

BILL ANALYSIS

Senate Research Center
85R21540 MCK-D

H.B. 3003
By: Kuempel (Estes)
Business & Commerce
5/17/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that the marketing of beer in Texas would benefit from increased flexibility in terms of allowable promotional activities. H.B. 3003 addresses this issue by authorizing a brewer to offer a prize to a consumer of legal drinking age as part of a promotional sweepstakes activity.

H.B. 3003 amends current law relating to certain promotional activities by the holders of certain alcoholic beverage permits and licenses.

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 108.061, Alcoholic Beverage Code, as follows:

Sec. 108.061. SWEEPSTAKES PROMOTIONS AUTHORIZED. (a) Creates this Subsection from existing text. Authorizes a manufacturer, nonresident manufacturer, or brewer, notwithstanding the prohibition against prizes given to a consumer in Section 108.06 (Prizes and Premiums) and subject to the rules of the Texas Alcoholic Beverage Commission, to offer a prize to a consumer of legal drinking age if the offer is a part of a promotional sweepstakes activity. Makes a nonsubstantive change.

(b) Creates this subsection from existing text and makes no further changes to this subsection.

(c) Creates this subsection from existing text. Prohibits a person affiliated with the alcoholic beverage industry from receiving a prize from a sweepstakes authorized under this section, rather than from a sweepstakes promotion.

(d) Authorizes a prize awarded under this section to include food, beverages, entertainment, recreation, gifts, or attendance at a private event at a permitted or licensed premises for the winners of the sweepstakes and other guests of the sponsor of the event. Prohibits the name or location of the premises where a private event described by this subsection is held from being mentioned in any advertising related to the sweepstakes.

(e) Requires the licensee or permittee, if a licensee or permittee conducts a private event authorized by Subsection (d) at a retailer's premises, to pay the retailer the fair market value for the use of the premises. Requires the retailer to retain control of the sale and service of alcoholic beverages at the private event.

(f) Authorizes a sweepstakes authorized under this section to be conducted at a permitted or licensed premises and the prize to be awarded to the winners at the permitted or licensed premises at which the sweepstakes is conducted.

SECTION 2. Effective date: September 1, 2017.