

1-1 By: Seliger S.B. No. 896
 1-2 (In the Senate - Filed February 14, 2017; February 28, 2017,
 1-3 read first time and referred to Committee on Business & Commerce;
 1-4 April 18, 2017, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 8, Nays 1; April 18, 2017,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10		X		
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 896 By: Creighton

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the status, regulation, and taxation of powdered
 1-22 alcohol as an alcoholic beverage; creating an offense.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 1.04(1), Alcoholic Beverage Code, is
 1-25 amended to read as follows:

1-26 (1) "Alcoholic beverage" means alcohol, including
 1-27 powdered alcohol, or any beverage containing more than one-half of
 1-28 one percent of alcohol by volume, which is capable of use for
 1-29 beverage purposes, either alone or when diluted or reconstituted.

1-30 SECTION 2. Subchapter C, Chapter 101, Alcoholic Beverage
 1-31 Code, is amended by adding Section 101.461 to read as follows:

1-32 Sec. 101.461. PACKAGING OF POWDERED ALCOHOL.
 1-33 Notwithstanding any other law, a person may not sell powdered
 1-34 alcohol to an ultimate consumer unless the powdered alcohol is
 1-35 sealed in single-serving packages containing not more than 14 grams
 1-36 of powdered alcohol each.

1-37 SECTION 3. Subchapter A, Chapter 108, Alcoholic Beverage
 1-38 Code, is amended by adding Section 108.11 to read as follows:

1-39 Sec. 108.11. ADVERTISING OF POWDERED ALCOHOL. In an
 1-40 advertisement for powdered alcohol, a person may not suggest or
 1-41 depict the consumption of powdered alcohol without the addition of
 1-42 liquid to the powdered alcohol.

1-43 SECTION 4. The heading to Section 201.03, Alcoholic
 1-44 Beverage Code, is amended to read as follows:

1-45 Sec. 201.03. TAX ON DISTILLED SPIRITS AND POWDERED ALCOHOL.

1-46 SECTION 5. Section 201.03(a), Alcoholic Beverage Code, is
 1-47 amended to read as follows:

1-48 (a) A tax is imposed on the first sale of:

1-49 (1) distilled spirits at the rate of \$2.40 per gallon;
 1-50 and

1-51 (2) powdered alcohol at the rate of \$2.40 per gallon
 1-52 based on the amount of liquid suggested to be added by the
 1-53 manufacturer's packaging.

1-54 SECTION 6. This Act takes effect September 1, 2017.

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