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THE LSG RECOMMENDS THE AMENDMENTS BY REP. GEREN (#860931) AND REP. TRACY KING (860952) BE FAVORABLY ADOPTED ON TO HB 1545. THEY ARE BOTH FAVORABLE TO THE AUTHOR.

Amendment Floor Report for HB 1545 – Thursday, April 25, 2019

Author	Analysis	Recommendation
Biedermann 860958	This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. It adds language relating to the hours of sale and consumption for distilleries by allowing holders of distillers and rectifiers permits to sell and offer their spirit products both on and off the premises for consumption. This amendment would put traditional mixed beverage permittees and package store permittees at a competitive disadvantage. Currently the sale of alcohol cannot be done on a Sunday at distilleries.	Unfavorable
Biedermann 860959	This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. Currently, distillers can only sell 2 bottles on their premises in a 30-day period. This amendment repeals the current 2 bottle limit and allows distillers to sell more than 2 bottles.	Unfavorable
Biedermann 860973	This amendment is a radical policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment repeals Chapter 102 Subchapter D which deals with agreements between manufacturers and distributors and could lead to unfair, inefficient, and uncompetitive distribution of alcohol.	Unfavorable
Biedermann 860974	This amendment is a radical policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment would repeal Chapter 102 Subchapter C and D. Subchapter C allows manufacturers to assign distribution territories to ensure their products are available in markets they desire. Subchapter D deals with agreements between manufacturers and distributors. This is one of the cornerstones of the 3-Tiered regulatory system.	Unfavorable
Geran 860931	This amendment strikes a section of HB 1545 relating to the prohibition of unauthorized activities related to the sale, distribution, and manufacturer of alcoholic beverages. The repealing of this provision as is would allow for the TABC to allow the sale, distribution, and anything related to alcohol be done without a permit. This amendment replaces language in HB 1545 to set the Code back to original language allowing for all people and entities to hold a permit and license for the sale, manufacturing, and distribution of alcohol, all activities must be authorized by the legislature and not TABC.	Favorable

OK for Distribution –  Rep. Garnet Coleman

<p>Hinojosa 860983</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment would allow for school districts to generate revenue by allowing for the sale and distribution of alcohol by a licensed seller on property that is not connected to a school. This amendment is for “stand alone” facilities that are owned by an ISD but are not attached to a school campus and are facilities that are leased out by the ISD to private organizations for non-school affiliated events. State law prohibits the sale and possession of alcohol on school property regardless if the private organization is using the facility for a non-school affiliated event, and this amendment changes that. All the rules relating to alcohol sale and position still apply such as the hours of sale of alcohol shall not be within school hours, public safety officers must be present, and alcohol sales must end before the end of the event.</p>	<p>Will of the House</p>
<p>T. King 860952</p>	<p>This amendment strikes an additional portion of the sunset review process as it is redundant. TABC already goes through an extensive review process by the sunset commission and this certain extension of review is redundant.</p>	<p>Favorable</p>
<p>Nevarez 860979</p>	<p>This amendment updates language and adds market research packaging activities as an authorized activities to promote and enhance sale of alcoholic beverages in this state.</p>	<p>Favorable</p>
<p>Pacheco 860960</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. Currently Beer and Wine sales for off premise drinking on Sundays begins at noon, this amendment extends the hours to begin at 7am to match the hours of sales for the rest of the week.</p>	<p>Will of the House</p>
<p>Paddie 860956</p>	<p>This amendment corrects drafting errors by clarifying the language concerning temporary event permits for nonprofit entities that are authorized to sell alcohol temporarily for events.</p>	<p>Favorable</p>
<p>Paddie 860955</p>	<p>This amendment removed railway cars from the permits and fees section of the Alcoholic and Beverage code. This amendment corrects a drafting error in HB 1545.</p>	<p>Favorable</p>
<p>Raymond 860966</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment eliminates the prohibition of selling liquor on Sundays and holidays and creates a limitation that liquor can only be sold 6 days a week. The limitation clause was added because liquor stores were concerned that the extension of sales on Sundays will not compensate for cost of electricity and employee cost that comes with extending the hours.</p>	<p>Will of the House</p>
<p>Raymond 860967</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment allows the local option elections to allow liquor sales on Sundays. While holding elections can place a financial burden on the local entity, the intent is to increase economic opportunities through sales tax for local entities by allowing liquor sales on Sundays.</p>	<p>Will of the House</p>

<p>Rodriguez 860957</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. Craft breweries are not permitted to sell alcohol for off premise consumption. This amendment would allow craft breweries to sell a limited 576 fluid ounces of beer and ale per calendar day. Craft breweries will be subject to the commission and will be required to report sells to commission to ensure oversight of the off-premise compensation sales. This amendment would disrupt the three-tier system that has been working well that has allowed craft breweries, distributors, and retailers to all grow in the state of Texas.</p>	<p>Unfavorable</p>
<p>Romero Jr. 860978</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. HB 1545 removes the distinction between beer and ale by combining them into the category of malt beverages. Due to the previous distinction, beer and ale operated under different advertising rules. As written, HB 1545 adopts the previous advertising rules for beer, which are more restrictive, to be applied to malt beverages. This amendment would allow for malt beverages to operate under advertising rules that previously only applied to ales. These advertising rules are consistent with advertising rules used for wine and spirits.</p>	<p>Will of the House</p>
<p>Schaefer 860962</p>	<p>This is a policy change that was debated and defeated in the sunset process as has been debated and defeated on numerous occasions in the legislature. This amendment would strike language restricting payment of a retail dealer to be by cash or check. This amendment would allow the retailer to pay by other means including but not limited to debit cards, credit cards, or payment apps. This was a recommendation by the sunset commission not adopted into HB 1545.</p>	<p>Unfavorable</p>
<p>Springer 860961</p>	<p>This amendment would move law enforcement authority to the Attorney General. The sunset commission reviews whether transfers of authority would benefit an agency. In this case, the sunset commission did not find any benefits into transferring the law enforcement authority to the attorney general.</p>	<p>Unfavorable</p>
<p>Springer 860970</p>	<p>This amendment is a policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment would allow retailers to sell wine and beer at 10 AM on Sundays. Current law restricts the selling of wine and beer to after 12 PM on Sundays.</p>	<p>Favorable</p>
<p>Stickland 860965</p>	<p>This amendment is a radical policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment adds a section to the Alcoholic Beverage code that would not require a permit or license to sell alcoholic beverages for on premises or off premises consumption, as well as allow a wholesaler or distributor to sell alcoholic beverages to any person for retail sale if not a minor. There are concerns with this amendment since any one could sell alcohol since a license or permit is not required.</p>	<p>Unfavorable</p>
<p>Stickland 860964</p>	<p>This amendment is a radical policy change and thus falls outside the Sunset scope of operation and function of the agency. This amendment strikes language regarding barrel limits. For every type of production facility there are different types of barrel limits. Removing these barrel limits would allow brewers to produce as many barrels as they can. Helps regulate the three tier system. Barrel limits are part of a carefully crafted agreement between stakeholders in the malt beverage industry.</p>	<p>Unfavorable</p>
<p>Tinderholt 860977</p>	<p>This amendment repeals a subsection of the occupations code regarding license eligibility requirements and limitations. This subsection allows a person to have a stake in all three tiers of the alcoholic beverage industry. This could allow for someone to have a bigger stake and potentially control the market and monopolize the industry by controlling certain aspect of the three-tier system.</p>	<p>Unfavorable</p>

<p>Zedler 860972</p>	<p>The amendments adds language to not allow temporary licenses to be granted for period of times longer than the event they are granted for lasts.</p>	<p>Favorable</p>
<p>Zwiener 860980</p>	<p>This amendment is a fundamental policy change and thus falls outside the Sunset scope of operation and function of the agency. The three-tier system that oversees the alcohol industry does not allow wineries to sell wine at the same facility where they are produced. This amendment will allow facilities who have a retailer’s license and a wine and dine license to sell their wines at the same facility where it is produced. This creates policy that violates the “tied house” prohibitions (cross-tier ownership) that has recently been upheld by the Texas Supreme Court.</p>	<p>Unfavorable</p>
<p>Amendment Floor Report for HB 63 – Thursday, April 25, 2019</p>		
<p>Moody 861018</p>	<p>This amendment adds language that the possession of an ounce or less of marijuana is a Class C misdemeanor. The current language of HB 63 simply classified the offense as a clear civil penalty; a ticket with the possibility of a fine. The amendment would make it more explicit, making it a ticket with a definite fine (max of \$2,000) and a probationary period (i.e. deferred adjudication) that is up to the judge’s discretion, but up to 180 days.</p> <p>The amendment also adds that unless the defendant has previously received a deferral of disposition for an offense of possession of less than one ounce, committed within a 12-month period preceding the date of the commission of the instant offense, on plea of guilty or nolo contendere for either offense, the judge shall defer further proceedings without entering an adjudication of guilt and place the defendant on probation under the provisions of HB 63.</p> <p>Regardless of request, a court that dismisses a complaint for a person charged with less than one ounce, shall order all documents related to the offense to be expunged from the person’s record. The dismissed complaint is not a conviction and may be used against the person for any purpose.</p>	<p>Favorable</p>