



# HB 1545

## Texas Alcoholic Beverage Commission Sunset Bill

### Amendment 12: “Beer-to-Go”

#### Purpose

Amendment 12 (“Beer-to-Go” amendment) to HB 1545 would allow certain brewers to sell beer and ale to consumers “to go” or to consume off premises. The amendment would also make the approval of a label for the sale of beer and ale to final consumers on and off premises not required.

The Texas Alcoholic Beverage Code already authorizes [wineries](#) and [distilleries](#) to sell wine and distilled spirits for off-premises consumption. The amendment would get rid of a difference in regulatory treatment between different kinds of alcohol and market players of the same tier—producers.

#### Why the Amendment Is Relevant to the TABC Sunset Bill

Section 401 of the committee substitute laid out in the Senate Committee on Business & Commerce on May 9, 2019 requires a future review of the code and recommendations to the Sunset Advisory Commission “for both a modernization and a nonsubstantive technical revision of the code, including: (1) identifying inconsistencies in authorities and treatment of different alcoholic beverages and regulated businesses...”

#### *Efficiency and Accountability of the Agency*

- Breweries are currently treated differently than wineries, distilleries, and brewpubs.
- This creates a lack of understanding for consumers as to why they can’t buy beer to-go in breweries.
- Different rules for market players of the same tier increase the cost of regulation and distort the market, benefiting some players at the expense of others.

#### *Duties of TABC*

- The [duties of TABC](#) include “ensur[ing] fair competition within the alcoholic beverage industry.” But treating market players of the same category differently is bound to hinder competition.
- Preventing breweries (only) from selling beer for off-premises consumption does nothing to protect public safety.

#### Why Beer-to-Go Would Be Good for Texas

- **It will benefit all three tiers**—Brewers will get more exposure for the beers that may not make it to store shelves because they are less well-known; consumers in turn will request different beers to their retailers, which will benefit distributors and retailers along the way.
- **It will benefit the Texas economy**—By allowing brewers to compete at the same level as wineries, distilleries, and brewpubs, as well as out-of-state breweries, the Texas craft beer market is likely to grow even more, creating jobs in the process and more visibility for Texas brews.
- **It will benefit consumers** in terms of convenience, choice, and price.

#### Recommendation

The amendment is not perfect as it regulates the quantity breweries would be able to sell to a consumer in a calendar year. It also authorizes the commission to require breweries to report the amount of alcohol sold to ultimate consumer for on- or off-premises consumption, and it mandates the information breweries must give to their on- and off-premises consumers for beer or ale sold on their premises.

However, this is [a step in the right direction](#). This amendment, if adopted and amended to the TABC sunset bill, would eliminate a disparity in treatment, hence making the market freer and more competitive, benefiting all players in the process, but most importantly, consumers. ★