

SUBJECT: Changing start of 60-day notice to post signs for TABC applications

COMMITTEE: Licensing and Administrative Procedures — favorable, without amendment

VOTE: 8 ayes — Hamilton, Quintanilla, Driver, Geren, Gutierrez, Harless, Kuempel, Menendez

0 nays

1 absent — Thompson

WITNESSES: For — (*Registered, but did not testify*: Glen Gary, Texas Restaurant Association; Ralph Townes, Licensed Beverage Distributors)

Against — None

On — (*Registered, but did not testify*: Sherry Cook, Texas Alcoholic Beverage Commission (TABC))

BACKGROUND: In 1999, the 76th Legislature enacted HB 3598 by McClendon, which amended the Alcoholic Beverage Code to require posting a prominent outdoor sign to announce a pending permit or license for on-premises consumption of alcoholic beverages at a location that did not previously have such a permit or license. The sign must include the type of permit or license being sought and the name and business address of the applicant. It must be posted for at least 60 days before the application for the permit or license is filed.

DIGEST: HB 1953 would amend the Alcoholic Beverage Code to require posting of an outdoor sign stating that alcoholic beverages were intended to be served at least 60 days before a TABC permit or license was issued, rather than filed, for the on-premises consumption of alcoholic beverages at a location that previously did not have such a permit or license.

The bill would take effect on September 1, 2011, and would apply only to applications filed on or after the effective date.

SUPPORTERS
SAY:

HB 1953 would reflect streamlining in TABC procedures since a law was enacted in 1999 that required the posting of an outdoor sign announcing a pending permit or license for on-premises consumption of alcoholic beverages. A drafting error in the original legislation made the 60-day period begin when the application was *filed*, rather than when TABC *issued* the permit. Current interpretation of the law is that the notice period begins four or five days after the application is received at a TABC district office so that the information can be forwarded to TABC headquarters in Austin. However, administrative changes in processing applications have made it possible to file the application at both the TABC district and state offices simultaneously. Even with the technological improvements, the standard remains to wait 60 days before processing the application, and the actual issuing of the permit can be further delayed beyond the waiting period.

Seeking a permit is a complicated, and even experienced applicants could encounter additional review because of errors or incomplete applications. HB 1953 would help remedy this situation by creating a clearer standard for both applicants and TABC administrators to follow.

HB 1953 would not change the current 60-day notice period and would allow the same timeline for neighbors and nearby property owners to request a TABC hearing on the proposed application for a bar or restaurant seeking an on-premises alcoholic beverage permit or license.

OPPONENTS
SAY:

No apparent opposition.