

BILL ANALYSIS

S.B. 367
By: Garcia
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties explain that subterfuge occurs when a business without an alcoholic beverage permit or license uses a valid alcoholic beverage permit or license issued to another person or business by the Texas Alcoholic Beverage Commission. The parties note that the current disciplinary action upon discovery of such a practice is the penalization of the permit holder who allows another business to illegally use its permit but contend that both parties should be charged with a criminal offense. S.B. 367 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill expressly does one or more of the following: creates a criminal offense, increases the punishment for an existing criminal offense or category of offenses, or changes 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

S.B. 367 amends the Alcoholic Beverage Code to prohibit an alcoholic beverage licensee from consenting to or allowing the use or display of the licensee's license by a person other than the person to whom the license was issued. The bill creates the Class B misdemeanor offense of unlawful display or use of a permit or license for a person who knowingly allows another person to display or use a permit or license issued by the Texas Alcoholic Beverage Commission (TABC) in any manner not allowed by law or who displays or uses a permit or license issued by TABC to another person in any manner not allowed by law. The bill enhances the penalty for a subsequent conviction of the offense to a Class A misdemeanor.

S.B. 367 requires TABC or the TABC administrator to refuse to issue an original permit, and requires the county judge, TABC, or the TABC administrator to refuse to approve or issue a license as a distributor or retailer, to a person convicted of such an offense for a period of five years from the date of conviction. The bill requires TABC or the TABC administrator to cancel an original or renewal permit or license if it is found, after notice and hearing, that the permittee or licensee was convicted of such an offense.

EFFECTIVE DATE

September 1, 2015.