

By: Whitmire

S.B. No. 1471

A BILL TO BE ENTITLED

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AN ACT

relating to consumer gifts and prizes in connection with the marketing of alcoholic beverages.

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

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

(d) A permittee covered under Subsection (a) [~~of this section~~] may offer prizes, premiums, or gifts to a consumer if the offer is part of a multistate promotion [~~national in scope~~] and legally offered and conducted in at least five [~~30~~] states [~~or more~~]. The costs of the promotion shall be paid in total by the originating permittee. The use of rebates or coupons redeemable by the public for the purchase of alcoholic beverages is prohibited. The holder of a winery permit may furnish to a retailer without cost recipes, recipe books, book matches, cocktail napkins, or other advertising items showing the name of the winery furnishing the items or the brand name of the product advertised if the individual cost of the items does not exceed \$1.

(e) A permittee covered under Subsection (a) [~~of this section~~] may conduct a sweepstakes promotion if the promotion is part of a multistate promotion [~~nationally conducted promotional activity~~] legally offered and conducted at the same time in at least five [~~30 or more~~] states. The costs of the promotion shall be paid in total by the originating permittee. A purchase or entry fee may

1 not be required of any person to enter a sweepstakes event  
2 authorized under this subsection. A person affiliated with the  
3 alcoholic beverage industry may not receive a prize from a  
4 sweepstakes promotion.

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

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

20 SECTION 3. The Texas Alcoholic Beverage Commission shall  
21 adopt rules implementing the changes in law made by this Act to  
22 Sections 102.07 and 108.061, Alcoholic Beverage Code, as soon as  
23 practicable after the effective date of this Act.

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