

BILL ANALYSIS

H.B. 2723
By: Thompson
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the Texas Alcoholic Beverage Code allows certain alcoholic beverage samplings at specified licensed or permitted establishments.

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

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant additional rulemaking authority to a state officer, department, agency or institution.

ANALYSIS

HB 2723 authorizes the holder of a brewer's permit to conduct samplings of ale or malt liquor, including tastings, at a retailer's premise and 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.

HB 2723 authorizes the holder of a wine only package store permit to conduct free product samplings of wine or ale on the permit holder's premises during authorized hours; authorizes an agent or employee of the holder of a wine only package store permit to open, touch, or pour wine or ale, make a presentation, or answer questions at a sampling event; requires any wine or ale used in a sampling event to be purchased from or provided by the retailer on whose premises the sampling event is held; makes a conforming change.

HB 2723 authorizes the holder of a wine and beer retailer's off-premise permit to conduct free product samplings of wine, beer, and malt liquor containing alcohol in excess of one-half of one percent by volume but not more than 17 percent by volume on the permit holder's premises during authorized business hours.

HB 2723 authorizes an employee of the holder of a wine and beer retailer's off-premise permit to open, touch, or pour wine, beer, or malt liquor, make a presentation, or answer questions at a sampling event; requires any wine, beer, or malt liquor used in a sampling event to be purchased from or provided by the retailer on whose premises the sampling event is held; prohibits the holder of a wine and beer retailer's off-premise permit to withdraw or purchase alcoholic beverages from the holder of a wholesaler's permit or a distributor's license or provide alcoholic beverages for a sampling on a retailer's premises that is not purchased from the retailer; prohibits the amount of alcoholic beverages purchased from the retailer to exceed the amount of alcoholic beverages used in the sampling event.

HB 2723 authorizes the holder of a nonresident seller's permit who owns a winery or brewery outside of the state to conduct samplings of the kinds of alcoholic beverages the permit holder is authorized to produce, including tastings, at a retailer's premises; authorizes an employee of the winery or brewery to open, touch, or pour the alcoholic beverages, make a presentation, or answer questions at a sampling event; requires any alcoholic beverages used in a sampling event to be purchased from the retailer on whose premises the sampling event is held. Prohibits the holder of a nonresident seller's permit or manufacturer's agent's permit to withdraw or purchase alcoholic beverages from the holder of wholesaler's permit or provide alcoholic beverages for a

sampling event on a retailer's permit that is not purchased from the retailer; makes conforming changes.

HB 2723 authorizes the holder of a manufacturer's license to conduct samplings of beer, including tasting, at a retailer's premises. HB 2723 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.

HB 2723 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 authorized hours. HB 2723 further 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. HB 2723 also provides that, for purposes of this code and any other law or ordinance, a retail dealer's off-premise license does not authorize the sale of alcoholic beverages for on-premise consumption and none of the license holder's income may be considered to be income from the sale of alcoholic beverages for on-premise consumption. HB 2723 also requires any beer used in a sampling event must be purchased from or provided by the retailer on whose premises the sampling event is held.

EFFECTIVE DATE

September 1, 2007.