

## **BILL ANALYSIS**

C.S.S.B. 1471  
By: Whitmire  
Licensing & Administrative Procedures  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently, Texas is the only state that requires any minimum number of states to be part of an alcoholic beverage sweepstakes before it may be offered to persons within the state.

The Sunset Advisory report on the Texas Alcoholic Beverage Commission stated that over regulation of certain business practices serves no consumer interest, imposes unnecessary costs on the industry, and creates excessive burdens on the commission. The Sunset report specifically mentions the thirty state sweepstakes law as a particularly restrictive requirement.

C.S.S.B. 1471 removes the 30 state requirement needed for permittees and manufacturers to offer an alcoholic beverage sweepstakes.

### **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**

C.S.S.B. 1471 amends the Alcoholic Beverage Code by striking language that authorizes certain permittees to offer prizes, premiums, or gifts to a consumer if the offer is national in scope and legally offered and conducted in 30 states or more. Strikes language authorizing certain permittees to offer a sweepstakes promotion if it is part of a nationally conducted promotional activity legally offered and conducted at the same time in 30 states or more.

Amends the Alcoholic Beverage Code by striking language authorizing manufacturers or nonresident manufacturers to offer a prize to a consumer if the offer is a part of a nationally conducted promotional sweepstakes activity legally offered and conducted at the same time period in 30 or more states.

### **EFFECTIVE DATE**

September 1, 2005.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.S.B. 1471 modifies the original by removing language that would have allowed a permittee, manufacturer, or nonresident manufacturer, to offer prizes, premiums, gifts, or a sweepstakes if the offer is part of a multistate promotion and conducted in at least five states. Removed language that would have required the promotion to be paid in total by the originating permittee.

The substitute alters the original by removing language that would have required the Texas Alcoholic Beverage Commission to adopt rules implementing the changes in law made by this Act as soon as possible. Makes conforming changes.