

BILL ANALYSIS

Senate Research Center
88R1829 JAM-F

S.B. 2284
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State Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The distilled spirits industry in Texas has seen tremendous growth over the last decade. In 2013, Texas issued thirty-one distiller's and rectifier's permits. Today, over 200 distilleries hold active distiller's and rectifier's permits in Texas. The Texas distilled spirits industry has the potential for even more growth if the state modifies its current regulatory system.

Currently, a Texas distillery cannot sell more than two bottles of distilled spirits per person per thirty days for off-premise consumption from a distillery.

S.B. 2284 allows a Texas distiller to sell two 750 milliliter bottles or the equivalent of each of the distiller's product to the ultimate consumer for off-premise consumption.

As proposed, S.B. 2284 amends current law relating to the sale of distilled spirits to ultimate consumers by the holder of a distiller's and rectifier's permit.

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 Sections 14.05(c) and (f), Alcoholic Beverage Code, as follows:

(c) Prohibits the holder of a distiller's and rectifier's permit from selling, under Subsection (b) (relating to authorizing the holder of a distiller's and rectifier's permit to sell distilled spirits manufactured by the permit holder to ultimate consumers for off-premises consumption in unbroken packages containing a certain amount of distilled spirits for off-premises consumption in a certain amount annually if certain criteria are met), more than two 750 milliliter bottles or the equivalent of each distilled spirits product the permit holder produces, rather than two 750 milliliter bottles of distilled spirits or the equivalent, to the same consumer within a 30-day period.

(f) Requires the permit holder to keep records of sales, rather than to check a purchaser's identification and keep records of sales purchases, in a manner that enables the permit holder to comply with Section 14.05 (Sales to Ultimate Consumers).

SECTION 2. Effective date: September 1, 2023.