

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2843
Version:	FULLPCS2
Request Number:	7543
Author:	Rep. Caldwell (Trey)
Date:	2/22/2023
Impact:	Please see previous summary of this measure

Research Analysis

The second proposed committee substitute for HB 2843, provides that the holder of a beer distributor license is authorized to store any alcoholic or nonalcoholic beverages and other related goods in any number of owned or leased warehouses. There is no obligation to separate products in the warehouse and a leased warehouse includes a leased space in a multi-tenant building as long as the space is a discrete, enclosed area controlled by the beer distributor.

The measure authorizes the ABLE Commission to issue a written warning or fine for the violation of discriminating between wholesalers or retailers. A first offense will result in a written warning and may come with a fine not more than \$5,000. A second offense will result in a license suspension of up to 10 days. A third offense will lead to a license revocation. However, prior to license suspension or revocation, the ABLE Commission must give the licensee written notice of the violation and 90 days to cure or remedy the violation. A first and second offense will mean violations related to or arising out of and occurring within 12 months of the first offense.

The measure provides that it is not an inducement or discriminatory action for a brewer, beer distributor, small brewer self-distributor, or brewpub self-distributor to establish individualized servicing and delivery schedules for retailers based on the retailer's actual needs and sales volume.

The measure adds that the application for registration of a brand label must be filed and had the fees paid by a brewer, winemaker, distiller, or nonresident seller of the brand. Licensees are not required to verify ABLE registration and will not be penalized for any applicant's failure to register its brand label.

Prepared By: Matthew Brenchley

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.

