

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2640
Version:	CS
Request Number:	7823
Author:	Echols
Date:	3/21/2023
Impact:	No Impact

Research Analysis

The committee substitute for HB 2640, as amended, requires direct wine shipper permit holders to pay taxes and report identifying information of each wine shipment in the state to the ABLE Commission quarterly. The measure also requires a common carrier to verify a direct wine shipper's permit prior to accepting shipment and deliver only to persons above the age of 21. Violators of such entities as well as entities who ship wine without a direct wine shipper permit will be fined \$1,500, \$2,500, and \$5,000 for first, second, and subsequent offenses, respectively.

The Commission will notify common carriers of all shipments it has good cause to believe were made unlawfully and may prohibit a carrier from transporting alcohol on behalf of a consignor identified as having made an unlawful shipment beginning 15 days from the date of the notice. A common carrier may request, and the Commission must provide, a hearing to show good cause for the continued shipping by said consignor.

Prepared By: Matthew Brenchley

Fiscal Analysis

In its current form, HB2640 requires the Alcoholic Beverage Laws Enforcement (ABLE) Commission to notify carriers about whether a shipper's permit is valid, and would require inspection and audit of direct wine shippers and common carriers. The measure also requires the ABLE commission to create a new license and an associated fee structure. Officials from the ABLE commission find no fiscal impact associated with the bill, but do anticipate an administrative burden. The surcharge added to the aforementioned licenses may help offset the manpower costs.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.