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Direct to Consumer Sales of Alcohol Puts Texas Businesses and Our Youth at Risk

Out-of-state special interests continue pushing legislation to roll back the proven and successful three-tier system in Texas. By allowing large companies, like Amazon to ship directly to consumers, not only would thousands of Texas jobs supported by the alcoholic beverage industry be destroyed, but our children would also be put at increased risk by easier access to alcoholic beverages. Lack of enforcement for current and limited regulated deliveries would dramatically increase the unintended availability of alcoholic beverages to children and teenagers. Ultimately, this would lead to massive carve-outs for these giant corporations and devastate our small Texas businesses.

The Current System Works

- Currently, beer and alcohol sales are structured within a three-tier system. Producers sell their products to wholesale distributors who then sell to retailers, and retailers sell to the consumers.
- This regulatory framework was put in place to ensure safety, quality, and access to market for both large and small market participants. Additionally, this system protects the public from alcohol misuse and other associated harms.
- The checks and balances within the three-tier system provide a foundation to protect both public health and safety as well as ensure timely tax collection revenue for the State.

Unregulated Alcohol Would Destroy Thousands of Texas Jobs

- The Texas Beer Industry alone currently supports over 170,000 jobs.
- It has a combined economic output of over \$28 billion.

Unregulated Alcohol is a Carve Out for Out-of-state Interests Like Amazon

- By allowing multinational conglomerates like Amazon and others to ship directly to consumers, they would be able to sidestep the three-tier system and bypass health and safety measures and undermine the efficient tax revenue collection system currently relied on by the State.
- The Beer industry alone accounts for \$4.2 billion in tax revenue annually.

The Texas Three-Tier System is the gold standard and should not be jeopardized