

BILL ANALYSIS

Senate Research Center
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S.B. 989
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Business & Commerce
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Disaster Act of 1975 (Chapter 418, Government Code) grants the governor of Texas the authority to issue executive orders to respond to disasters. During the COVID-19 pandemic, the governor issued various executive orders curtailing the operations of certain businesses and completely shutting down others.

In an effort to slow the spread of COVID-19, the governor shut down "bars." The definition used in the executive orders inadvertently shut down VFW posts, other nonprofit veteran organizations, and tasting rooms at wineries, distilleries, and breweries.

S.B. 989 prohibits future executive orders that restrict the operation of businesses that sell alcoholic beverages from including manufacturers licensed by the Texas Alcoholic Beverage Commission and nonprofit organizations that benefit veterans of the United States Armed Forces.

As proposed, S.B. 989 amends current law relating to prohibiting certain limitations on the operation of certain alcoholic beverage businesses and organizations that benefit veterans during a declared state of disaster.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 418.012, Government Code, as follows:

Sec. 418.012. EXECUTIVE ORDERS. (a) Creates this subsection from existing text and makes no further changes.

(b) Prohibits an executive order, proclamation, or regulation issued by the governor under Chapter 418 (Emergency Management) that restricts the operation of or the hours of operation for a business that sells alcoholic beverages from including:

(1) a business that holds a permit or license issued by the Texas Alcoholic Beverage Commission for a business in the manufacturing tier of the alcoholic beverage industry and that authorizes the business to sell alcoholic beverages for on-premises consumption; or

(2) an organization exempt from federal taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(19) of that code, that benefits veterans of the United States armed forces.

SECTION 2. Makes application of Section 418.012, Government Code, as amended by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2021.