SUBJECT: Penalizing solicitation to buy drinks for beverage retailers, employees

COMMITTEE: Licensing and Administrative Procedures — committee substitute

recommended

VOTE: 9 ayes — Smith, Gutierrez, Geren, Goldman, Guillen, Kuempel, Miles,

D. Miller, S. Thompson

0 nays

WITNESSES: For — Daniel Meza and Richard Van Houten, Fort Worth Police Officers'

Association; Jessica Anderson, Houston Police Department; (*Registered*, but did not testify: Todd Harrison and Melinda Smith, Combined Law Enforcement Associations of Texas; Raymond Hunt, Houston Police Officers' Union; James Smith, San Antonio Police Department; Jimmy

Rodriguez, San Antonio Police Officers Association)

Against — None

BACKGROUND: Alcoholic Beverage Code, sec. 104.01 prohibits an employee or a person

authorized to sell beer at retail from engaging in or permitting conduct on the premises of the retailer that is lewd, immoral, or offensive to public decency. Certain acts are specified as falling into this category, including solicitation of any person to buy drinks for consumption by the retailer or any of its employees. Sec. 11.64 allows a permit or license holder whose permit or license was suspended to pay a civil penalty in lieu of the suspension. This option is not available for violations of certain statutes.

Some observers have reported that this behavior, while illegal, is difficult for law enforcement to regulate. One practice involves employees, usually women, soliciting patrons to buy them overpriced drinks and later

receiving a portion of the profit.

DIGEST: CSHB 3982 would prohibit an individual who solicited a person to buy

drinks for a retailer or any of the retailer's employees from paying a civil

penalty instead of having their license or permit suspended.

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A solicitation described above would be presumed if an alcoholic beverage was sold or offered for sale for an amount in excess of the retailer's listed, advertised, or customary price. The presumption could be rebutted only by evidence presented under oath.

The bill would take effect September 1, 2015, and would apply only to the imposition of a penalty for a violation, or a sale or offer for sale of an alcoholic beverage, that occurred on or after that date.