

## **BILL ANALYSIS**

Senate Research Center  
79R8867 MCK-F

H.B. 937  
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Intergovernmental Relations  
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Engrossed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

H.B. 2593, enacted by the 78th Legislature, Regular Session, 2003, removed local restrictions on the dispensing of wine at local Texas wineries in order to encourage the development of the Texas wine industry and promote tourism and economic development. However, after the companion constitutional amendment was adopted and the provisions of H.B. 2593 were put into effect, the Texas Alcoholic Beverage Commission noticed that the wording of H.B. 2593 not only provided for samplings at local wineries, but also at retail locations. That provision puts out-of-state wineries at a disadvantage.

As proposed, H.B. 937 levels the field by allowing holders of nonresident seller's permits to have the same ability to hold samplings at retail locations.

### **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 37.01, Alcoholic Beverage Code, as follows:

Sec. 37.01. AUTHORIZED ACTIVITIES. (a) Creates subsection from existing text. Makes a nonsubstantive change.

(b) Authorizes that the holder of a nonresident seller's permit who owns a winery outside of the state to conduct wine samplings, including tastings, at a retailer's premises. Authorizes an employee of the winery to open, touch, or pour wine, make a presentation, or answer questions at a wine sampling.

(c) Requires any wine used in a wine sampling under this section to be purchased from the retailer on whose premises the wine sampling is held. Provides that this section does not authorize the holder of a nonresident seller's permit or manufacturer's agent permit to withdraw or purchase wine from the holder of a wholesaler's permit or provide wine for a sampling on a retailer's premises purchased from the retailer. Prohibits the amount of wine purchased from the retailer from exceeding the amount of wine used in the sampling.

SECTION 2. Effective date: September 1, 2005.