

1-1 By: Van de Putte, Carona, Eltife S.B. No. 905
 1-2 (In the Senate - Filed February 27, 2013; March 5, 2013,
 1-3 read first time and referred to Committee on Business and Commerce;
 1-4 March 20, 2013, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; March 20, 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. 905 By: Van de Putte

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

1-21 relating to the sale of distilled spirits to ultimate consumers by
 1-22 the holder of a distiller's and rectifier's permit.

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

1-24 SECTION 1. Subsection (a), Section 14.01, Alcoholic
 1-25 Beverage Code, is amended to read as follows:

1-26 (a) The holder of a distiller's and rectifier's permit may:
 1-27 (1) manufacture distilled spirits;
 1-28 (2) rectify, purify, and refine distilled spirits and
 1-29 wines;

1-30 (3) mix wines, distilled spirits, or other liquors;
 1-31 (4) bottle, label, and package the permit holder's
 1-32 finished products;

1-33 (5) sell the finished products in this state to
 1-34 holders of wholesaler's permits and to qualified persons outside
 1-35 the state;

1-36 (6) import distilled spirits, to be used only for
 1-37 manufacturing or rectification purposes, from holders of
 1-38 nonresident seller's permits; ~~and~~

1-39 (7) dispense free distilled spirits for consumption on
 1-40 the permitted premises under Section 14.04; and

1-41 (8) if located in a wet area, sell distilled spirits to
 1-42 ultimate consumers under Section 14.04 or 14.05.

1-43 SECTION 2. Subsection (a), Section 14.04, Alcoholic
 1-44 Beverage Code, is amended to read as follows:

1-45 (a) The holder of a distiller's and rectifier's permit may
 1-46 conduct distilled spirits samplings on the permitted premises. The
 1-47 permit holder may dispense free samples or collect a fee for the
 1-48 sampling.

1-49 SECTION 3. Chapter 14, Alcoholic Beverage Code, is amended
 1-50 by adding Section 14.05 to read as follows:

1-51 Sec. 14.05. SALES TO ULTIMATE CONSUMERS. (a) The holder
 1-52 of a distiller's and rectifier's permit may sell to ultimate
 1-53 consumers for consumption on the permitted premises distilled
 1-54 spirits manufactured or rectified by the permit holder in an amount
 1-55 not to exceed 3,000 gallons annually.

1-56 (b) The holder of a distiller's and rectifier's permit may
 1-57 sell distilled spirits manufactured by the permit holder to
 1-58 ultimate consumers for off-premises consumption in unbroken
 1-59 packages containing not more than 750 milliliters of distilled
 1-60 spirits for off-premises consumption in an amount not to exceed

2-1 3,500 gallons annually.
2-2 (c) The holder of a distiller's and rectifier's permit may
2-3 not under Subsection (b) sell more than two 750 milliliter bottles
2-4 of distilled spirits or the equivalent to the same consumer within a
2-5 30-day period.

2-6 (d) A sale under Subsection (b):
2-7 (1) may be made only to an individual who is physically
2-8 present at the permit holder's premises; and
2-9 (2) must be delivered to the purchaser in person
2-10 during the purchaser's visit.

2-11 (e) A person may not make a purchase under Subsection (b) as
2-12 an agent for another person.

2-13 (f) The permit holder must check a purchaser's
2-14 identification and keep records of purchases in a manner that
2-15 enables the permit holder to comply with this section.

2-16 (g) A bottle of distilled spirits sold on the permit
2-17 holder's premises under Subsection (b) must bear a notice affixed
2-18 to the bottle that:

2-19 (1) does not obscure the label approved by the Alcohol
2-20 and Tobacco Tax and Trade Bureau;

2-21 (2) states that the bottle is commemorative;

2-22 (3) states the month and year the bottle is sold; and

2-23 (4) is signed by an agent of the permit holder.

2-24 SECTION 4. Chapter 105, Alcoholic Beverage Code, is amended
2-25 by adding Section 105.081 to read as follows:

2-26 Sec. 105.081. HOURS OF SALE AND CONSUMPTION: DISTILLERY.

2-27 (a) The holder of a distiller's and rectifier's permit may sell and
2-28 offer for sale distilled spirits for on-premises consumption and a
2-29 person may consume distilled spirits on the permitted premises
2-30 during the same hours mixed beverages may be sold and offered for
2-31 sale by a mixed beverage permit holder under Section 105.03(b).

2-32 (b) The holder of a distiller's and rectifier's permit may
2-33 sell and offer for sale distilled spirits to ultimate consumers for
2-34 off-premises consumption during the same hours as the holder of a
2-35 package store permit may sell and offer for sale distilled spirits
2-36 to ultimate consumers for off-premises consumption.

2-37 SECTION 5. Subdivision (1), Subsection (b), Section
2-38 183.001, Tax Code, is amended to read as follows:

2-39 (1) "Permittee" means a mixed beverage permittee, a
2-40 private club registration permittee, a private club exemption
2-41 certificate permittee, a private club late hours permittee, a daily
2-42 temporary private club permittee, a private club registration
2-43 permittee holding a food and beverage certificate, a daily
2-44 temporary mixed beverage permittee, a mixed beverage late hours
2-45 permittee, a mixed beverage permittee holding a food and beverage
2-46 certificate, ~~or~~ a caterer permittee, or a distiller's and
2-47 rectifier's permittee.

2-48 SECTION 6. Subsection (c), Section 14.01, and Subsection
2-49 (g), Section 14.04, Alcoholic Beverage Code, are repealed.

2-50 SECTION 7. This Act takes effect September 1, 2013.

2-51 * * * * *