BILL ANALYSIS

Senate Research Center 81R10741 AJA-F H.B. 2237 By: Hamilton (Watson) Business & Commerce 5/7/2009 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Alcoholic Beverage Code currently restricts the alcoholic beverages a wine and beer retailer's permittee may have on the premises to those with less than 17 percent alcohol by volume. Current law also restricts the alcoholic beverages a mixed beverage permittee may have on the premises to those that are covered by an invoice from a local distributor. In a restaurant environment, various types of wines and liquors are used for cooking that may exceed 17 percent alcohol by volume or may not be available from a local distributor.

H.B. 2237 authorizes the Texas Alcoholic Beverage Commission by rule to allow the possession and use of these types of alcoholic beverages for cooking purposes.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Alcoholic Beverage Commission in SECTION 1 (Section 25.09, Alcoholic Beverage Code) and SECTION 2 (Section 28.06, Alcoholic Beverage Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 25.09, Alcoholic Beverage Code, as follows:

Sec. 25.09. POSSESSION OF CERTAIN BEVERAGES PROHIBITED. (a) Prohibits a wine and beer retailer's permittee or an officer of the permittee, except as provided by this section, from possessing distilled spirits or liquor containing alcohol in excess of 17 percent by volume on the licensed premises. Makes nonsubstantive changes.

(b) Authorizes the Texas Alcoholic Beverage Commission (TABC) by rule to allow a wine and beer retailer's permittee or the permittee's officer to possess and use alcoholic beverages in excess of 17 percent by volume on the licensed premises for cooking purposes.

SECTION 2. Amends Section 28.06, Alcoholic Beverage Code, by adding Subsection (e) to authorize TABC by rule to allow the holder of a mixed beverage permit or an officer, agent, or employee of the permit holder to possess and use alcoholic beverages that are not covered by an invoice on the permitted premises for cooking purposes.

SECTION 3. Effective date: September 1, 2009.