

BILL ANALYSIS

Senate Research Center
80R7594 MCK-F

S.B. 1229
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Business & Commerce
4/12/2007
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, package stores and wine only package stores that hold local cartage permits are permitted to make deliveries of their products to customers within the city limits of the stores' permitted premises or within two miles thereof. However, Section 22.03(a) of the Alcoholic Beverage Code allows these package stores to also ship their products to customers anywhere in the state through the use of carrier permittees. The legislative intent of Section 22.03(a) is unclear regarding whether a carrier permittee should be permitted to deliver alcoholic beverages for a package store or a wine only package store outside of the county in which the store is located.

As proposed, S.B. 1229 clarifies that the geographic boundaries where a carrier permittee is permitted to deliver alcoholic beverages on behalf of a package store or a wine only package store is limited to the county in which the store is located. The bill also enables package stores and wine only package stores that hold local cartage permits to directly deliver their products to customers within the county of the package store's permitted premises.

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 22.03(a), Alcoholic Beverage Code, to prohibit this section (Deliveries to Customers) from being construed as preventing a holder of certain permits from delivering alcoholic beverages to the holder of a carrier's permit for transportation in the county in which the package store or wine only package store is located to a customer who placed a bona fide order, rather than for transportation to persons authorized to purchase the beverages.

SECTION 2. Effective date: September 1, 2007.