

June 1, 2015

TO: WBDT Members

FROM: Doug Davis

SUBJ: Sine Die Report

The 84th Regular Session of the Texas Legislature has Adjourned Sine Die! It was a good session for beer. The 25% franchise (“margins”) tax cut is positive, and the industry took no direct hits through bills on the Governor’s desk. Budget and tax negotiators held their deal together, as both chambers adopted the \$209 billion budget on Friday. There should be no special session involving the budget and taxes right now. That is very good news. There is a lingering school finance decision that could impact things going forward, but as of now a special session is not necessary.

These last two weeks have been a whirlwind of activity, chasing down leads, and putting out fires.

WBDT PRIORITY Bills at a glance (“Casualty List”):

Off-Premise Sales for Small Breweries: 2 cases/customer/month

SB 1386 (Chmn. Eltife, R—Tyler); Died without a hearing

HB 3086 (Rep. Keffer, R—Eastland); Died without a hearing

“De Minimis” Cross-Tier Ownership: Up to 5% with “No Control”

SB 1198 (Eltife); Died; left pending in committee 4/28/2015

HB 3104 (Rep. Oliveira, D—Brownsville); Died without a hearing

Brewpub Cleanup: Fixes a drafting error from last session’s “craft beer package”

HB 482 (Rep. Geren, R—Ft. Worth); Died; conference committee report was not filed in either chamber

SB 430 (Eltife); Died; as HB 482 was the bill that was moving through the process

“Out of County”/Self Distribution Warehouse for Malt Beverage Breweries

SB 1603 (Sen. Huffines, R--Dallas); Died; left pending in committee 4/28/2015

HB 3101 (Chmn. Smith, R—Baytown); Died without a hearing

Brewpub Out of State Shipping

SB 1652 (Eltife); Died; without a hearing in the House

HB 3854 (Rep. Rodriguez, D--San Antonio); Died without a hearing

SB 828 (Sen. Taylor, R—Galveston): Expanding distilleries’ direct sales from 2 Bottles/month/customer to 6 Bottles

Died in House Calendars Committee; was resurrected as an amendment; finally died when it was stripped from a conference committee report 5/31/2015

HB 3389 (Rep. Senfronia Thompson): Lowers small breweries' self-distribution from 40k Barrels to 5k Barrels; Died; without receiving a hearing

Wal-Mart: Allows for hard liquor sales

SB 609 (Sen. Hancock, R—North Richland Hills): Died; pending in Sen. Business and Commerce 4/1/2015

HB 1225 (Rep. Isaac, R—Dripping Springs): Died without a hearing

Craft Breweries' Franchise "Reform": Not filed in either Chamber; Died; never manifested as an amendment to another bill

WBDT staff now shifts its focus to preparing bill eulogies for next week's board meeting. If you need any assistance, please call Tom, Doug, or Charlie.



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