

By: Whitmire

S.B. No. 1470

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the value of novelty items that may be distributed to
3 advertise alcoholic beverages and related products.

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

5 SECTION 1. Subsection (d), Section 102.07, Alcoholic
6 Beverage Code, is amended to read as follows:

7 (d) A permittee covered under Subsection (a) [~~of this~~
8 ~~section~~] may offer prizes, premiums, or gifts to a consumer if the
9 offer is national in scope and legally offered and conducted in 30
10 states or more. The use of rebates or coupons redeemable by the
11 public for the purchase of alcoholic beverages is prohibited. The
12 holder of a winery permit may furnish to a retailer without cost
13 recipes, recipe books, book matches, cocktail napkins, or other
14 advertising items showing the name of the winery furnishing the
15 items or the brand name of the product advertised if the individual
16 cost of the items does not exceed \$5 [~~\$1~~].

17 SECTION 2. Section 108.04, Alcoholic Beverage Code, is
18 amended to read as follows:

19 Sec. 108.04. ACTS OF PROMOTIONAL OR COURTESY NATURE:
20 ADMINISTRATIVE DISCRETION. (a) The commission may promulgate
21 rules which shall set definite limitations consistent with the
22 general provisions of this code, relaxing the restrictions of
23 Sections 102.07, 102.14, 102.15, and 108.06, with respect to:

24 (1) the sale or gift of novelties advertising the

1 product of a manufacturer or distributor;

2 (2) the making of gifts to civic, religious, or
3 charitable organizations;

4 (3) the cleaning and maintenance of coil connections
5 for dispensing draught beer;

6 (4) the lending of equipment for special occasions;
7 and

8 (5) acts of a purely courtesy nature.

9 (b) The sale or gift of an item described by Subsection
10 (a)(1) may not exceed a value of \$5 per unit wholesale cost, except
11 as provided by Subsection (c).

12 (c) Not more than once every two years from September 1,
13 2005, the commission may increase the dollar value of items
14 described by Subsection (b) by a percentage that is reasonably
15 based on the consumer price index and any previous adjustments.

16 SECTION 3. The Texas Alcoholic Beverage Commission shall
17 adopt rules implementing the changes in law made by this Act to
18 Subsection (d), Section 102.07, and Section 108.04, Alcoholic
19 Beverage Code, as soon as practicable after the effective date of
20 this Act.

21 SECTION 4. This Act takes effect September 1, 2005.