

BILL ANALYSIS

Senate Research Center

H.B. 2036
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Business & Commerce
5/11/2001
Engrossed

DIGEST AND PURPOSE

Currently, the holder of a package store permit must obtain a package store tasting permit to hold a tasting event on the licensed premises. H.B. 2036 authorizes the holder of a package store permit to conduct tasting events on premises without a permit.

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 22.10, Alcoholic Beverage Code, to provide that except as authorized under Section 22.115, rather than 52.01, no person may break or open a container containing liquor or beer or possess an open container of liquor or beer on the premises of a package store.

SECTION 2. Amends Section 22.11, Alcoholic Beverage Code, to make a conforming change.

SECTION 3. Amends Chapter 22, Alcoholic Beverage Code, by adding Section 22.115, as follows:

Sec. 22.115. **PRODUCT TASTING.** (a) Authorizes the holder of a package store permit to conduct product tastings of distilled spirits, wine, beer, and malt-based or spirit-based coolers on the licensed premises during regular business hours as provided by this section.

(b) Requires written notification of a product tasting to be made to the commission by mailing a letter to the commission not later than 72 hours before the beginning of the tasting event. Requires the notification to clearly state certain information.

(c) Requires a copy of the notification to be kept on file and available for inspection on the premises during all tasting hours.

(d) Requires a sample portions at a product tasting to be limited to not more than certain amounts.

(e) Provides that at any one time, not more than two of certain categories may be tasted.

(f) Provides that when distilled spirits are tasted, not more than one brand or type may be made available for tasting at one time. Provides that when wine is tasted, not more than three different wines may be made available for tasting at any one time. Provides that when beer or coolers are tasted, not more than two brands or types of beer or coolers may be made available at any one time.

(g) Provides that no charge of any sort may be made for a sample serving.

(h) Authorizes a person to be served more than one sample. Prohibits samples from being served to a minor or to an obviously intoxicated person. Prohibits samples from being removed from the licensed premises.

(i) Provides that during the tasting, not more than two containers of each brand or type of product being tasted may be open on the premises at one time.

(j) Requires at the conclusion of the tasting, all empty or open containers of alcoholic beverages used in the tasting to be removed from the premises.

(k) Prohibits a tasting event authorized by this section from being advertised except by on-site communication or by direct mail.

(l) Prohibits a person other than the permittee or the permittee's agent or employee from dispensing or participating in the dispensing of alcoholic beverages under this chapter.

(m) Provides that for the purposes of this code and any other law, a notification of a product tasting provided to the commission by the holder of a package store permit does not authorize the sale of alcoholic beverages for on-premise consumption. Because the permit holder may not charge for a sample tasted on the premises of the package store, no portion of the package store's revenue is revenue from the on-premise sale of alcoholic beverages.

SECTION 4. Repealer: Chapter 52, Alcoholic Beverage Code.

SECTION 5. Effective date: September 1, 2001.