BILL ANALYSIS

Senate Research Center 79R10171 AJA-D

H.B. 2590 By: Gonzales (Lucio) Business & Commerce 5/18/2005 Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

There are three types of permits for the retail sale of alcohol: package store permits, wine and beer retailers off-premises permits, and wine only package store permits. Under current law, only package store permit owners are able to acquire a tasting permit to conduct tasting of distilled spirits, wine, beer, and malt-based or spirit-based coolers.

H.B. 2590 allows wine only package permit owners to acquire a tasting permit to conduct tastings of the products that they are permitted to sell in the same way that holders of package store permits are currently permitted.

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 Section 24.09, Alcoholic Beverage Code, as follows:

Sec. 24.09. OPENING CONTAINERS PROHIBITED. Creates an exception as provided by Section 52.01, to the prohibition that a person may not break or open a container of liquor or beer or possess an opened container of liquor or beer on the premises of a wine only package store. Makes nonsubstantive changes.

SECTION 2. Amends Section 24.10, Alcoholic Beverage Code, as follows:

Sec. 24.10. BEVERAGE FROM OPENED CONTAINER. Creates an exception as provided by Section 52.01, to the provision that a person may not sell, barter, exchange, deliver, or give away a drink of alcoholic beverage from a container that has been opened or broken on the premises of wines only package store. Makes nonsubstantive changes.

SECTION 3. Amends Section 52.01(a), Alcoholic Beverage Code, as follows:

(a) Authorizes the holder of a package store tastings permit, except as provided by this section to conduct product tastings of distilled spirits, wine, beer, and malt-based or spirit-based coolers on the permitted, rather than licensed, premises of the holder's store or wine only package store during regular business hours as provided by this section. Authorizes the holder of a wine only package store permit and package store tasting permit to conduct product tastings only of alcoholic beverages the permit holder is authorized to sell under Section 24.01.

SECTION 4. Amends Section 52.02, Alcoholic Beverage Code, as follows:

Sec. 52.03. ELIGIBILITY FOR PERMIT. Authorizes the Texas Alcoholic Beverage Commission (TABC) or the TABC administrator to only issue a package store tasting permit to a holder of a package store permit or wine package store permit. Makes conforming changes.

SECTION 5. Effective date: upon passage or September 1, 2005.