# **BILL ANALYSIS**

Senate Research Center 85R9385 BEE-F

H.B. 3101 By: Kuempel (Birdwell) Business & Commerce 5/4/2017 Engrossed

#### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 3101 amends the Alcoholic Beverage Code to create a passenger bus beverage permit and to grant to the holder of a passenger bus beverage permit the same rights with respect to the sale of alcoholic beverages on a passenger bus as the holder of an airline beverage permit has with respect to the sale of alcoholic beverages on a commercial passenger airplane.

H.B. 3101 limits the applicability of its provisions to a passenger bus that is designed, constructed, or used for the transportation of multiple passengers for compensation and, while transporting persons for compensation, also transports an attendant who is not the bus operator and has attended a seller training program approved by the Texas Alcoholic Beverage Commission (TABC).

H.B. 3101 sets the annual fee for a passenger bus beverage permit at \$500 and authorizes TABC or the TABC administrator to issue a passenger bus beverage permit to any corporation operating a commercial passenger bus service in or through Texas. H.B. 3101 requires an application and fee payment to be made directly to TABC. The bill exempts the preparation and service of alcoholic beverages by the holder of a passenger bus beverage permit from a tax imposed by the Alcoholic Beverage Code and from the tax imposed by the Limited Sales, Excise, and Use Tax Act. H.B. 3101 makes statutory provisions relating to citizenship requirements for various permits under the Alcoholic Beverage Code inapplicable to a passenger bus beverage permit.

H.B. 3101 amends current law relating to authorizing the sale of alcoholic beverages on certain passenger buses and authorizes a fee.

## **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 11.38(d), Alcoholic Beverage Code, to include passenger bus beverage permits in the list of certain permits that are exempt from the fee authorized in this section (Local Fee Authorized).

SECTION 2. Amends Subtitle A, Title 3, Alcoholic Beverage Code, by adding Chapter 48A, as follows:

#### CHAPTER 48A. PASSENGER BUS BEVERAGE PERMIT

Sec. 48A.01. AUTHORIZED ACTIVITIES; APPLICABILITY OF CHAPTER. (a) Provides that the holder of a passenger bus beverage permit has the same rights with respect to the sale of alcoholic beverages on a passenger bus, described by Subsection (b), as the holder of an airline beverage permit has with respect to the sale of alcoholic beverages on a commercial passenger airplane under Section 34.01 (Authorized Activities).

(b) Provides that Subsection (a) applies only to a passenger bus that:

- (1) is designed, constructed, or used for the transportation of multiple passengers for compensation: and
- (2) while transporting persons for compensation, also transports an attendant who is not the operator of the bus and has attended a Texas Alcoholic Beverage Commission (TABC)-approved seller training program.

Sec. 48A.02. FEE. Provides that the annual fee for a passenger bus beverage permit is \$500.

Sec. 48A.03. ELIGIBILITY FOR PERMIT. Authorizes TABC or the administrator to issue a passenger bus beverage permit to any corporation operating a commercial passenger bus service in or through the state. Requires that application and payment of the fee be made directly to TABC.

Sec. 48A.04. EXEMPTION FROM TAXES. Provides that the preparation and service of alcoholic beverages by the holder of a passenger bus beverage permit is exempt from a tax imposed by this code and from the tax imposed by Chapter 151 (Limited Sales, Excise, and Use Tax), Tax Code.

Sec. 48A.05. INAPPLICABLE PROVISION. Provides that Section 109.53 (Citizenship of Permittee; Control of Premises; Subterfuge Ownership; etc.) does not apply to a passenger bus beverage permit.

SECTION 3. Effective date: September 1, 2017.