BILL ANALYSIS

Senate Research Center 86R24319 JAM-D C.S.H.B. 2196 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;

SRC-SPM C.S.H.B. 2196 86(R)

(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.