

## **BILL ANALYSIS**

Senate Research Center  
82R4305 MCK-D

S.B. 595  
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### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently in Texas, package stores, wholesalers, and local distributors may not sell or deliver liquor on Sundays. However, there are more than 35,000 restaurants and bars in Texas that sell alcohol every Sunday. The ban on Sunday sales exists only for the state's 2,460 package stores and dates back to before Prohibition.

Since 2002, 14 states have repealed their Sunday liquor bans, including Texas' neighbors, New Mexico, Arkansas, Louisiana, and Mexico. Thirty-six states now permit Sunday liquor sales.

A recent national economic analysis of states that allowed Sunday sales between 2002 and 2005 showed that in 2006, each state saw an average of a five to seven percent increase in tax revenues with zero negative social impact, such as drunk driving or underage drinking.

According to the Legislative Budget Board (LBB) recommendations, Texas stands to gain \$7.5 million in new revenue biennially. Other analyses show increases up to \$12 million biennially. This is consistent with what other states that have authorized Sunday sales have experienced in tax revenue gains.

This legislation would amend the Alcoholic Beverage Code to allow package stores, wholesalers, and local distributors to sell and deliver liquor on Sundays.

Retailers would not have to be open on Sunday, but would have the option to open on Sunday.

As proposed, S.B. 595 amends current law relating to the hours of sale for liquor.

### **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 105.01, Alcoholic Beverage Code, as follows:

Sec. 105.01. HOURS OF SALE: LIQUOR. Deletes Subsection (a) designation. Prohibits any person, except as provided in Sections 105.02 (Hours of Sale: Wholesalers and Local Distributors to Retailers), 105.03 (Hours of Sale: Mixed Beverages), 105.04 (Hours of Sale: Wine and Beer Retailer), and 105.08 (Hours of Sale and Consumption: Winery), from selling, offering for sale, or delivering any liquor on New Year's Day, Thanksgiving Day, or Christmas Day; or before 10 a.m. or after 9 p.m. on any other day, rather than on New Year's Day, Thanksgiving Day, or Christmas Day or on Sunday, or before 10a.m. or after 9 p.m. on any other day. Deletes existing Subsection (b) providing that when Christmas Day or New Year's Day falls on a Sunday, Subsection (a) of this section applies to the following Monday.

SECTION 2. Amends Section 105.02, Alcoholic Beverages Code, as follows:

Sec. 150.02. HOURS OF SALE: WHOLESALERS AND LOCAL DISTRIBUTORS TO RETAILERS. (a) Authorizes a holder of a wholesaler's permit to sell, offer for sale, or deliver liquor to a retailer anytime except Christmas Day, rather than except Sunday and Christmas Day.

(b) Authorizes a local distributor's permittee to sell, offer for sale, or deliver liquor to a retailer between 5 a.m. and 9 a.m. on any day except Christmas Day or a day on which a package store permittee is prohibited from selling liquor, rather than except Sunday, Christmas Day, or a day on which a package store permittee is prohibited from selling liquor. Makes nonsubstantive changes.

SECTION 3. Effective date: September 1, 2011