

BILL ANALYSIS

Senate Research Center
84R3579 JAM-F

S.B. 609
By: Hancock
Business and Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Texas Alcoholic Beverage Code prohibits publicly traded companies from owning a package store, but it allows private corporations to do so. In an effort to eliminate this anti-competitive restriction, S.B. 609 removes this constraint along with the current restriction prohibiting an individual from owning more than five liquor stores. A separate permit will still be required.

S.B. 609 relates to the regulation of package store permit holders.

As proposed, S.B. 609 amends current law relating to the regulation of package store permit holders.

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 22.06, Alcoholic Beverage Code, as follows:

Sec. 22.06. PROHIBITED INTERESTS. (a) Deletes existing text prohibiting any person who holds a package store permit or owns an interest in a package store, except as otherwise provided in Section 102.05 (Hotel: Multiple Interests Authorized) of this code and in Subsection (b) of this section, from having a direct or indirect interest in a wine and beer retailer's off-premise permit.

(b) Authorizes a package store permit and a retail dealer's off-premise license or a wine and beer retailer's off-premise permit to be issued to the same person.

SECTION 2. Amends Section 22.14(d), Alcoholic Beverage Code, as follows:

(d) Deletes existing text prohibiting Subsection (c) (relating to the requirements for the premises of a package store) from applying to a package store that qualifies for exemption under Section 11.50 (Licensing a Portion of a Building as Premises) or to a package store in a hotel that qualifies for exemption under Section 102.05.

SECTION 3. Repealers: Section 22.04 (Limitation on Package Store Interests), Section 22.05 (Consolidation of Permits), Section 22.14(c) (relating to items included for all premises built or occupied as a package store), and Section 22.16 (Ownership by Public Corporations Prohibited), Alcoholic Beverage Code.

SECTION 4. Effective date: September 1, 2015.