

SUBJECT: Increasing the penalties for selling alcohol to a minor

COMMITTEE: Licensing and Administrative Procedures — favorable, without amendment

VOTE: 5 ayes — Wilson, Yarbrough, Haggerty, J. Moreno, A. Reyna
0 nays
4 absent — Flores, Goolsby, D. Jones, Wise

WITNESSES: None

BACKGROUND: Alcoholic Beverage Code, sec. 106.13 establishes guidelines for sanctions against retailers serving or selling alcohol to a person under 21 years old. The Texas Alcoholic Beverage Commission (TABC) may suspend or cancel a retail license or permit or a private club registration permit for 60 days if the licensee or permittee is found to have sold or served alcohol to a minor. TABC can suspend or cancel a license or permit for up to three months for a second offense and up to 12 months for a third offense.

TABC may make exceptions to the suspension or cancellation if the violation could not have reasonably been prevented, the licensee or permittee was entrapped, or the agent or employee of the licensee or permittee violated the code without the knowledge of the permittee or licensee.

DIGEST: HB 2331 would increase the maximum time limit to 90 days that a retail license or permit or private club registration permit could be canceled or suspended if TABC found that the licensee or permittee served or sold alcohol to a minor. For a second offense, a license or permit could be canceled or suspended for up to six months.

HB 2331 would take effect September 1, 2001.

SUPPORTERS SAY: HB 2331 would send a strong message that selling alcohol to minors should not be tolerated in the state of Texas. Traffic accidents due to underage drinking and the admission of minors to alcohol treatment programs are increasing at an alarming rate. Even though it is illegal to sell or serve

alcohol to minors, some unscrupulous vendors sell to minors for the sole purpose of making a profit. Such a breach of the public trust and threat to the health and safety of Texans should be punished appropriately as a deterrent. The existing exceptions would remain unchanged for those who believe they have been accused unjustly.

**OPPONENTS
SAY:**

It is not necessary to increase the time limit for a first offense to 90 days. If a business makes its profit solely or mostly through the sale of liquor, the current two-month suspension would be enough to put a retailer out of business.