

BILL ANALYSIS

Senate Research Center
85R29439 BEE-F

C.S.H.B. 3101
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Business & Commerce
5/10/2017
Committee Report (Substituted)

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. (Original Author's / Sponsor's Statement of Intent)

C.S.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. 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, as described by Section 48A.03(a), 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) and is authorized to store alcoholic beverages at the permitted location.

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

Sec. 48A.03. ELIGIBILITY FOR PERMIT; APPLICATION AND PAYMENT OF FEE.

(a) Authorizes the Texas Alcoholic Beverage Commission (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 using a passenger bus that meets certain conditions.

(b) 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. SALE OF LIQUOR TO PERMITTEE. Authorizes only a holder of a wholesale permit to sell liquor to a holder of a passenger bus beverage permit. Requires that a sale of liquor to a holder of a passenger bus beverage permit be considered as a sale at retail to a consumer.

Sec. 48A.06. 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. Amends Section 101.46(b), Alcoholic Beverage Code, as follows:

(b) Provides that Subsection (a) (relating to prohibiting the import, sale, or possession of liquor in containers with less than a certain volume) of this section (Containers of Liquor; Minimum Capacities) does not apply to permittees or licensees while engaged in supplying certain persons, including a passenger bus beverage permittee, nor to the possession or sale of liquor by certain persons, including a passenger bus beverage permittee, but prohibits the permittees or licensees covered by this subsection from possessing liquor in certain containers.

SECTION 4. Effective date: upon passage or September 1, 2017.