By:  Parker S.B. No. 926

(In the Senate - Filed February 14, 2023; March 3, 2023, read first time and referred to Committee on State Affairs; April 12, 2023, reported favorably by the following vote: Yeas 10, Nays 1; April 12, 2023, sent to printer.)

COMMITTEE VOTE

               Yea Nay Absent  PNV

Hughes          X

Paxton          X

Bettencourt     X

Birdwell        X

LaMantia        X

Menéndez        X

Middleton       X

Parker          X

Perry               X

Schwertner      X

Zaffirini       X

A BILL TO BE ENTITLED

AN ACT

relating to certain temporary sales by a mixed beverage permit holder.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 25.16(b), Alcoholic Beverage Code, is amended to read as follows:

(b)  The holder of a wine and malt beverage retailer's permit may temporarily sell wine and malt beverages for not more than four consecutive days at the same location under Subsection (a) [~~and not more than five consecutive days at an event under Subsection (d) or six days if necessary to accommodate the postponement of scheduled racing events due to an act of nature~~].

SECTION 2.  Sections 28.06(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a)  Except as provided by Sections 14.07, 28.20, and 37.01(d), no holder of a mixed beverage permit, nor any officer, agent, or employee of a holder, may possess or permit to be possessed on the premises for which the permit is issued any alcoholic beverage which is not covered by an invoice from the supplier from whom the alcoholic beverage was purchased.

(c)  Except as provided by Sections 14.07, 28.20, and 37.01(d), no holder of a mixed beverage permit, nor any officer, agent, or employee of a holder, may knowingly possess or permit to be possessed on the licensed premises any alcoholic beverage which is not covered by an invoice from the supplier from whom the alcoholic beverage was purchased.

SECTION 3.  Sections 28.10(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a)  Except as provided by this section or Sections 28.01(b), [~~and~~] 28.1001, and 28.20, a mixed beverage permittee may not sell an alcoholic beverage to another mixed beverage permittee or to any other person except for consumption on the seller's licensed premises.

(b)  A mixed beverage permittee may not permit any person to take any alcoholic beverage purchased on the licensed premises from the premises where sold, except that:

(1)  a person who orders wine with food may remove the container of wine from the premises whether the container is opened or unopened; [~~and~~]

(2)  a mixed beverage permittee who also holds a brewpub license may sell or offer without charge on the premises of the brewpub, to an ultimate consumer for consumption on or off the premises, malt beverages produced by the permittee, in or from a lawful container in an amount that does not exceed one-half barrel, provided that the aggregate amount of malt beverages removed from the premises under this subdivision does not exceed 1,000 barrels annually; and

(3)  a person who purchases wine or malt beverages from a holder of a mixed beverage permit selling the beverages under Section 28.20 may remove the beverages from the premises.

SECTION 4.  Chapter 28, Alcoholic Beverage Code, is amended by adding Section 28.20 to read as follows:

Sec. 28.20.  TEMPORARY SALES AT CERTAIN RACING FACILITIES. (a) The holder of a mixed beverage permit may temporarily sell wine and malt beverages in an area of a facility with a seating capacity of more than 40,000 that is open to the public and not otherwise covered by a license or permit during a motor vehicle racing event sponsored by a professional motor racing association.

(b)  The holder of a mixed beverage permit may, under this section, sell wine and malt beverages containing alcohol in excess of one-half of one percent by volume but not more than 17 percent by volume for consumption on or off the premises where sold, but not for resale.

(c)  The holder of a mixed beverage permit may temporarily sell wine and malt beverages for not more than five consecutive days at an event under this section or six days if necessary to accommodate the postponement of scheduled racing events due to an act of nature.

(d)  The holder of a mixed beverage permit who temporarily sells wine and malt beverages under this section may not:

(1)  sell under this section at the facility more than four times in a calendar year;

(2)  sell alcoholic beverages in factory-sealed containers;

(3)  sell more than two drinks to a single consumer at one time;

(4)  sell alcoholic beverages at more than 50 percent of the food and beverage concession stands that are open for business at any one time; or

(5)  sell alcoholic beverages after:

(A)  75 percent of the feature race is complete on the day that race is held; or

(B)  one hour before the scheduled completion of the last spectator event on a day other than the feature race day.

(e)  A holder of a mixed beverage permit who sells wine or malt beverages under that permit in a county other than the county in which the premises covered by the permit is located shall:

(1)  purchase the beverages from a distributor or wholesaler authorized under this code to sell the beverages in the county in which the permit holder sells the beverages under this section; and

(2)  report to the commission, in the manner prescribed by the commission by rule, the amount of beverages purchased and sold under this section, by type.

(f)  The holder of a mixed beverage permit who temporarily sells wine and malt beverages under this section, or any officer, agent, or employee of the permit holder, may allow a person to:

(1)  possess and consume alcoholic beverages brought onto the premises by the person; and

(2)  remove from the premises any alcoholic beverages brought onto the premises by the person.

(g)  The commission shall adopt rules to implement this section.

SECTION 5.  Sections 25.16(d) and (e), Alcoholic Beverage Code, are repealed.

SECTION 6.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

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