



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

Kevin J. Lilly
Presiding Officer – Houston

Ida Clement Steen
Member – San Antonio

Commission Member
Vacant

A. Bentley Nettles
Executive Director

March 21, 2019

MARKETING PRACTICES ADVISORY – MPA057

Permitted Golf Courses Licensed Under a Single Address and Ownership

To: Alcoholic Beverage Industry

This Advisory addresses the issue of licensing or permitting a golf course. Specifically, the Advisory addresses those situations where a golf course includes buildings, fairways, and greens that are separated by residential or through streets. This Advisory establishes the guidelines for which situations comply with the Alcoholic Beverage Code (Code).

Licensed premises is defined in §11.49(a) of the Code as *“the grounds, and all buildings, vehicles, and appurtenances pertaining to the grounds, including any adjacent premises if they are directly or indirectly under the control of the same person [including a business entity].”*

Control is defined in §109.53 of the Code: *“Every permittee shall have and maintain exclusive occupancy and control of the entire licensed premises in every phase of the storage, distribution, possession, and transportation and sale of all alcoholic beverages purchased, stored or sold on the licensed premises. Any device, scheme or plan which surrenders control of the employees, premises or business of the permittee to persons other than the permittee shall be unlawful.”*

The Code does not specifically address the licensing or permitting of golf courses. Over time, consumption and sale of alcohol from mobile beverage carts driving on the cart paths has become a familiar part of the golfing experience and a source of business income to permit holders. Traditionally, the agency has said that the fairways must be contiguous (i.e., not separated by streets) in order to be diagrammed under one permit. In the past, this was accomplished by designated striped street golf crossing with control signage, or through the use of tunnels or bridges.

It has come to our attention that many new and older courses were not constructed to encompass these connecting features. Therefore, the agency will consider a golf course with fairways separated by residential or through streets to be contiguous and controlled for licensing purposes only under the following guidelines:

- The entire golf course must be licensed or permitted via a single license or permit. The permit holder is responsible for obtaining authorization from local authorities for any designated cart crossings, if local approval is required. There must be a TABC-approved diagram in place encompassing all buildings, fairways, and greens that are licensed under the permit.

- TABC will rescind its approval of the diagrammed premises if local authorities notify us that they do not authorize the cart crossings on public streets.
- Through streets must have a posted speed limit not greater than 35 MPH.
- A golf course permitted as a mixed beverage (MB) or private club (N) establishment must post signage on the course sufficient to notify guests that only beverages purchased from the clubhouse or a cart attendant are authorized on the course. No alcoholic beverages may be brought onto the course from outside the premises.
- The permit holder must acknowledge its responsibility to control the licensed premises (entire golf course) and understand that it is responsible for any violation of the Code that occurs on the licensed premises, including any fairways diagrammed as part of the licensed premises.

TABC field staff will use the guidelines included in this Advisory to approve the licensing of golf courses. Existing licensed golf courses that meet the above guidelines may request consideration to license and diagram all or a portion of their course by contacting their TABC Regional Office.

This Advisory is issued pursuant to Alcoholic Beverage Code §5.57. It represents the opinion of the staff of the Commission. We hope this opinion will assist you in your endeavors. If you would like additional information or have questions regarding this Advisory, you may contact me in writing at P.O. Box 13127, Austin, TX 78711, by email at advisories@tabc.texas.gov, by phone at 512-206-3411 or by facsimile at 512-206-3321.

Sincerely,

Thomas Graham
Director of Tax & Marketing Practices