

BILL ANALYSIS

C.S.H.B. 1348
By: Geren
Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

A recent study determined that the Texas Alcoholic Beverage Commission (TABC) was duplicating work done by the U.S. Alcohol and Tobacco Tax and Trade Bureau (TTB) in regard to the testing and labeling of wine and spirits, which resulted in the Texas Legislature amending the Alcoholic Beverage Code to require TABC to approve distilled spirits or wine for shipping on registration of a certificate of label approval issued by TTB. Interested parties have noted instances where an approved label conflicts with other state laws, such as copyright laws, and have expressed concern that TABC does not have the legal authority to deny a label approval. C.S.H.B. 1348 amends the applicable law to address this concern.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1348 amends the Alcoholic Beverage Code to specify that the requirement for the Texas Alcoholic Beverage Commission to accept the certificate of label approval issued by the U.S. Alcohol and Tobacco Tax and Trade Bureau as constituting full compliance with respect to any applicable adopted standards regarding the quality, purity, and identity of distilled spirits or wine applies to accepting the certificate of label approval as constituting full compliance only with respect to those applicable adopted standards.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1348 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Section 101.671(b), Alcoholic	SECTION 1. Section 101.671(b), Alcoholic

Beverage Code, is amended to read as follows:

(b) On registration of a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau, the commission ~~may~~ shall approve the product under this section and issue a letter to that effect to the permittee. ~~[The commission may not require additional approval for the product unless there is a change to the label or product that requires reissuance of the federal certificate of label approval.]~~ The commission shall accept the certificate of label approval as constituting full compliance with any applicable standards adopted under Section 5.38 regarding quality, purity, and identity of distilled spirits or wine.

SECTION 2. This Act takes effect September 1, 2015.

Beverage Code, is amended to read as follows:

(b) On registration of a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau, the commission shall approve the product under this section and issue a letter to that effect to the permittee. ~~The commission may not require additional approval for the product unless there is a change to the label or product that requires reissuance of the federal certificate of label approval.~~ The commission shall accept the certificate of label approval as constituting full compliance only with any applicable standards adopted under Section 5.38 regarding quality, purity, and identity of distilled spirits or wine.

SECTION 2. Same as introduced version.