

By: Rinaldi

H.B. No. 2291

A BILL TO BE ENTITLED

AN ACT

relating to the direct shipment of certain alcoholic beverages to ultimate consumers; authorizing a fee; creating a criminal offense.

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

SECTION 1. Section 11.61(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal permit if it is found, after notice and hearing, that any of the following is true:

(1) the permittee has been finally convicted of a violation of this code;

(2) the permittee violated a provision of this code or a rule of the commission;

(3) the permittee was finally convicted of a felony while holding an original or renewal permit;

(4) the permittee made a false or misleading statement in connection with the permittee's ~~his~~ original or renewal application, either in the formal application itself or in any other written instrument relating to the application submitted to the commission, its officers, or employees;

(5) the permittee is indebted to the state for taxes, fees, or payment of penalties imposed by this code, by a rule of the commission, or by Chapter 183, Tax Code;

(6) the permittee is not of good moral character or the

1 permittee's [~~his~~] reputation for being a peaceable and law-abiding  
2 citizen in the community where the permittee [~~he~~] resides is bad;

3 (7) the place or manner in which the permittee  
4 conducts the permittee's [~~his~~] business warrants the cancellation  
5 or suspension of the permit based on the general welfare, health,  
6 peace, morals, and safety of the people and on the public sense of  
7 decency;

8 (8) the permittee is not maintaining an acceptable  
9 bond;

10 (9) the permittee maintains a noisy, lewd, disorderly,  
11 or unsanitary establishment or has supplied impure or otherwise  
12 deleterious beverages;

13 (10) the permittee is insolvent or mentally or  
14 physically unable to carry on the management of the permittee's  
15 [~~his~~] establishment;

16 (11) the permittee is in the habit of using alcoholic  
17 beverages to excess;

18 (12) the permittee knowingly misrepresented to a  
19 customer or the public any liquor sold by the permittee [~~him~~];

20 (13) the permittee was intoxicated on the licensed  
21 premises;

22 (14) the permittee sold or delivered an alcoholic  
23 beverage to an intoxicated person;

24 (15) the permittee possessed on the licensed premises  
25 an alcoholic beverage that the permittee [~~he~~] was not authorized by  
26 the permittee's [~~his~~] permit to purchase and sell;

27 (16) except as authorized by this code or other law, a

1 package store or wine only package store permittee transported or  
2 shipped liquor, or caused it to be transported or shipped, into a  
3 dry state or a dry area within this state;

4 (17) the permittee is residentially domiciled with a  
5 person who has a financial interest in an establishment engaged in  
6 the business of selling beer at retail, other than a mixed beverage  
7 establishment, except as authorized by Section 22.06, 24.05, or  
8 102.05 [~~of this code~~];

9 (18) the permittee is residentially domiciled with a  
10 person whose permit or license was cancelled for cause within the  
11 12-month period preceding the permittee's [~~his~~] own application;

12 (19) the permittee is not a citizen of the United  
13 States or has not been a citizen of Texas for a period of one year  
14 immediately preceding the filing of the permittee's [~~his~~]  
15 application, unless the permittee [~~he~~] was issued an original or  
16 renewal permit on or before September 1, 1948, and has been a United  
17 States citizen at some time;

18 (20) the permittee permitted a person to open a  
19 container of alcoholic beverage or possess an open container of  
20 alcoholic beverage on the licensed premises unless a mixed beverage  
21 permit has been issued for the premises;

22 (21) the permittee failed to promptly report to the  
23 commission a breach of the peace occurring on the permittee's  
24 licensed premises;

25 (22) the permittee consumed an alcoholic beverage or  
26 permitted one to be consumed on the licensed premises at a time when  
27 the consumption of alcoholic beverages is prohibited by this code;

1 or

2 (23) the permittee sold, served, or delivered an  
3 alcoholic beverage at a time when its sale is prohibited.

4 SECTION 2. Chapter 12, Alcoholic Beverage Code, is amended  
5 by adding Section 12.07 to read as follows:

6 Sec. 12.07. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
7 of a brewer's permit who is authorized to sell ale and malt liquor  
8 to an ultimate consumer for on-site consumption under Section  
9 12.052 may sell through an Internet website ale and malt liquor  
10 produced or bottled by the permit holder and ship the ale and malt  
11 liquor to the ultimate consumer, including ultimate consumers  
12 located in dry areas. Delivery must be by the holder of a carrier  
13 permit.

14 (b) All ale or malt liquor shipped to an ultimate consumer  
15 by the holder of a brewer's permit must be in a package that is  
16 clearly and conspicuously labeled showing that:

17 (1) the package contains ale or malt liquor; and

18 (2) the package may be delivered only to a person  
19 described in Subsection (c).

20 (c) Ale or malt liquor shipped by the holder of a brewer's  
21 permit may not be delivered to any person other than:

22 (1) the person who purchased the ale or malt liquor;

23 (2) a recipient designated in advance by such  
24 purchaser; or

25 (3) a person at the delivery address who is 21 years of  
26 age or older.

27 (d) Ale or malt liquor may be delivered only to a person who

1 is 21 years of age or older after the person accepting the package:

2 (1) presents valid proof of identity and age; and

3 (2) personally signs a receipt acknowledging delivery  
4 of the package.

5 (e) The holder of a brewer's permit may not:

6 (1) sell or ship ale or malt liquor to a minor; or

7 (2) deliver ale or malt liquor to a consumer using a  
8 carrier that does not hold a carrier's permit under this code.

9 SECTION 3. Section 16.09(e), Alcoholic Beverage Code, is  
10 amended to read as follows:

11 (e) The holder of a winery permit may not:

12 (1) sell or ship wine to a minor; or

13 (2) deliver wine to a consumer using a carrier that  
14 does not hold a carrier's permit under this code[~~, or~~

15 ~~[(3) deliver to the same consumer in this state more~~  
16 ~~than nine gallons of wine within any calendar month or more than 36~~  
17 ~~gallons of wine within any 12-month period].~~

18 SECTION 4. Chapter 22, Alcoholic Beverage Code, is amended  
19 by adding Section 22.18 to read as follows:

20 Sec. 22.18. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
21 of a package store permit may sell through an Internet website malt  
22 liquor, ale, and wine and ship the malt liquor, ale, and wine to the  
23 ultimate consumer, including ultimate consumers located in dry  
24 areas. Delivery must be by the holder of a carrier permit.

25 (b) All alcoholic beverages shipped to an ultimate consumer  
26 under this section by the holder of a package store permit must be  
27 in a package that is clearly and conspicuously labeled showing

1 that:

2 (1) the package contains an alcoholic beverage; and

3 (2) the package may be delivered only to a person  
4 described in Subsection (c).

5 (c) Alcoholic beverages shipped under this section by the  
6 holder of a package store permit may not be delivered to any person  
7 other than:

8 (1) the person who purchased the alcoholic beverage;

9 (2) a recipient designated in advance by such  
10 purchaser; or

11 (3) a person at the delivery address who is 21 years of  
12 age or older.

13 (d) Alcoholic beverages may be delivered under this section  
14 only to a person who is 21 years of age or older after the person  
15 accepting the package:

16 (1) presents valid proof of identity and age; and

17 (2) personally signs a receipt acknowledging delivery  
18 of the package.

19 (e) The holder of a package store permit may not:

20 (1) sell or ship alcoholic beverages to a minor; or

21 (2) deliver alcoholic beverages to a consumer under  
22 this section using a carrier that does not hold a carrier's permit  
23 under this code.

24 SECTION 5. Chapter 24, Alcoholic Beverage Code, is amended  
25 by adding Section 24.13 to read as follows:

26 Sec. 24.13. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
27 of a wine only package store permit may sell through an Internet

1 website ale, wine, and vinous liquors and ship the ale, wine, and  
2 vinous liquors to the ultimate consumer, including ultimate  
3 consumers located in dry areas. Delivery must be by the holder of a  
4 carrier permit.

5 (b) All alcoholic beverages shipped to an ultimate consumer  
6 under this section by the holder of a wine only package store permit  
7 must be in a package that is clearly and conspicuously labeled  
8 showing that:

9 (1) the package contains an alcoholic beverage; and

10 (2) the package may be delivered only to a person  
11 described in Subsection (c).

12 (c) Alcoholic beverages shipped under this section by the  
13 holder of a wine only package store permit may not be delivered to  
14 any person other than:

15 (1) the person who purchased the alcoholic beverages;

16 (2) a recipient designated in advance by such  
17 purchaser; or

18 (3) a person at the delivery address who is 21 years of  
19 age or older.

20 (d) Alcoholic beverages may be delivered under this section  
21 only to a person who is 21 years of age or older after the person  
22 accepting the package:

23 (1) presents valid proof of identity and age; and

24 (2) personally signs a receipt acknowledging delivery  
25 of the package.

26 (e) The holder of a wine only package store permit may not:

27 (1) sell or ship alcoholic beverages to a minor; or

1           (2) deliver alcoholic beverages to a consumer under  
2 this section using a carrier that does not hold a carrier's permit  
3 under this code.

4           SECTION 6. Chapter 25, Alcoholic Beverage Code, is amended  
5 by adding Section 25.15 to read as follows:

6           Sec. 25.15. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
7 of a wine and beer retailer's permit may sell through an Internet  
8 website wine, beer, and malt liquors containing alcohol in excess  
9 of one-half of one percent by volume and not more than 17 percent by  
10 volume and ship those beverages to the ultimate consumer, including  
11 ultimate consumers located in dry areas. Delivery must be by the  
12 holder of a carrier permit.

13           (b) All alcoholic beverages shipped to an ultimate consumer  
14 under this section by the holder of a wine and beer retailer's  
15 permit must be in a package that is clearly and conspicuously  
16 labeled showing that:

17                   (1) the package contains an alcoholic beverage; and

18                   (2) the package may be delivered only to a person  
19 described in Subsection (c).

20           (c) Alcoholic beverages shipped under this section by the  
21 holder of a wine and beer retailer's permit may not be delivered to  
22 any person other than:

23                   (1) the person who purchased the alcoholic beverages;

24                   (2) a recipient designated in advance by such  
25 purchaser; or

26                   (3) a person at the delivery address who is 21 years of  
27 age or older.



1       (d) Alcoholic beverages may be delivered under this section  
2 only to a person who is 21 years of age or older after the person  
3 accepting the package:

4           (1) presents valid proof of identity and age; and  
5           (2) personally signs a receipt acknowledging delivery  
6 of the package.

7       (e) The holder of a wine and beer retailer's permit may not:

8           (1) sell or ship alcoholic beverages to a minor; or  
9           (2) deliver alcoholic beverages to a consumer under  
10 this section using a carrier that does not hold a carrier's permit  
11 under this code.

12       SECTION 7. Chapter 26, Alcoholic Beverage Code, is amended  
13 by adding Section 26.09 to read as follows:

14       Sec. 26.09. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
15 of a wine and beer retailer's off-premise permit may sell through an  
16 Internet website wine, beer, and malt liquors containing alcohol in  
17 excess of one-half of one percent by volume and not more than 17  
18 percent by volume and ship those beverages to the ultimate  
19 consumer, including ultimate consumers located in dry areas.  
20 Delivery must be by the holder of a carrier permit.

21       (b) All alcoholic beverages shipped to an ultimate consumer  
22 under this section by the holder of a wine and beer retailer's  
23 off-premise permit must be in a package that is clearly and  
24 conspicuously labeled showing that:

25           (1) the package contains an alcoholic beverage; and  
26           (2) the package may be delivered only to a person  
27 described in Subsection (c).



1 or bottled by the permittee to an ultimate consumer located in the  
2 State of Texas. Delivery must be by the holder of a carrier permit.

3 Sec. 54.02. PROHIBITED ACTIVITIES. The holder of an  
4 out-of-state manufacturer [~~winery~~] direct shipper's permit may  
5 not:

6 (1) sell or ship ale, malt liquor, wine, and beer to a  
7 minor; or

8 (2) deliver ale, malt liquor, wine, and beer to a  
9 consumer using a carrier that does not hold a carrier's permit under  
10 this code[~~+~~

11 [~~(3) deliver to the same consumer in this state more~~  
12 ~~than nine gallons of wine within any calendar month or more than 36~~  
13 ~~gallons of wine within any 12-month period; or~~

14 [~~(4) sell to ultimate consumers more than 35,000~~  
15 ~~gallons of wine annually].~~

16 Sec. 54.03. QUALIFICATIONS FOR PERMIT. An out-of-state  
17 manufacturer [~~winery~~] direct shipper's permit may only be issued to  
18 a person who:

19 (1) does not hold a [~~winery~~] permit or license  
20 authorizing the production or bottling of alcoholic beverages in  
21 the State of Texas;

22 (2) operates a facility for the production or bottling  
23 of alcoholic beverages [~~winery~~] located in the United States and  
24 holds all state and federal permits necessary to operate the  
25 facility [~~winery, including the federal winemaker's and blender's~~  
26 ~~basic permit];~~

27 (3) is authorized by another state to sell ale, malt

1 liquor, wine, and beer to an ultimate consumer;

2 (4) [~~3~~] holds a Texas sales tax permit;

3 (5) [~~4~~] expressly submits to personal jurisdiction  
4 in Texas state and federal courts and expressly submits to venue in  
5 Travis County, Texas, as proper venue for any proceedings that may  
6 be initiated by or against the commission; and

7 (6) [~~5~~] does not directly or indirectly have any  
8 financial interest in a Texas wholesaler or retailer as those terms  
9 are used in Section 102.01.

10 Sec. 54.04. PERMIT FEE. The commission shall set the annual  
11 state fee for an out-of-state manufacturer [~~winery~~] direct  
12 shipper's permit in an amount necessary to cover the cost of issuing  
13 the permit and administering this chapter [~~is \$75~~].

14 Sec. 54.05. IDENTIFICATION REQUIREMENTS. (a) All  
15 alcoholic beverages [~~wine~~] sold or shipped by the holder of an  
16 out-of-state manufacturer [~~winery~~] direct shipper's permit must be  
17 in a package that is clearly and conspicuously labeled showing  
18 that:

19 (1) the package contains an alcoholic beverage [~~wine~~];

20 and

21 (2) the package may only be delivered to a person  
22 described in Subsection (b).

23 (b) An alcoholic beverage [~~wine~~] sold or shipped by a holder  
24 of an out-of-state manufacturer [~~winery~~] direct shipper's permit  
25 may not be delivered to any person other than:

26 (1) the person who purchased the alcoholic beverage  
27 [~~wine~~];

1           (2) a recipient designated in advance by such  
2 purchaser; or

3           (3) a person at the delivery address who is [~~age~~] 21  
4 years of age or older [~~over~~].

5           (c) An alcoholic beverage [~~Wine~~] may be delivered only to a  
6 person who is [~~age~~] 21 years of age or older [~~over~~] after the person  
7 accepting the package:

8           (1) presents valid proof of identity and age; and

9           (2) personally signs a receipt acknowledging delivery  
10 of the package.

11           Sec. 54.06. REPORTS AND RECORDKEEPING. (a) The holder of  
12 an out-of-state manufacturer [~~winery~~] direct shipper's permit  
13 shall maintain records of all sales and deliveries made under the  
14 permit.

15           (b) The holder of an out-of-state manufacturer [~~winery~~]  
16 direct shipper's permit shall maintain complete sales and delivery  
17 records for all sales and deliveries made under the permit for at  
18 least five years from the date of sale. These records shall be made  
19 available upon request for inspection by the commission or any  
20 other appropriate state agency.

21           (c) The commission shall establish rules requiring the  
22 holder of an out-of-state manufacturer [~~winery~~] direct shipper's  
23 permit to periodically file reports providing the commission with  
24 such information as the commission may determine is needed to more  
25 efficiently and effectively enforce the state laws applicable to  
26 the permit holder.

27           Sec. 54.07. LIABILITY FOR AND PAYMENT OF TAXES. (a) Sales

1 made by the holder of an out-of-state manufacturer [~~winery~~] direct  
2 shipper's permit shall be deemed to have been made in the State of  
3 Texas for delivery in the State of Texas.

4 (b) The holder of an out-of-state manufacturer [~~winery~~]  
5 direct shipper's permit shall be responsible for paying the  
6 following state taxes related to sales and deliveries made under  
7 this chapter:

8 (1) excise taxes on the alcoholic beverages [~~wine~~]  
9 sold, payable at the same rate and in the same manner as if the  
10 permittee were a Texas brewery, winery, beer manufacturer, or  
11 brewpub located in Texas; and

12 (2) state sales and use taxes all payable at the same  
13 rate and in the same manner as if the permittee were a Texas  
14 brewery, winery, beer manufacturer, or brewpub located in Texas.

15 (c) An ultimate consumer who purchases an alcoholic  
16 beverage [~~wine~~] from the holder of an out-of-state manufacturer  
17 [~~winery~~] direct shipper's permit under this chapter shall be  
18 considered to be purchasing the alcoholic beverage [~~wine~~] from a  
19 Texas permittee or licensee and shall not be charged the  
20 administrative fee for personal imports set forth in Section  
21 [107.07](#).

22 Sec. 54.08. RESALE PROHIBITED. A consumer purchasing an  
23 alcoholic beverage [~~wine~~] from the holder of an out-of-state  
24 manufacturer [~~winery~~] direct shipper's permit may not resell the  
25 alcoholic beverage [~~wine~~], and any such alcoholic beverage [~~wine~~]  
26 that is resold is an illicit beverage as defined in Section [1.04](#)(4).

27 Sec. 54.09. DELIVERY AREAS. An alcoholic beverage [~~wine~~]

1 shipped under this chapter may be delivered to persons located in a  
2 dry area.

3 Sec. 54.10. [~~WINE~~] LABEL APPROVAL NOT REQUIRED. If the  
4 holder of an out-of-state manufacturer [~~winery~~] direct shipper's  
5 permit has satisfied all federal label approval requirements for a  
6 particular brand of alcoholic beverage [~~wine~~], then no further  
7 label approval shall be required by the commission.

8 Sec. 54.11. RULES. The commission shall adopt rules and  
9 forms necessary to implement this chapter.

10 Sec. 54.12. PENALTY FOR SHIPPING WITHOUT A PERMIT. Any  
11 person who does not hold an out-of-state manufacturer [~~winery~~]  
12 direct shipper's permit who sells and ships alcohol from outside of  
13 Texas to an ultimate consumer in Texas commits on first offense a  
14 Class B misdemeanor, on second offense a Class A misdemeanor, and on  
15 third offense a state jail felony.

16 SECTION 9. Subtitle A, Title 3, Alcoholic Beverage Code, is  
17 amended by adding Chapter 54A to read as follows:

18 CHAPTER 54A. OUT-OF-STATE RETAILER DIRECT SHIPPER'S PERMIT

19 Sec. 54A.01. AUTHORIZED ACTIVITIES. The holder of an  
20 out-of-state retailer direct shipper's permit may sell and deliver  
21 to an ultimate consumer located in the State of Texas any alcoholic  
22 beverage the permit holder is authorized by another state to sell to  
23 an ultimate consumer for off-premise consumption. Delivery must be  
24 by the holder of a carrier permit.

25 Sec. 54A.02. PROHIBITED ACTIVITIES. The holder of an  
26 out-of-state retailer direct shipper's permit may not:

27 (1) sell or ship an alcoholic beverage to a minor; or

1           (2) deliver an alcoholic beverage to a consumer using  
2 a carrier that does not hold a carrier's permit under this code.

3           Sec. 54A.03. QUALIFICATIONS FOR PERMIT. An out-of-state  
4 retailer direct shipper's permit may only be issued to a person who:

5           (1) is not authorized to manufacture or bottle  
6 alcoholic beverages by any state;

7           (2) is authorized by any other state to sell alcoholic  
8 beverages to an ultimate consumer for off-premise consumption;

9           (3) holds a Texas sales tax permit;

10           (4) expressly submits to personal jurisdiction in  
11 Texas state and federal courts and expressly submits to venue in  
12 Travis County, Texas, as proper venue for any proceedings that may  
13 be initiated by or against the commission; and

14           (5) does not directly or indirectly have any financial  
15 interest in a Texas wholesaler or retailer as those terms are used  
16 in Section 102.01.

17           Sec. 54A.04. PERMIT FEE. The commission shall set the  
18 annual state fee for an out-of-state retailer direct shipper's  
19 permit in an amount necessary to cover the cost of issuing the  
20 permit and administering this chapter.

21           Sec. 54A.05. IDENTIFICATION REQUIREMENTS. (a) All  
22 alcoholic beverages sold or shipped by the holder of an  
23 out-of-state retailer direct shipper's permit must be in a package  
24 that is clearly and conspicuously labeled showing that:

25           (1) the package contains an alcoholic beverage; and

26           (2) the package may only be delivered to a person  
27 described in Subsection (b).



1        (b) An alcoholic beverage sold or shipped by a holder of an  
2 out-of-state retailer direct shipper's permit may not be delivered  
3 to any person other than:

- 4            (1) the person who purchased the alcoholic beverage;  
5            (2) a recipient designated in advance by such  
6 purchaser; or  
7            (3) a person at the delivery address who is 21 years of  
8 age or older.

9        (c) An alcoholic beverage may be delivered only to a person  
10 who is 21 years of age or older after the person accepting the  
11 package:

- 12            (1) presents valid proof of identity and age; and  
13            (2) personally signs a receipt acknowledging delivery  
14 of the package.

15        Sec. 54A.06. REPORTS AND RECORDKEEPING. (a) The holder of  
16 an out-of-state retailer direct shipper's permit shall maintain  
17 records of all sales and deliveries made under the permit.

18        (b) The holder of an out-of-state retailer direct shipper's  
19 permit shall maintain complete sales and delivery records for all  
20 sales and deliveries made under the permit for at least five years  
21 from the date of sale. These records shall be made available upon  
22 request for inspection by the commission or any other appropriate  
23 state agency.

24        (c) The commission shall establish rules requiring the  
25 holder of an out-of-state retailer direct shipper's permit to  
26 periodically file reports providing the commission with such  
27 information as the commission may determine is needed to more

1 efficiently and effectively enforce the state laws applicable to  
2 the permittee.

3 Sec. 54A.07. LIABILITY FOR AND PAYMENT OF TAXES. (a) Sales  
4 made by the holder of an out-of-state retailer direct shipper's  
5 permit shall be deemed to have been made in the State of Texas for  
6 delivery in the State of Texas.

7 (b) The holder of an out-of-state retailer direct shipper's  
8 permit shall be responsible for paying the following state taxes  
9 related to sales and deliveries made under this chapter:

10 (1) excise taxes on the alcoholic beverages sold,  
11 payable at the same rate and in the same manner as if the permittee  
12 were the holder of a permit issued under Chapter 22, 24, 25, or 26 or  
13 a license issued under Chapter 69 or 71; and

14 (2) state sales and use taxes all payable at the same  
15 rate and in the same manner as if the permittee were the holder of a  
16 permit issued under Chapter 22, 24, 25, or 26 or a license issued  
17 under Chapter 69 or 71.

18 (c) An ultimate consumer who purchases an alcoholic  
19 beverage from the holder of an out-of-state retailer direct  
20 shipper's permit under this chapter shall be considered to be  
21 purchasing the alcoholic beverage from a Texas permittee or  
22 licensee and shall not be charged the administrative fee for  
23 personal imports set forth in Section 107.07.

24 Sec. 54A.08. RESALE PROHIBITED. A consumer purchasing an  
25 alcoholic beverage from the holder of an out-of-state retailer  
26 direct shipper's permit may not resell the alcoholic beverage, and  
27 any such alcoholic beverage that is resold is an illicit beverage as

1 defined in Section 1.04(4).

2 Sec. 54A.09. DELIVERY AREAS. An alcoholic beverage shipped  
3 under this chapter may be delivered to persons located in a dry  
4 area.

5 Sec. 54A.10. LABEL APPROVAL NOT REQUIRED. If the alcoholic  
6 beverage shipped by the holder of an out-of-state retailer direct  
7 shipper's permit has satisfied all federal label approval  
8 requirements for a particular brand of alcoholic beverage, then no  
9 further label approval shall be required by the commission.

10 Sec. 54A.11. RULES. The commission shall adopt rules and  
11 forms necessary to implement this chapter.

12 Sec. 54A.12. PENALTY FOR SHIPPING WITHOUT A PERMIT. Any  
13 person who does not hold an out-of-state retailer direct shipper's  
14 permit who sells and ships alcohol from outside of Texas to an  
15 ultimate consumer in Texas commits on first offense a Class B  
16 misdemeanor, on second offense a Class A misdemeanor, and on third  
17 offense a state jail felony.

18 SECTION 10. Chapter 62, Alcoholic Beverage Code, is amended  
19 by adding Section 62.15 to read as follows:

20 Sec. 62.15. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
21 of a manufacturer's license who is authorized to sell beer to an  
22 ultimate consumer for on-site consumption under Section 62.122 may  
23 sell through an Internet website beer produced, bottled, or canned  
24 by the license holder and ship the beer to the ultimate consumer,  
25 including ultimate consumers located in dry areas. Delivery must  
26 be by the holder of a carrier permit.

27 (b) All beer shipped to an ultimate consumer by the holder

1 of a manufacturer's license must be in a package that is clearly and  
2 conspicuously labeled showing that:

3 (1) the package contains beer; and

4 (2) the package may be delivered only to a person  
5 described in Subsection (c).

6 (c) Beer shipped by the holder of a manufacturer's license  
7 may not be delivered to any person other than:

8 (1) the person who purchased the beer;

9 (2) a recipient designated in advance by such  
10 purchaser; or

11 (3) a person at the delivery address who is 21 years of  
12 age or older.

13 (d) Beer may be delivered only to a person who is 21 years of  
14 age or older after the person accepting the package:

15 (1) presents valid proof of identity and age; and

16 (2) personally signs a receipt acknowledging delivery  
17 of the package.

18 (e) The holder of a manufacturer's license may not:

19 (1) sell or ship beer to a minor; or

20 (2) deliver beer to a consumer using a carrier that  
21 does not hold a carrier's permit under this code.

22 SECTION 11. Chapter 69, Alcoholic Beverage Code, is amended  
23 by adding Section 69.18 to read as follows:

24 Sec. 69.18. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
25 of a retail dealer's on-premise license may sell through an  
26 Internet website beer and ship the beer to the ultimate consumer,  
27 including ultimate consumers located in dry areas. Delivery must

1 be by the holder of a carrier permit.

2 (b) All beer shipped to an ultimate consumer under this  
3 section by the holder of a retail dealer's on-premise license must  
4 be in a package that is clearly and conspicuously labeled showing  
5 that:

6 (1) the package contains an alcoholic beverage; and

7 (2) the package may be delivered only to a person  
8 described in Subsection (c).

9 (c) Beer shipped under this section by the holder of a  
10 retail dealer's on-premise license may not be delivered to any  
11 person other than:

12 (1) the person who purchased the beer;

13 (2) a recipient designated in advance by such  
14 purchaser; or

15 (3) a person at the delivery address who is 21 years of  
16 age or older.

17 (d) Beer may be delivered under this section only to a  
18 person who is 21 years of age or older after the person accepting  
19 the package:

20 (1) presents valid proof of identity and age; and

21 (2) personally signs a receipt acknowledging delivery  
22 of the package.

23 (e) The holder of a retail dealer's on-premise license may  
24 not:

25 (1) sell or ship beer to a minor; or

26 (2) deliver beer to a consumer under this section  
27 using a carrier that does not hold a carrier's permit under this

1 code.

2 SECTION 12. Chapter 71, Alcoholic Beverage Code, is amended  
3 by adding Section 71.12 to read as follows:

4 Sec. 71.12. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
5 of a retail dealer's off-premise license may sell through an  
6 Internet website beer and ship the beer to the ultimate consumer,  
7 including ultimate consumers located in dry areas. Delivery must  
8 be by the holder of a carrier permit.

9 (b) All beer shipped to an ultimate consumer under this  
10 section by the holder of a retail dealer's off-premise license must  
11 be in a package that is clearly and conspicuously labeled showing  
12 that:

- 13 (1) the package contains an alcoholic beverage; and  
14 (2) the package may be delivered only to a person  
15 described in Subsection (c).

16 (c) Beer shipped under this section by the holder of a  
17 retail dealer's off-premise license may not be delivered to any  
18 person other than:

- 19 (1) the person who purchased the beer;  
20 (2) a recipient designated in advance by such  
21 purchaser; or  
22 (3) a person at the delivery address who is 21 years of  
23 age or older.

24 (d) Beer may be delivered under this section only to a  
25 person who is 21 years of age or older after the person accepting  
26 the package:

- 27 (1) presents valid proof of identity and age; and

1           (2) personally signs a receipt acknowledging delivery  
2 of the package.

3           (e) The holder of a retail dealer's off-premise license may  
4 not:

5                   (1) sell or ship beer to a minor; or

6                   (2) deliver beer to a consumer under this section  
7 using a carrier that does not hold a carrier's permit under this  
8 code.

9           SECTION 13. Chapter 74, Alcoholic Beverage Code, is amended  
10 by adding Section 74.12 to read as follows:

11           Sec. 74.12. DIRECT SHIPMENT TO CONSUMERS. (a) The holder  
12 of a brewpub license may sell through an Internet website malt  
13 liquor, ale, and beer produced, bottled, or canned by the license  
14 holder and ship the malt liquor, ale, and beer to the ultimate  
15 consumer, including ultimate consumers located in dry areas.  
16 Delivery must be by the holder of a carrier permit.

17           (b) All malt liquor, ale, or beer shipped to an ultimate  
18 consumer by the holder of a brewpub license must be in a package  
19 that is clearly and conspicuously labeled showing that:

20                   (1) the package contains malt liquor, ale, or beer;  
21 and

22                   (2) the package may be delivered only to a person  
23 described in Subsection (c).

24           (c) Malt liquor, ale, or beer shipped by the holder of a  
25 brewpub license may not be delivered to any person other than:

26                   (1) the person who purchased the malt liquor, ale, or  
27 beer;

1           (2) a recipient designated in advance by such  
2 purchaser; or

3           (3) a person at the delivery address who is 21 years of  
4 age or older.

5           (d) Malt liquor, ale, or beer may be delivered only to a  
6 person who is 21 years of age or older after the person accepting  
7 the package:

8                   (1) presents valid proof of identity and age; and

9                   (2) personally signs a receipt acknowledging delivery  
10 of the package.

11           (e) The holder of a brewpub license may not:

12                   (1) sell or ship malt liquor, ale, or beer to a minor;  
13 or

14                   (2) deliver malt liquor, ale, or beer to a consumer  
15 using a carrier that does not hold a carrier's permit under this  
16 code.

17           SECTION 14. Section 101.46(c), Alcoholic Beverage Code, is  
18 amended to read as follows:

19           (c) Subsection (a) of this section does not apply to liquor  
20 imported under Section 107.07 or sold and delivered to an ultimate  
21 consumer by the holder of an out-of-state manufacturer direct  
22 shipper's permit or out-of-state retailer direct shipper's permit  
23 [of this code].

24           SECTION 15. Section 107.05(b), Alcoholic Beverage Code, is  
25 amended to read as follows:

26           (b) This section does not apply to the transportation of  
27 liquor into the state as authorized by Chapter 54 or 54A or Section



1 107.07 [~~of this code~~].

2 SECTION 16. Section 107.06(c), Alcoholic Beverage Code, is  
3 amended to read as follows:

4 (c) This section does not apply to the importation or  
5 transportation of military beer consigned to a military  
6 installation or to the importation or direct shipment of beer as  
7 authorized under Chapter 54 or 54A or Section 107.07 [~~of this code~~].

8 SECTION 17. Section 107.07(f), Alcoholic Beverage Code, is  
9 amended to read as follows:

10 (f) Except as provided by Chapter 54 or 54A, any person in  
11 the business of selling alcoholic beverages in another state or  
12 country who ships or causes to be shipped any alcoholic beverage  
13 directly to any Texas resident under this section is in violation of  
14 this code.

15 SECTION 18. Section 201.41, Alcoholic Beverage Code, is  
16 amended to read as follows:

17 Sec. 201.41. FIRST SALE. In this subchapter, "first sale"  
18 means:

19 (1) the first actual sale of ale or malt liquor by:

20 (A) the holder of a wholesaler's, general class B  
21 wholesaler's, or local class B wholesaler's permit to:

22 (i) a permittee authorized to sell to  
23 ultimate consumers;

24 (ii) a local distributor permittee; or

25 (iii) a private club registration  
26 permittee; [~~or~~]

27 (B) a brewpub licensee to a consumer, including a

1 sale under Section 74.12, or a permittee or licensee authorized to  
2 sell ale or malt liquor to ultimate consumers; or

3 (C) a holder of a brewer's permit to an ultimate  
4 consumer under Section 12.07;

5 (2) the importation of ale or malt liquor under  
6 Section 107.07; or

7 (3) the sale of ale or malt liquor by a holder of an  
8 out-of-state manufacturer direct shipper's permit or out-of-state  
9 retailer direct shipper's permit to an ultimate consumer in this  
10 state.

11 SECTION 19. Section 203.02, Alcoholic Beverage Code, is  
12 amended to read as follows:

13 Sec. 203.02. "FIRST SALE". In this chapter, "first sale"  
14 means:

15 (1) the first actual sale of beer by:

16 (A) [~~by~~] the holder of a distributor's license or  
17 [~~by~~] the holder of a manufacturer's self-distribution license  
18 [~~acting under the authority of Section 62.12~~], to:

19 (i) a permittee or licensee authorized to  
20 sell to ultimate consumers;

21 (ii) a local distributor permittee; or

22 (iii) a private club registration  
23 permittee; [~~or~~]

24 (B) [~~by~~] a brewpub licensee to a consumer,  
25 including a sale under Section 74.12, or a permittee or licensee  
26 authorized to sell beer to ultimate consumers; or

27 (C) a holder of a manufacturer's license to an

1 ultimate consumer under Section 62.15;

2 (2) the importation of beer under Section 107.07; or

3 (3) the sale of beer by a holder of an out-of-state  
4 manufacturer direct shipper's permit or an out-of-state retailer  
5 direct shipper's permit to an ultimate consumer in this state.

6 SECTION 20. This Act takes effect September 1, 2017.