

## **BILL ANALYSIS**

H.B. 1998  
By: Goldman  
Licensing & Administrative Procedures  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

It has been suggested that there is a need for statutory clarification regarding the importation of malt-based products sourced from out-of-state breweries. H.B. 1998 seeks to provide for this clarification by authorizing the importation of certain malt beverages for use in manufacturing by the holder of a brewer's permit or manufacturer's license.

### **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**

H.B. 1998 amends the Alcoholic Beverage Code to authorize a brewer's permit holder to import ale and malt liquor for manufacturing purposes from a nonresident brewer's permit holder and to mix and blend the imported ale and malt liquor and bottle and sell the resultant product. The bill authorizes a manufacturer's license holder to import beer from a nonresident manufacturer's license holder and ale and malt liquor from a nonresident brewer's permit holder for manufacturing purposes and to mix and blend the imported beer, ale, and malt liquor and bottle and sell the resultant product. The bill establishes that the state tax on beer, ale, and malt liquor imported for manufacturing purposes does not accrue until the beer, ale, or malt liquor has been used for such purposes and the resultant product has been placed in containers for sale. The bill includes ale and malt liquor among the beverages a manufacturer's license holder may import into Texas in barrels or other containers and removes the prohibition against a person shipping beer into Texas in tank cars.

### **EFFECTIVE DATE**

September 1, 2019.