BILL ANALYSIS

C.S.H.B. 882 By: Alvarado Licensing & Administrative Procedures Committee Report (Substituted)

BACKGROUND AND PURPOSE

Some sources claim that the consumption of caffeinated malt beverages, which are beverages containing high levels of alcohol and caffeine, have caused the death and injury of individuals in several states, including Texas. Last year, the Federal Trade Commission sent warning letters to some marketers of such beverages about the potential illegal marketing of those products. C.S.H.B. 882 seeks to further address this problem by prohibiting the manufacture, import, sale, or possession for the purpose of sale malt liquor that contains caffeine or certain other stimulants as an added ingredient, with some exceptions.

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.H.B. 882 amends the Alcoholic Beverage Code to prohibit a person from manufacturing, importing, selling, or possessing for the purpose of sale malt liquor in a sealed container that contains caffeine, ginseng, taurine, or guarana as an added ingredient. The bill exempts from its provisions a malt liquor that contains caffeine that is a natural constituent of an ingredient other than those specified added ingredients.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 882 differs from the original by prohibiting a person from manufacturing, importing, selling, or possessing for the purpose of sale malt liquor in a sealed container that contains caffeine, ginseng, taurine, or guarana as an added ingredient, whereas the original prohibits a person from manufacturing, importing, selling, or possessing for the purpose of sale a malt beverage that contains caffeine.

C.S.H.B. 882 contains a provision not included in the original exempting from its provisions a malt liquor that contains caffeine that is a natural constituent of an ingredient other than caffeine, ginseng, taurine, or guarana.