By: Van de Putte (Guillen)

S.B. No. 828

A BILL TO BE ENTITLED

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| | AN ACT |
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- 2 relating to the marketing of certain alcoholic beverages by
- 3 manufacturers and their agents; providing for a permitting fee.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 11.72, Alcoholic Beverage Code, is
- 6 amended to read as follows:
- 7 Sec. 11.72. DISCIPLINE FOR ACTIONS OF AGENT. The
- 8 commission or administrator may suspend or revoke the permit of a
- 9 person who is represented by the holder of an agent's permit under
- 10 [as described by] Section 15.01, 35.01, or 36.01 or otherwise
- 11 discipline the person based on an act or omission of the holder of
- 12 the [an] agent's permit only if an individual employed by the person
- 13 in a supervisory position:
- 14 (1) was directly involved in the act or omission of the
- 15 holder of the [an] agent's permit;
- 16 (2) had notice or knowledge of the act or omission; or
- 17 (3) failed to take reasonable steps to prevent the act
- 18 or omission.
- 19 SECTION 2. Subtitle A, Title 3, Alcoholic Beverage Code, is
- 20 amended by adding Chapter 15 to read as follows:
- 21 <u>CHAPTER 15. DISTILLER'S AGENT'S PERMIT</u>
- Sec. 15.01. AUTHORIZED ACTIVITIES. The holder of a
- 23 distiller's agent's permit may:
- 24 (1) represent the holder of a distiller's and

- 1 rectifier's permit;
- 2 (2) solicit and take orders from a holder of a
- 3 wholesaler's permit for the sale of distilled spirits manufactured
- 4 by the permit holder represented by the agent; and
- 5 (3) conduct free distilled spirits tastings for
- 6 consumers on the premises of the holder of a package store permit.
- 7 Sec. 15.02. FEE. The annual state fee for a distiller's
- 8 agent's permit is \$10.
- 9 Sec. 15.03. EVIDENCE OF AGENCY OR EMPLOYMENT REQUIRED. A
- 10 distiller's agent's permit may not be issued to a person until the
- 11 person shows to the satisfaction of the commission that the person
- 12 has been employed by or authorized to act as the agent of the permit
- 13 holder the person proposes to represent.
- 14 Sec. 15.04. SOLICITATION FROM HOLDER OF MIXED BEVERAGE OR
- 15 PRIVATE CLUB PERMIT. A holder of a distiller's agent's permit may
- 16 not solicit business directly or indirectly from a holder of a mixed
- 17 beverage permit or a private club registration permit unless the
- 18 distiller's agent is accompanied by the holder of a wholesaler's
- 19 permit or the wholesaler's agent.
- 20 Sec. 15.05. UNAUTHORIZED REPRESENTATION. A holder of a
- 21 distiller's agent's permit in soliciting or taking orders for the
- 22 sale of liquor may not represent that the permit holder is an agent
- 23 of any person other than the person designated in the permit
- 24 holder's application.
- Sec. 15.06. GRACE PERIOD. A person may engage in the
- 26 activities specified in Section 15.01 for an initial grace period
- 27 of five days during which the person shall procure a distiller's

- 1 agent's permit from the commission.
- 2 SECTION 3. Chapter 36, Alcoholic Beverage Code, is amended
- 3 by adding Section 36.09 to read as follows:
- 4 Sec. 36.09. GRACE PERIOD. A person may engage in the
- 5 activities specified in Section 36.01 for an initial grace period
- 6 of five days during which the person shall procure a manufacturer's
- 7 agent's permit from the commission.
- 8 SECTION 4. Subsection (m), Section 52.01, Alcoholic
- 9 Beverage Code, is amended to read as follows:
- 10 (m) The holder of a distiller's or rectifier's permit,
- 11 distiller's agent's permit, nonresident seller's permit, or
- 12 manufacturer's agent's permit or that permit holder's agent or
- 13 employee may participate in and conduct product tastings of
- 14 alcoholic beverages at a retailer's premises and may open, touch,
- 15 or pour alcoholic beverages, make a presentation, or answer
- 16 questions at the tasting. Any alcoholic beverage tasted under this
- 17 subsection must be purchased from the package store permit holder
- 18 on whose premises the tasting is held. The permit holder may not
- 19 require the purchase of more alcoholic beverages than are necessary
- 20 for the tasting. This section does not authorize the holder of a
- 21 <u>distiller's or rectifier's permit, distiller's agent's permit,</u>
- 22 nonresident seller's <u>permit</u>, or manufacturer's agent's permit to
- 23 withdraw or purchase an alcoholic beverage from the holder of a
- 24 wholesaler's permit or provide an alcoholic beverage for tasting on
- 25 a retailer's premises that is not purchased from the retailer.
- SECTION 5. This Act takes effect September 1, 2013.