

BILL ANALYSIS

Senate Research Center

S.B. 1577
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State Affairs
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2005, S.B. 1331 by Senator Jane Nelson and Representative Mary Denny was unanimously passed and signed by Governor Perry, allowing the Texas Alcoholic Beverage Commission (TABC) to issue up to four temporary wine and beer retailer's permits per year to Texas Motor Speedway (TMS) in Denton County.

TMS, which hosts major NASCAR and community events, holds a mixed beverage permit for limited areas. Before 2005, fans could bring and consume alcohol but the facility could not sell beer and wine in general seating and common areas. S.B. 1331 enabled TABC to issue temporary permits for beer and wine sales in these areas while still allowing fans to bring their own beverages. This system has functioned seamlessly for 20 years and is popular with racing fans.

S.B. 1577 allows TMS to sell distilled spirits in the same limited areas where beer and wine are currently sold, removes the four-event limit, and eliminates the outdated restriction on sales at no more than 50 percent of concession stands.

This update aligns TMS with other major Texas venues that permit distilled spirits sales alongside beer and wine.

S.B. 1577 amends current law relating to the temporary sale of alcoholic beverages at certain racing facilities.

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 28.20(a), (b), (c), (d), (e), and (f), Alcoholic Beverage Code, as added by Chapter 16 (S.B. 926), Acts of the 88th Legislature, Regular Session, 2023, as follows:

(a) Authorizes the holder of a mixed beverage permit to temporarily sell distilled spirits, 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 or another event held at the racing facility.

(b) Authorizes the holder of a mixed beverage permit to, under Section 28.20 (Temporary Sales at Certain Racing Facilities), sell distilled spirits, wine, and malt beverages, rather than 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) Authorizes the holder of a mixed beverage permit to temporarily sell distilled spirits, 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 events, rather than scheduled racing events, due to an act of nature.

(d) Deletes existing text prohibiting the holder of a mixed beverage permit who temporarily sells wine and malt beverages under this section from selling under this section at the facility more than four times in a calendar year or selling alcoholic beverages at more than 50 percent of the food and beverage concession stands that are open for business at any one time. Makes conforming and nonsubstantive changes.

(e)-(f) Makes conforming changes to these subsections.

SECTION 2. Effective date: September 1, 2025.