

SUBJECT: Temporary wine and beer retailer's permits at Texas Motor Speedway

COMMITTEE: Licensing and Administrative Procedures — favorable, without amendment

VOTE: 6 ayes — Flores, Goolsby, Hamilton, D. Jones, Morrison, Quintanilla

0 nays

3 absent — Geren, Chisum, Homer

DIGEST: On final passage, April 28 — 31-0, on Local and Uncontested Calendar

WITNESSES: None

BACKGROUND: The Texas Motor Speedway in Denton County, which hosts major NASCAR and Indy racing events as well as other car and community events, has a mixed beverage permit to sell alcoholic beverages in limited areas of the facility. Under the Alcoholic Beverage Code, sec. 28.06, alcoholic beverages may not be brought in to these permitted areas unless accompanied by an invoice from the supplier. However, fans may carry and consume beer, wine, and other alcoholic beverages in the non-permitted portions of the facility.

The Texas Alcoholic Beverage Commission (TABC) may issue a four-day temporary wine and beer retailer's permit to certain entities - generally holders of a wine and beer or mixed drink permits - for the sale of alcoholic beverages at picnics, celebrations, and similar events. TABC may refuse to issue a permit if there is reason to believe that it would be detrimental to the public and may cancel or suspend the underlying permit for certain violations.

DIGEST: SB 1331 would allow TABC to issue up to four temporary wine and beer retailer's permits per year to the Texas Motor Speedway during professional motor racing association sponsored racing events. The permits could be for five days and could be extended for an additional day if a race was postponed due to an act of nature. The bill would prohibit

sale of:

- alcoholic beverages in factory-sealed containers;
- more than two drinks to a single consumer at a time;
- alcoholic beverages at more than 50 percent of the open food and beverage concession stands; or
- alcoholic beverages after 75 percent of the feature race was complete or less than one hour before the scheduled completion of the last spectator event each day.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

**SUPPORTERS
SAY:**

SB 1331 would bring the Texas Motor Speedway into conformity with other major racing venues across the country by allowing the facility to sell beer and wine at major racing events. This change would ensure that the speedway, which has had a valuable economic impact in the community, remains competitive with other racing venues.

The bill contains strict guidelines to ensure accountability and responsible drinking. By restricting the number of beverages that could be sold to a single customer at a time and prohibiting the sale of alcoholic beverages near the end of a day's events, the bill would reduce the likelihood that a person would become intoxicated or would leave the facility and drive home while still under the influence of alcohol.

The bill also could reduce public intoxication and increase public safety by imposing a measure of regulation and control on the consumption of alcohol at the speedway during these events. Although the speedway sells drinks only in limited areas of the facility, fans typically carry in large quantities of beer and liquor to consume during the races or in the evening while camping on the premises. If fans knew that they easily could purchase beer and wine at the speedway, they might be less inclined to bring alcohol, including more intoxicating hard liquors, to major racing events. The current BYOB policy also offers no mechanism for restricting alcohol consumption once a person has had too much to drink. By contrast, alcohol servers are trained to identify people who have had too much to drink, and they could refuse to sell those people more alcohol.

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OPPONENTS
SAY:

No apparent opposition.

NOTES:

The companion bill, HB 3196 by Denny, was reported favorably, as substituted, on April 27.