

1-1 By: Van de Putte S.B. No. 828
 1-2 (In the Senate - Filed February 26, 2013; March 5, 2013,
 1-3 read first time and referred to Committee on Business and Commerce;
 1-4 March 25, 2013, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; March 25, 2013,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 828 By: Van de Putte

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the marketing of certain alcoholic beverages by
 1-22 manufacturers and their agents; providing for a permitting fee.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 11.72, Alcoholic Beverage Code, is
 1-25 amended to read as follows:

1-26 Sec. 11.72. DISCIPLINE FOR ACTIONS OF AGENT. The
 1-27 commission or administrator may suspend or revoke the permit of a
 1-28 person who is represented by the holder of an agent's permit under
 1-29 ~~[as described by]~~ Section 15.01, 35.01, or 36.01 or otherwise
 1-30 discipline the person based on an act or omission of the holder of
 1-31 the [an] agent's permit only if an individual employed by the person
 1-32 in a supervisory position:

1-33 (1) was directly involved in the act or omission of the
 1-34 holder of the the [an] agent's permit;

1-35 (2) had notice or knowledge of the act or omission; or

1-36 (3) failed to take reasonable steps to prevent the act
 1-37 or omission.

1-38 SECTION 2. Subtitle A, Title 3, Alcoholic Beverage Code, is
 1-39 amended by adding Chapter 15 to read as follows:

1-40 CHAPTER 15. DISTILLER'S AGENT'S PERMIT

1-41 Sec. 15.01. AUTHORIZED ACTIVITIES. The holder of a
 1-42 distiller's agent's permit may:

1-43 (1) represent the holder of a distiller's and
 1-44 rectifier's permit;

1-45 (2) solicit and take orders from a holder of a
 1-46 wholesaler's permit for the sale of distilled spirits manufactured
 1-47 by the permit holder represented by the agent; and

1-48 (3) conduct free distilled spirits tastings for
 1-49 consumers on the premises of the holder of a package store permit.

1-50 Sec. 15.02. FEE. The annual state fee for a distiller's
 1-51 agent's permit is \$10.

1-52 Sec. 15.03. EVIDENCE OF AGENCY OR EMPLOYMENT REQUIRED. A
 1-53 distiller's agent's permit may not be issued to a person until the
 1-54 person shows to the satisfaction of the commission that the person
 1-55 has been employed by or authorized to act as the agent of the permit
 1-56 holder the person proposes to represent.

1-57 Sec. 15.04. SOLICITATION FROM HOLDER OF MIXED BEVERAGE OR
 1-58 PRIVATE CLUB PERMIT. A holder of a distiller's agent's permit may
 1-59 not solicit business directly or indirectly from a holder of a mixed
 1-60 beverage permit or a private club registration permit unless the

2-1 distiller's agent is accompanied by the holder of a wholesaler's
2-2 permit or the wholesaler's agent.

2-3 Sec. 15.05. UNAUTHORIZED REPRESENTATION. A holder of a
2-4 distiller's agent's permit in soliciting or taking orders for the
2-5 sale of liquor may not represent that the permit holder is an agent
2-6 of any person other than the person designated in the permit
2-7 holder's application.

2-8 Sec. 15.06. GRACE PERIOD. A person may engage in the
2-9 activities specified in Section 15.01 for an initial grace period
2-10 of five days during which the person shall procure a distiller's
2-11 agent's permit from the commission.

2-12 SECTION 3. Chapter 36, Alcoholic Beverage Code, is amended
2-13 by adding Section 36.09 to read as follows:

2-14 Sec. 36.09. GRACE PERIOD. A person may engage in the
2-15 activities specified in Section 36.01 for an initial grace period
2-16 of five days during which the person shall procure a manufacturer's
2-17 agent's permit from the commission.

2-18 SECTION 4. Subsection (m), Section 52.01, Alcoholic
2-19 Beverage Code, is amended to read as follows:

2-20 (m) The holder of a distiller's or rectifier's permit,
2-21 distiller's agent's permit, nonresident seller's permit, or
2-22 manufacturer's agent's permit or that permit holder's agent or
2-23 employee may participate in and conduct product tastings of
2-24 alcoholic beverages at a retailer's premises and may open, touch,
2-25 or pour alcoholic beverages, make a presentation, or answer
2-26 questions at the tasting. Any alcoholic beverage tasted under this
2-27 subsection must be purchased from the package store permit holder
2-28 on whose premises the tasting is held. The permit holder may not
2-29 require the purchase of more alcoholic beverages than are necessary
2-30 for the tasting. This section does not authorize the holder of a
2-31 distiller's or rectifier's permit, distiller's agent's permit,
2-32 nonresident seller's permit, or manufacturer's agent's permit to
2-33 withdraw or purchase an alcoholic beverage from the holder of a
2-34 wholesaler's permit or provide an alcoholic beverage for tasting on
2-35 a retailer's premises that is not purchased from the retailer.

2-36 SECTION 5. This Act takes effect September 1, 2013.

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