

BILL ANALYSIS

Senate Research Center
80R4798 MCK-D

S.B. 544
By: Wentworth
Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 544 allows smaller Texas Alcoholic Beverage Commission (TABC) distiller/rectifier permittees to sell less than 1,057 gallons per year of distilled spirits to parties other than wholesalers. Because current law requires distillers to sell their products to wholesalers, but wholesalers generally do not wish to distribute such small amounts of spirits, these smaller distillers do not have an efficient way to get their product to consumers. This bill would allow smaller distillers to have on-site tastings of their product and sell their product directly to consumers for off-premises consumption.

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 14.01(a), Alcoholic Beverage Code, to authorize the holder of a distiller's and rectifier's permit to sell distilled spirits to ultimate consumers in unbroken packages for off-premises consumption in an amount not to exceed 1,057 gallons annually of each different type of distilled spirits manufactured by the permit holder and dispense free distilled spirits for consumption on the permitted premises.

SECTION 2. Effective date: September 1, 2007.