container sealed by the manufacturer where a person picks up the alcoholic beverage at an outdoor area on the retailer's premises and removes the alcoholic beverage from the premises for consumption by an ultimate consumer off the premises.

C.S.S.B. 650 prohibits the Texas Alcoholic Beverage Commission (TABC) from taking any disciplinary action against the holder of a permit or license issued under the Alcoholic Beverage Code for a violation of the bill's provisions if the following conditions are met:

- the permit or license holder's failure to access the electronically readable information is a result of a disruption of, interruption of, or inability to access Internet connectivity services or data connectivity services; and
- the permit or license holder visually inspected the purchaser's driver's license, commercial driver's license, or identification certificate to verify the purchaser's age.

C.S.S.B. 650 prohibits TABC from taking any disciplinary action against the holder of a permit or license for selling an alcoholic beverage to a minor if the following conditions are met:

- the permit or license holder electronically accessed the electronically readable information on the purchaser's driver's license, commercial driver's license, or identification certificate in the required manner; and
- the transaction scan device used to electronically access the purchaser's electronically readable information identified the license or certificate as valid and the purchaser as 21 years of age or older on the date of the purchase.

C.S.S.B. 650 prohibits TABC from taking any disciplinary action against the holder of a permit or license issued under the Alcoholic Beverage Code for a violation of the bill's provisions for the retail sale of an alcoholic beverage made before September 1, 2027. This provision expires September 1, 2028.

C.S.S.B. 650 removes the exception under current law to the prohibition on the retention of electronically readable information on a driver's license, commercial driver's license, or identification certificate that is accessed for the purpose of complying with the Alcoholic Beverage Code or a rule of TABC, including for the purpose of committing an offense under the code, whereby the prohibition does not apply if TABC by rule requires the information to be retained for an applicable period. Accordingly, the bill expressly prohibits the retention of any such information without exception, including the information accessed under the bill's provisions.

C.S.S.B. 650 establishes the following as a defense to prosecution for failure to access electronically readable information on a driver's license, commercial driver's license, or identification certificate as required by the bill's provisions:

- the person's failure to access the electronically readable information was caused by a disruption of, interruption of, or inability to access Internet connectivity services or data connectivity services that prevented the person from accessing the information; or
- the purchaser was 40 years of age or older on the date of the purchase.

C.S.S.B. 650 requires TABC to adopt rules to implement the bill's provisions not later than September 1, 2027.

### **EFFECTIVE DATE**

September 1, 2025.

### **COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE**

While C.S.S.B. 650 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute specifies that the requirement in the engrossed for a person to visually inspect and access electronically readable information on an applicable license or certificate for the purpose of verifying a purchaser's age in any retail sale of an alcoholic beverage is for off-premises consumption, which the engrossed did not.

Whereas the engrossed excepted the holder of a food and beverage certificate operating a restaurant on the premises from the bill's requirement for a person to visually inspect and access the electronically readable information, the substitute makes this provision inapplicable to the following:

- the retail sale of an alcoholic beverage on the premises of the following:
  - the holder of:
    - a package store permit;
    - a distiller's and rectifier's permit;
    - a winery permit
    - a brewer's license;
    - a brewpub license; or
    - a mixed beverage permit;
  - the holder of a food and beverage certificate operating a restaurant on the premises; or
  - a restaurant;
- the retail sale of an alcoholic beverage at a public entertainment facility property, as defined by the Industry Public Entertainment Facilities Act, during a sporting event, concert, festival, or other similar temporary event at the facility by a permit or license holder authorized to sell alcoholic beverages during the event;
- the holder of a carrier permit delivering wine to an ultimate consumer on behalf of the holder of an out-of-state winery direct shipper's permit;
- the holder of or an individual contracted with or employed by the holder of a wine only package store permit, local cartage permit, or consumer delivery permit delivering alcoholic beverages to an ultimate consumer as provided by state law governing those permits, as applicable; and
- the retail sale of an alcoholic beverage in an original container sealed by the manufacturer where a person picks up the alcoholic beverage at an outdoor area on the retailer's premises and removes the alcoholic beverage from the premises for consumption by an ultimate consumer off the premises.

The substitute includes provisions not present in the engrossed prohibiting TABC from taking any disciplinary action against an applicable holder of a permit or license for selling an alcoholic beverage to a minor if the following conditions are met:

- the permit or license holder electronically accessed the electronically readable information on the purchaser's driver's license, commercial driver's license, or identification certificate in the required manner; and
- the transaction scan device used to electronically access the purchaser's electronically readable information identified the license or certificate as valid and the purchaser as 21 years of age or older on the date of the purchase.