

Amend SB 770 by striking all below the enacting clause and substituting the following:

SECTION 1. Subsection (f), Section 107.07, Alcoholic Beverage Code, is amended to read as follows:

(f) Except as provided by Chapter 55, any ~~[Any]~~ person in the business of selling alcoholic beverages in another state or country who ships or causes to be shipped any alcoholic beverage directly to any Texas resident under this section is in violation of this code.

SECTION 2. Subtitle A, Title 3, Alcoholic Beverage Code, is amended by adding Chapters 54 and 55 to read as follows:

CHAPTER 54. DIRECT WINE SHIPPER'S PERMIT

Sec. 54.01. AUTHORIZED ACTIVITIES. (a) The holder of a direct wine shipper's permit may ship wine manufactured by the permit holder from the holder's state or country directly to a resident of this state who holds a personal wine importation permit for the resident's personal use.

(b) The holder of a direct wine shipper's permit may not:

(1) ship more than three gallons of wine in any 30-day period to a resident or an address in this state;

(2) ship wine to a minor;

(3) ship wine in this state using a carrier that does not hold a carrier's permit under this code;

(4) ship wine into a dry area; or

(5) sell or ship wine into the state that does not have commission approval under Section 37.11.

(c) The holder of a direct wine shipper's permit shall ensure that each package of wine shipped under this section is clearly labeled as containing alcohol and requiring the signature of a person 21 years of age or older for delivery.

Sec. 54.02. QUALIFICATION FOR PERMIT. (a) To hold a direct wine shipper's permit, a person must hold a license or permit that authorizes the person to manufacture wine in the state or country from which the wine is shipped.

(b) The holder of a direct wine shipper's permit may not hold a nonresident seller's permit issued under this code.

Sec. 54.03. FEE; RENEWAL. The initial fee for a direct wine

shipper's permit is \$250. The holder of a direct wine shipper's permit may renew the permit annually by paying a \$250 renewal fee and providing the commission with proof of compliance with Section 54.02.

Sec. 54.04. REPORTS. The holder of a direct wine shipper's permit shall file periodic reports with the commission, as required by commission rule, indicating:

(1) the amount and sale prices of wine shipped to each resident of this state each calendar month;

(2) the purchaser's name, address, and personal wine importation permit number; and

(3) any other information that the commission by rule requires.

Sec. 54.05. ALTERNATIVES TO SUSPENSION OR CANCELLATION. Section 11.64 applies to a permit issued under this chapter.

CHAPTER 55. PERSONAL WINE IMPORTATION PERMIT

Sec. 55.01. AUTHORIZED ACTIVITIES; PROHIBITIONS.

(a) Notwithstanding Section 107.07, a person who holds a personal wine importation permit may purchase and have wine shipped directly to the permit holder's address for the permit holder's personal use from a person holding a direct wine shipper's permit.

(b) The holder of a personal wine importation permit may not have more than three gallons of wine in any 30-day period or 36 gallons of wine in any 12-month period shipped to the permit holder under this section.

(c) The holder of a personal wine importation permit may not have wine shipped into a dry area.

(d) The holder of a personal wine importation permit shall pay:

(1) all sales and use taxes that would be due on the wine shipped to the permit holder during the preceding calendar month if the sale of wine were made at the location where the wine was delivered; and

(2) the administrative fee required to be paid under Section 107.07 or any other provision of this code relating to the importation of wine.

Sec. 55.02. QUALIFICATION FOR PERMIT. (a) A holder of a

personal wine importation permit must be 21 years of age or older and may have wine shipped only to an address in an area in which the sale of wine is authorized. An application for a permit under this chapter must include the certification described by Section 11.37 for the address to which the wine will be shipped.

(b) A holder of a personal wine importation permit may not hold any other license or permit under this code.

Sec. 55.03. FEE; RENEWAL. The initial fee for a personal wine importation permit is \$25 annually. The holder of a personal wine importation permit may renew the permit annually by paying a \$25 renewal fee and providing the commission with proof of compliance with Section 55.02.

Sec. 55.04. REPORTS. The holder of a personal wine importation permit shall file periodic reports with the commission, as required by commission rule, indicating the amount and sale prices of wine shipped to the permit holder.

Sec. 55.05. RULES. The commission shall adopt rules regarding the manner in which taxes and fees required under Section 55.01(d) will be computed and collected.

Sec. 55.06. ALTERNATIVES TO SUSPENSION OR CANCELLATION. Section 11.64 applies to a permit issued under this chapter.

SECTION 3. Section 110.051, Alcoholic Beverage Code, is amended to read as follows:

Sec. 110.051. PROMOTION, MARKETING, AND EDUCATION. The program shall:

(1) organize a network of package stores to participate in a program promoting wines produced in this state ~~[and to deliver wine to consumers under Section 110.053];~~

(2) develop and maintain a database of wineries in this state and package stores that sell wines produced in this state that allows the program's staff to identify the winery in this state that produces a particular wine;

(3) operate a toll-free telephone number to:

(A) receive inquiries from persons who wish to purchase a particular wine produced in this state;

(B) make information about the wineries in this state and the package stores participating in the program available

to the public; and

(C) refer a person who wishes to purchase a Texas wine to the winery that produces the wine and package stores that sell the wine and inform the person of arrangements that the person can make under Chapter 55 [~~Section 110.053~~] to [~~pick up the wine at a package store or~~] have the wine delivered to the person's address;

(4) use market research to develop a wine industry marketing plan to increase the consumption of and access to Texas wine;

(5) educate the public about wines produced in the state by providing publicity about the information in the program's database to the public and making the information available to the public through the department's toll-free telephone number and electronically available through the Internet;

(6) promote wineries in this state and package stores that participate in the program; and

(7) promote and market, and educate consumers about, the wines produced in this state using any other method the commissioner determines is appropriate.

SECTION 4. Sections 107.12, 110.052, 110.053, 110.054, and 110.055, Alcoholic Beverage Code, are repealed.

SECTION 5. This Act applies only to the direct shipment of wine on or after the effective date of this Act. The direct shipment of wine before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.