

BILL ANALYSIS

Senate Research Center
76R5429 MCK-F

S.B. 1668
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Economic Development
3/22/1999
As Filed

DIGEST

Currently, the Texas Alcoholic Beverage Commission (TABC) holds alcoholic beverage wholesalers accountable for unauthorized actions by their employees who hold an agent's permit under Section 35.01, Alcoholic Beverage Code. S.B. 1668 would authorize TABC to hold the wholesaler employers accountable for their employee's actions only if the employer or supervisor is directly involved in an illegal act, or has notice of the illegal act and fails to take reasonable steps to prevent the illegal act.

PURPOSE

As proposed, S.B. 1668 authorizes the Texas Alcoholic Beverage Commission to take certain discipline measures against alcoholic beverage wholesalers only if the employer or supervisor is directly involved in or fails to take steps to prevent an illegal act.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 11C, Alcoholic Beverage Code, by adding Section 11.72, as follows:

Sec. 11.72. DISCIPLINE FOR ACTIONS OF AGENT. Authorizes Texas Alcoholic Beverage Commission (TABC) or the administrator to suspend or revoke the permit of a person who is represented by the holder of a Section 35.01 agent's permit, or otherwise discipline the person based on an act or omission of the agent's permit holder only if an individual employed by the person in a supervisory position was directly involved in the act or omission of the holder of an agent's permit, had notice or knowledge of the act or omission, and failed to take reasonable steps to prevent the act or omission.

SECTION 2. Amends Chapter 61C, Alcoholic Beverage Code, by adding Section 61.68, as follows:

Sec. 61.68. DISCIPLINE FOR ACTIONS OF AGENT. Authorizes TABC or the administrator to suspend or revoke the license of the employer of a Section 73.01 agent's permit holder, or otherwise discipline the person based on an act or omission of the holder only if an individual employed by the person in a supervisory position was directly involved in the act or omission of the holder of the agent's beer license, had notice or knowledge of the act or omission, and failed to take reasonable steps to prevent the act or omission.

SECTION 3. Effective date: September 1, 1999.
Makes application of this Act prospective.

SECTION 4. Emergency clause.