**BILL ANALYSIS**

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| Senate Research Center | C.S.H.B. 2196 |
| 86R24319 JAM-D | By: Harris et al. (Nichols) |
|  | Business & Commerce |
|  | 5/3/2019 |
|  | Committee Report (Substituted) |

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

C.S.H.B. 2196 amends current law relating to the sale of alcoholic beverages on certain property owned or leased by the Texas State Railroad Authority.

**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 48.01, Alcoholic Beverage Code, as follows:

Sec. 48.01. AUTHORIZED ACTIVITIES. (a) Creates this subsection from existing text and makes a nonsubstantive change to this subsection.

(b) Provides that this subsection applies only to a passenger train operated on or behalf of the Texas State Railroad Authority (authority). Authorizes an alcoholic beverage purchased by a consumer on a passenger train for present consumption to be removed from the train for consumption on property that is part of a public entertainment facility owned or leased by the authority. Authorizes an alcoholic beverage in an open container purchased by a consumer on property that is part of a public entertainment facility owned or leased by the authority to be consumed on a passenger train.

SECTION 2. Amends Section 108.73(2), Alcoholic Beverage Code, to redefine "public entertainment facility" to include certain facilities, including a facility that is owned or leased by the authority and used as a station for passenger rail services.

SECTION 3. Amends Section 108.82, Alcoholic Beverage Code, as follows:

Sec. 108.82. ALCOHOLIC BEVERAGE CONSUMPTION IN PUBLIC ENTERTAINMENT FACILITIES. (a) Provides that this section applies only to a public entertainment facility:

(1) that is owned or leased by the authority and used as a station for passenger rail services; or

(2) creates this subdivision from existing text and makes nonsubstantive changes to this subdivision. Deletes the designation of Subdivision (3).

(b) Authorizes the concessionaire for a public entertainment facility described by Subsection (a), notwithstanding Section 28.10 (Consumption Restricted to Premises; Exceptions), to allow a patron who possesses an alcoholic beverage to enter or leave a licensed or permitted premises within the facility if the alcoholic beverage:

(1) and (2) makes no changes to these subdivisions;

(3) except as provided by Section 48.01(b), remains within the confines of the facility, excluding a parking lot; and

(4) makes no changes to this subdivision.

(c) Authorizes a license or permit to be issued for a premises located in a facility described by Subsection (a)(1) in an area in which the sale of alcoholic beverages has not been authorized by a local option election if the area has been annexed by a municipality in which the sale of alcoholic beverages has been authorized by a local option election. Provides that a facility described by this subsection has the same local option status as the municipality.

(d) Authorizes a concessionaire, for a facility described by Subsection (a)(1), to include a licensee or permittee of the manufacturing tier.

SECTION 4. Amends Subchapter C, Chapter 4501, Special District Local Laws Code, by adding Section 4501.1021, as follows:

Sec. 4501.1021. SALE OF ALCOHOLIC BEVERAGES ON AUTHORITY PROPERTY. Authorizes the authority to contract with a person for the retail sale of alcoholic beverages and authorizes a person to sell alcoholic beverages at retail on authority property that is used as a station for passenger rail services if the person holds or obtains the appropriate permit or license authorizing the sale of the alcoholic beverages.

SECTION 5. Effective date: September 1, 2019.