

BILL ANALYSIS

Senate Research Center
80R7215 MCK-F

H.B. 2723
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under the Alcoholic Beverage Code, certain alcoholic beverage samplings are authorized to be conducted at specified licensed or permitted establishments.

H.B. 2723 seeks to extend sampling privileges to beer and ale consistent to that which is authorized for the wine industry.

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 12.01, Alcoholic Beverage Code, as follows:

Sec. 12.01. AUTHORIZED ACTIVITIES. (a) Creates this subsection from existing text. Authorizes the holder of a brewer's permit to perform certain duties, including the conduct samplings of ale or malt liquor, including tastings, at a retailer's premises.

(b) Authorizes an agent or employee of the holder of a brewer's permit to open, touch, or pour ale or malt liquor, make a presentation, or answer questions at a sampling event.

SECTION 2. Amends the heading to Section 24.12, Alcoholic Beverage Code, to read as follows:

Sec. 24.12. WINE AND ALE SAMPLING.

SECTION 3. Amends Sections 24.12(a), (b), (d), and (e), Alcoholic Beverage Code, as follows:

(a) Authorizes the holder of a wine only package store permit to conduct free product samplings of ale on the permit holder's premises during regular business hours as provided by this section (Wine Sampling).

(b) Authorizes an agent or employee of the holder of a wine only package store permit to open, touch or pour wine or ale, rather than only wine, make a presentation, or answer questions at a sampling event, rather than at a wine sampling event.

(d) and (e) Makes conforming changes.

SECTION 4. Amends Section 26.01(b), Alcoholic Beverage Code, to authorize the holder of a wine and beer retailer's off-premise permit to conduct free product samplings of beer and malt liquor containing between one-half of one percent and 17 percent of alcohol by volume on the permit holder's premises during regular business hours as provided by Section 26.08.

SECTION 5. Amends the heading to Section 26.08, Alcoholic Beverage Code, to read as follows:

Sec. 26.08. SAMPLING EVENT.

SECTION 6. Amends Sections 26.08(a) and (c), Alcoholic Beverage Code, to make conforming and nonsubstantive changes.

SECTION 7. Amends Sections 37.01(b) and (c), Alcoholic Beverage Code, to authorize the holder of a nonresident seller's permit who owns a winery or brewery, rather than just winery, outside of the state to conduct samplings of certain beverages at a retailer's premises. Makes conforming changes.

SECTION 8. Amends Section 62.01, Alcoholic Beverage Code, as follows:

Sec. 62.01. AUTHORIZED ACTIVITIES. (a) Creates this subsection from existing text. Authorizes the holder of a manufacturer's license to conduct samplings, including tastings, of beer at a retailer's premises.

(b) Authorizes an agent or employee of the holder of a manufacturer's license to open, touch, or pour beer, make a presentation, or answer questions at a sampling event.

SECTION 9. Amends Chapter 71, Alcoholic Beverage Code, by adding Section 71.11, as follows:

Sec. 71.11. BEER SAMPLING. (a) Authorizes the holder of a retail dealer's off-premise license to conduct free product samplings of beer on the license holder's premises during regular business hours as provided by this section.

(b) Authorizes an agent or employee of the holder of a retail dealer's off-premise license to open, touch, or pour beer, make a presentation, or answer questions at a sampling event.

(c) Provides that a retail dealer's off-premise license does not authorize the sale of alcoholic beverages for on-premise consumption and provides that none of the license holder's income may be considered to be income from the sale of alcoholic beverages for on-premise consumption for the purposes of this code and any other law or ordinance.

(d) Requires any beer used in a sampling event under this section to be purchased from or provided by the retailer on whose premises the sampling event is held.

SECTION 10. Effective date: September 1, 2007.