

By: Morrison

H.B. No. 3424

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the regulation of certain promotional
3 activities conducted by alcoholic beverage permit and license
4 holders.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Sections 102.07(d) and (e), Alcoholic Beverage
7 Code, are amended to read as follows:

8 (d) A permittee covered under Subsection (a) [~~of this~~
9 ~~section~~] may offer prizes, premiums, or gifts to a consumer [~~if the~~
10 ~~offer is national in scope and legally offered and conducted in 30~~
11 ~~states or more~~]. The use of rebates or coupons redeemable by the
12 public for the purchase of alcoholic beverages is prohibited. The
13 holder of a winery permit may furnish to a retailer without cost
14 recipes, recipe books, book matches, cocktail napkins, or other
15 advertising items showing the name of the winery furnishing the
16 items or the brand name of the product advertised if the individual
17 cost of the items does not exceed \$1.

18 (e) A permittee covered under Subsection (a) [~~of this~~
19 ~~section~~] may conduct a sweepstakes promotion [~~if the promotion is~~
20 ~~part of a nationally conducted promotional activity legally offered~~
21 ~~and conducted at the same time in 30 or more states~~]. A purchase or
22 entry fee may not be required of any person to enter a sweepstakes
23 event authorized under this subsection. A person affiliated with
24 the alcoholic beverage industry may not receive a prize from a

1 sweepstakes promotion.

2 SECTION 2. Section 108.061, Alcoholic Beverage Code, is
3 amended to read as follows:

4 Sec. 108.061. [~~NATIONALLY CONDUCTED~~] SWEEPSTAKES
5 PROMOTIONS AUTHORIZED. Notwithstanding the prohibition against
6 prizes given to a consumer in Section 108.06 [~~of this code~~] and
7 subject to the rules of the commission, a manufacturer or
8 nonresident manufacturer may offer a prize to a consumer if the
9 offer is a part of a [~~nationally conducted~~] promotional sweepstakes
10 activity [~~legally offered and conducted at the same time period in~~
11 ~~30 or more states~~]. A purchase or entry fee may not be required of
12 any person to enter in a sweepstakes authorized under this section.
13 A person affiliated with the alcoholic beverage industry may not
14 receive a prize from a sweepstakes promotion.

15 SECTION 3. This Act takes effect September 1, 2005.