

1-1 By: Harris, Clardy, Guillen H.B. No. 2196  
 1-2 (Senate Sponsor - Nichols)  
 1-3 (In the Senate - Received from the House April 11, 2019;  
 1-4 April 15, 2019, read first time and referred to Committee on  
 1-5 Business & Commerce; May 6, 2019, reported adversely, with  
 1-6 favorable Committee Substitute by the following vote: Yeas 8,  
 1-7 Nays 0; May 6, 2019, sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
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	X			

1-19 COMMITTEE SUBSTITUTE FOR H.B. No. 2196 By: Nichols

1-20 A BILL TO BE ENTITLED  
 1-21 AN ACT

1-22 relating to the sale of alcoholic beverages on certain property  
 1-23 owned or leased by the Texas State Railroad Authority.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Section 48.01, Alcoholic Beverage Code, is  
 1-26 amended to read as follows:

1-27 Sec. 48.01. AUTHORIZED ACTIVITIES. (a) The holder of a  
 1-28 passenger train beverage permit has the same rights with respect to  
 1-29 the sale of alcoholic beverages on a passenger train to which this  
 1-30 chapter applies as the holder of an airline beverage permit has with  
 1-31 respect to the sale of alcoholic beverages on a commercial  
 1-32 passenger airplane under Section 34.01 [of this code].

1-33 (b) This subsection applies only to a passenger train  
 1-34 operated by or on behalf of the Texas State Railroad Authority. An  
 1-35 alcoholic beverage purchased by a consumer on a passenger train for  
 1-36 present consumption may be removed from the train for consumption  
 1-37 on property that is part of a public entertainment facility owned or  
 1-38 leased by the Texas State Railroad Authority. An alcoholic  
 1-39 beverage in an open container purchased by a consumer on property  
 1-40 that is part of a public entertainment facility owned or leased by  
 1-41 the Texas State Railroad Authority may be consumed on a passenger  
 1-42 train.

1-43 SECTION 2. Section 108.73(2), Alcoholic Beverage Code, is  
 1-44 amended to read as follows:

1-45 (2) "Public entertainment facility" means an arena,  
 1-46 stadium, automobile race track, amphitheater, auditorium, theater,  
 1-47 civic center, convention center, or similar facility that is  
 1-48 primarily designed and used for live artistic, theatrical,  
 1-49 cultural, educational, charitable, musical, sporting, nationally  
 1-50 sanctioned automobile racing, or entertainment events. The term  
 1-51 includes a facility that is owned or leased by the Texas State  
 1-52 Railroad Authority and used as a station for passenger rail  
 1-53 services. The term also includes a facility that is part of an  
 1-54 approved venue project, including the venue and related  
 1-55 infrastructure, as those terms are defined by Section 334.001,  
 1-56 Local Government Code. The term does not include a facility the  
 1-57 primary purpose of which is the sale of food or alcoholic beverages,  
 1-58 including a bar, nightclub, restaurant, hotel, bowling alley, pool  
 1-59 hall, or dance hall, or a facility that derives 75 percent or more  
 1-60 of the facility's annual gross revenue from the on-premise sale of

2-1 alcoholic beverages, except for a facility that is part of an  
2-2 approved venue project, including the venue and related  
2-3 infrastructure, as those terms are defined by Section 334.001,  
2-4 Local Government Code.

2-5 SECTION 3. Section 108.82, Alcoholic Beverage Code, is  
2-6 amended to read as follows:

2-7 Sec. 108.82. ALCOHOLIC BEVERAGE CONSUMPTION IN PUBLIC  
2-8 ENTERTAINMENT FACILITIES. (a) This section applies only to a  
2-9 public entertainment facility:

2-10 (1) that is owned or leased by the Texas State Railroad  
2-11 Authority and used as a station for passenger rail services; or

2-12 (2) that is a stadium, arena, or other permanent  
2-13 structure that is used for sporting events and: [+]

2-14 (A) [~~2~~] relating to which an agreement  
2-15 approved by the administrator under Section 108.79 is in force; and

2-16 (B) [~~3~~] for which all alcoholic beverage  
2-17 permits and licenses are held by a single holder.

2-18 (b) Notwithstanding Section 28.10, the concessionaire for a  
2-19 public entertainment facility described by Subsection (a) may allow  
2-20 a patron who possesses an alcoholic beverage to enter or leave a  
2-21 licensed or permitted premises within the facility if the alcoholic  
2-22 beverage:

2-23 (1) is in an open container, as defined by Section  
2-24 49.031, Penal Code;

2-25 (2) appears to be possessed for present consumption;

2-26 (3) except as provided by Section 48.01(b), remains  
2-27 within the confines of the facility, excluding a parking lot; and

2-28 (4) was purchased legally at a licensed or permitted  
2-29 premises within the facility.

2-30 (c) A license or permit may be issued for a premises located  
2-31 in a facility described by Subsection (a)(1) in an area in which the  
2-32 sale of alcoholic beverages has not been authorized by a local  
2-33 option election if the area has been annexed by a municipality in  
2-34 which the sale of alcoholic beverages has been authorized by a local  
2-35 option election. A facility described by this subsection has the  
2-36 same local option status as the municipality.

2-37 (d) For a facility described by Subsection (a)(1), a  
2-38 concessionaire under Subsection (b) may include a licensee or  
2-39 permittee of the manufacturing tier.

2-40 SECTION 4. Subchapter C, Chapter 4501, Special District  
2-41 Local Laws Code, is amended by adding Section 4501.1021 to read as  
2-42 follows:

2-43 Sec. 4501.1021. SALE OF ALCOHOLIC BEVERAGES ON AUTHORITY  
2-44 PROPERTY. The authority may contract with a person for the retail  
2-45 sale of alcoholic beverages and a person may sell alcoholic  
2-46 beverages at retail on authority property that is used as a station  
2-47 for passenger rail services if the person holds or obtains the  
2-48 appropriate permit or license authorizing the sale of the alcoholic  
2-49 beverages.

2-50 SECTION 5. This Act takes effect September 1, 2019.

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