

BILL ANALYSIS

C.S.H.B. 2012
By: Thompson
Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, a retailer of alcoholic beverages in Texas purchasing wine from the holder of a wholesaler's permit for resale to consumers has the option of making the purchase on credit terms. The holder of a winery permit in Texas may purchase wine from such a wholesaler for resale to a consumer on the winery's premises but may not use credit terms for the purchase. C.S.H.B. 2012 seeks to address this disparity by amending provisions of law so the holder of a winery permit may make such a purchase on credit terms.

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. 2012 amends the Alcoholic Beverage Code to redefine "retailer," for purposes of the prohibition against a retailer purchasing liquor from a wholesale dealer except for cash or on certain credit terms, to specify that a holder of a winery permit issued under provisions of law relating to such permits is a retailer when the winery permit holder purchases wine from the holder of a wholesaler's permit issued under provisions of law relating to such permits for resale to ultimate consumers in unbroken packages.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2012 differs from the original by specifying in the redefinition of "retailer" that the holder of a winery permit issued under provisions of law relating to such permits is a retailer when the holder of that permit purchases wine from the holder of a wholesaler's permit issued under provisions of law relating to such permits for resale to ultimate consumers in unbroken packages, whereas the original provides that a winery is a retailer when the winery purchases wine from a wholesaler for such purpose.