

BILL ANALYSIS

Senate Research Center

H.B. 1505
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Business & Commerce
5/1/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 1505 amends the Alcoholic Beverage Code to specify that a provision relating to certain advertising and promotion activities in a public entertainment facility does not restrict or govern the promotion, sponsorship, or advertising of an entertainment event, or the promotion of an alcoholic beverage brand or product, at a facility owned by a municipality or county that is financed with public securities, the interest on which is exempt from federal income tax.

The bill establishes that financial arrangements, including profit sharing, between a concessionaire operating at such a facility and a person operating the concession facilities under a contract with the license or permit holder or the municipality or county does not constitute and is not evidence of "subterfuge ownership."

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 Subchapter C, Chapter 108, Alcoholic Beverage Code, by adding Section 108.755, as follows:

Sec. 108.755. CERTAIN GOVERNMENTALLY OWNED FACILITIES. (a) Provides that Section 108.75 (Advertising and Promotion in Public Entertainment Facility) does not restrict or govern the promotion, sponsorship, or advertising of an entertainment event, or the promotion or advertising of an alcoholic beverage brand or product, at a facility owned by a municipality or county that is financed with public securities, the interest on which is exempt from federal income taxation under the Internal Revenue Code of 1986.

(b) Provides that financial arrangements, including profit sharing, between a concessionaire operating at a facility described by Subsection (a) and a person operating the concession facilities under a contract with the license or permit holder or the municipality or county do not constitute and are not evidence of subterfuge ownership prohibited by Section 109.53 (Citizenship of Permittee; Control of Premises; Subterfuge Ownership; Etc.).

SECTION 2. Effective date: September 1, 2009.