By: Morrison H.B. No. 3089

Substitute the following for H.B. No. 3089:

By: Kuempel C.S.H.B. No. 3089

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the designation of a common area for on-premise

3 consumption by a holder of certain alcoholic beverage permits and

- 4 licenses.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Subtitle C, Title 3, Alcoholic Beverage Code, is
- 7 amended by adding Chapter 82 to read as follows:
- 8 CHAPTER 82. COMMON TASTING AREA FOR MEMBERS OF MANUFACTURING TIER
- 9 Sec. 82.001. APPLICABILITY. This chapter applies only to a
- 10 person:
- 11 (1) who holds more than one type of permit or license
- 12 issued under Chapter 12, 14, 16, or 62; and
- 13 (2) two or more of whose permitted or licensed
- 14 premises are located at the same address or at contiguous addresses
- 15 that are under common ownership.
- 16 Sec. 82.002. DESIGNATION OF COMMON AREA. (a)
- 17 Notwithstanding any other law, a person to whom this chapter
- 18 applies may designate a common area where an alcoholic beverage may
- 19 be transferred from any of the permitted or licensed premises
- 20 <u>located at the same address or a contiguous address under common</u>
- 21 ownership and sold, dispensed, or sampled for on-premise
- 22 consumption under the same terms and conditions that apply to
- 23 selling, dispensing, or sampling that alcoholic beverage for
- 24 on-premise consumption at the transferring permitted or licensed

- 1 premises.
- 2 (b) The designated common area described by Subsection (a)
- 3 must be located:
- 4 (1) on one of the permitted or licensed premises that
- 5 are at the same address or at contiguous addresses under common
- 6 ownership; or
- 7 (2) at the same address or at one of the contiguous
- 8 addresses under common ownership, but separately from any permitted
- 9 or licensed premises at the address.
- 10 Sec. 82.003. TRANSFER FROM INVENTORY; EXCISE TAX. (a)
- 11 Alcoholic beverages transferred from the inventory of a permit or
- 12 license into a designated common area described by Section 82.002
- 13 must be removed from the inventory of the permit or license. The
- 14 transfer must be documented by an invoice or statement showing the
- 15 transfer date, quantity, container size, package, type, and brand
- 16 <u>label</u>.
- 17 (b) Alcoholic beverages transferred to the designated
- 18 common area are subject to excise tax and must be reported on the
- 19 appropriate monthly excise tax report filed with the commission for
- 20 the permit or license making the transfer.
- 21 <u>(c) On a monthly basis, unopened excess inventory may be</u>
- 22 transferred from the <u>designated common area described by Section</u>
- 23 82.002 back into the inventory of the permit or license from which
- 24 it was originally transferred. The transfer back to the inventory
- 25 of the originating permit or license must be documented by an
- 26 invoice or statement showing the transfer date, quantity, container
- 27 size, package, type, and brand label. The transfer of alcoholic

- 1 beverages from the common area back to the inventory of the
- 2 originating permit or license must be shown as a receipt on the
- 3 appropriate monthly excise tax report filed with the commission by
- 4 the permit or license.
- 5 Sec. 82.004. SEPARATE RECORDS. Recordkeeping for the
- 6 designated common area described by Section 82.002 must be kept
- 7 separate for each permit or license held at the same address or at a
- 8 contiguous address under common ownership.
- 9 Sec. 82.005. SUSPENSION OR CANCELLATION OF PERMIT OR
- 10 LICENSE. If an act that is grounds for the suspension or
- 11 cancellation of a permit or license occurs at a common tasting area
- 12 authorized by this chapter:
- 13 (1) the permit or license to which the act may be
- 14 attributed may be suspended or revoked in the same manner as if the
- 15 act occurred on the premises for which the license or permit was
- 16 <u>issued; or</u>
- 17 (2) all permits and licenses operating at the common
- 18 tasting area may be suspended or revoked if the act cannot be
- 19 attributed to a specific permit or license.
- Sec. 82.006. RULES. The commission may adopt rules
- 21 necessary to implement this chapter, including rules establishing a
- 22 procedure for designating a common area under Section 82.002.
- 23 SECTION 2. This Act takes effect immediately if it receives
- 24 a vote of two-thirds of all the members elected to each house, as
- 25 provided by Section 39, Article III, Texas Constitution. If this
- 26 Act does not receive the vote necessary for immediate effect, this
- 27 Act takes effect September 1, 2017.