

BILL ANALYSIS

S.B. 195
By: Zaffirini
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Drink solicitation refers to the practice of enticing a customer at a bar or nightclub to purchase a drink at a marked-up price for an employee of the establishment, typically in exchange for companionship. This activity is frequently associated with organized criminal activity, especially human trafficking and prostitution. Drink solicitation is a criminal act in Texas currently, but a finding of drink solicitation is not an automatic grounds for refusal for an alcoholic beverage license or permit from the Texas Alcoholic Beverage Commission. S.B. 195 seeks to remedy this situation by expanding the mandatory grounds for the refusal of certain alcoholic beverage permits and licenses to include drink solicitation.

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

ANALYSIS

S.B. 195 amends the Alcoholic Beverage Code to include an offense involving drink solicitation as mandatory grounds for the refusal of certain alcoholic beverage permits and licenses. The bill requires the Texas Alcoholic Beverage Commission to deny a permit or license application for a prescribed period as follows:

- for an application for a permit or license for any location of an applicant who submitted a prior application that expired or was voluntarily surrendered before the hearing on the application was held on a protest involving allegations of such an offense, for a three-year period after the date the prior application expired or was voluntarily surrendered; and
- for an application for a mixed beverage permit, private club registration permit, retail dealer's on-premise license, or a wine and malt beverage retailer's permit for a premises where a license or permit has been canceled during the preceding 12 months as a result of such an offense, for a one-year period after cancellation.

EFFECTIVE DATE

September 1, 2021.