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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO.

BY: Schaefer

Amend C.S.H.B. No. 1545 (house committee printing) 1 follows: 2 On page 166, strike lines 3-24, and substitute the 3 following: Sec. 61.73. RETAIL DEALER: [CREDIT PURCHASE OR] DISHONORED 5 CHECK. [(a) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal retail dealer's 7 on- or off-premise license if it is found, after notice and hearing, 8 that the licensee purchased beer or the containers or original 9 packages in which it is contained or packaged except by cash payment 10 to the seller on or before delivery. No holder of either type of 11 license may use a maneuver, device, subterfuge, or shift by which 12 credit is accepted, including payment or attempted payment by a 13 postdated check or draft. Credit for the return of unbroken or 14 undamaged containers or original packages previously paid for by 15 the purchaser may be accepted as each by the seller in an amount not 16 more than the amount originally paid for them by the purchaser. 17 [(b)] The commission or administrator may suspend for not 18 more than 60 days or cancel an original or renewal retail dealer's 19 on- or off-premise license if it is found, after notice and hearing, 20 that the licensee gave a check, as maker or endorser, or a draft, as 21 drawer or endorser, as full or partial payment for malt beverages 22 [beer] or the containers or packages in which they are [it is] 23 contained or packaged, which is dishonored when presented for 24 25 payment. (2) On page 180, line 19, strike "Sections 61.73 and 102.31" 26

substitute the following:

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Strike page 187, line 11, through page 188, line 7, and

and substitute "Section 102.32 [Sections 61.73 and 102.31]".

- 1 SECTION ____. Section 64.01, Alcoholic Beverage Code, is
- 2 amended to read as follows:
- 3 Sec. 64.01. AUTHORIZED ACTIVITIES. (a) The holder of a
- 4 general distributor's license may:
- 5 (1) receive <u>malt beverages</u> [beer] in unbroken original
- 6 packages from <u>brewers</u> [manufacturers] and brewpubs and from
- 7 general[, local,] or branch distributors;
- 8 (2) distribute or sell <u>malt beverages</u> [beer] in the
- 9 unbroken original packages in which they are [it is] received to
- 10 general $\underline{or}[\tau]$ branch[τ or local] distributors, to local distributor
- 11 permittees, to permittees or licensees authorized to sell to
- 12 ultimate consumers, to private club registration permittees, to
- 13 authorized outlets located on any installation of the national
- 14 military establishment, or to qualified persons for shipment and
- 15 consumption outside the state; and
- 16 (3) serve free malt beverages [beer] for consumption
- 17 on the licensed premises.
- 18 (b) All sales made under the authority of this section
- 19 except sales to general [r local r] or branch distributor's licensees
- 20 must be made in accordance with Section 102.32 [Sections 61.73 and
- 21 102.31 of this code].
- 22 SECTION ____. Section 64.03, Alcoholic Beverage Code, is
- 23 amended to read as follows:
- Sec. 64.03. SALE OF MALT BEVERAGES [BEER] TO PRIVATE CLUBS.
- 25 The holder of a general distributor's license may sell and deliver
- 26 malt beverages [beer] to private clubs located in wet areas without
- 27 having to secure a prior order. All sales made under the authority
- 28 of this section must be made in accordance with Section 102.32
- 29 [Sections 61.73 and 102.31 of this code].
- 30 (4) On page 190, line 3, strike "102.31 [of-this code]" and
- 31 substitute "102.32 [102.31 of this code]".

- 1 (5) On page 193, lines 1 and 2, strike "Sections 61.73 and
- 2 102.31 [of this code] and substitute "Section 102.32 [Sections
- 3 61.73 and 102.31 of this code]".
- 4 (6) On page 223, line 2, strike "Sections 61.73 and 102.31
- 5 apply" and substitute "Section 102.32 applies [Sections 61.73 and
- 6 102.31 apply]".
- 7 (7) Strike page 228, line 11, through page 229, line 10, and
- 8 substitute the following:
- 9 SECTION ____. The heading to Section 102.32, Alcoholic
- 10 Beverage Code, is amended to read as follows:
- 11 Sec. 102.32. SALE OF <u>ALCOHOLIC BEVERAGES</u> [LIQUOR]: CREDIT
- 12 RESTRICTIONS.
- 13 SECTION ____. Sections 102.32(a), (b), (b-1), (d), and
- 14 (d-1), Alcoholic Beverage Code, are amended to read as follows:
- 15 (a) In this section:
- 16 (1) "Wholesale dealer" means a wholesaler, class B
- 17 wholesaler, winery, [wine bottler,] or local distributor's
- 18 permittee, or a general or branch distributor's licensee.
- 19 (2) "Retailer" means a package store, wine only
- 20 package store, wine and malt beverage [beer] retailers, wine and
- 21 malt beverage [beer] retailer's off-premise, or mixed beverage
- 22 permittee, retail dealer's on-premise or off-premise licensee, any
- 23 other retailer, or a private club registration permittee. For
- 24 purposes of this section, the holder of a winery permit issued under
- 25 Chapter 16 is a retailer when the winery permit holder purchases
- 26 wine from the holder of a wholesaler's permit issued under Chapter
- 27 19 for resale to ultimate consumers in unbroken packages. For
- 28 purposes of this section, any licensee authorized to sell malt
- 29 beverages for resale is a wholesaler when selling malt beverages to
- 30 a mixed beverage or a nonprofit entity temporary event permittee.
- 31 (3) "Month" means a calendar month.

- 1 (b) A [No] wholesale dealer may not sell and \underline{a} [no] retailer.
- 2 may not purchase an alcoholic beverage [liquor] except for cash or
- 3 on terms requiring payment by the retailer in accordance with
- 4 Subsection (c) [of this section].
- 5 (b-1) A wholesale dealer who accepts a check or draft as
- 6 payment from a retailer for the purchase of an alcoholic beverage
- 7 [liquor] must deposit the check or draft in the bank for payment or
- 8 present the check or draft for payment within five business days
- 9 after it is received.
- 10 (d) Each delivery of alcoholic beverages [liquor] shall be
- 11 accompanied by an invoice giving the date of purchase. If a
- 12 retailer becomes delinquent in the payment of an account for
- 13 <u>alcoholic beverages</u> [liquor], the wholesale dealer immediately
- 14 shall report that fact in writing, including by electronic mail or
- 15 facsimile transmission, to the commission or administrator. A
- 16 wholesale dealer may not sell any alcoholic beverages [liquor] to a
- 17 retailer who is delinquent until the delinquent account is paid in
- 18 full and cleared from the records of the commission. An account
- 19 becomes delinquent if it is not paid when it is required to be paid
- 20 under Subsection (c).
- 21 (d-1) The commission or administrator may not accept the
- 22 voluntary cancellation or suspension of a permit or allow a permit
- 23 to be renewed or transferred if the permit holder is delinquent in
- 24 the payment of an account for alcoholic beverages [liquor] under
- 25 this section. A person whose permit is canceled by the commission
- 26 or whose permit has expired is not eligible to hold any other permit
- 27 or license under this code until the person has cured any
- 28 delinquency of the person under this section.
- 29 (8) On page 306, line 23, strike "and".
- 30 (9) On page 306, between lines 23 and 24, insert the
- 31 following appropriately numbered subdivision to SECTION 401(a) of

- the bill:
- (___) Section 102.31; and 2
- (10) Renumber subdivisions of SECTION 401(a) of the bill 3
- accordingly.
- (11) Add the following appropriately numbered SECTIONS to 5
- the bill and renumber SECTIONS of the bill accordingly:
- SECTION _____. Section 6.03(h), Alcoholic Beverage Code, is 7
- amended to read as follows: 8
- 9 (h) It is also the public policy of this state and a purpose
- of this section to enforce strict payment [cash and credit] laws as 10
- a means of preventing those engaged in the distribution of 11
- alcoholic beverages from exerting undue influence over any level of 12
- the industry selling or serving alcoholic beverages to the ultimate
- 14 consumer.
- SECTION ____. Section 11.66, Alcoholic Beverage Code, is 15
- amended to read as follows: 16
- Sec. 11.66. SUSPENSION OR CANCELLATION AGAINST RETAILER. 17
- Except for a violation of the credit [or cash] law, a penalty of 18
- suspension or cancellation of the license or permit of a retailer
- 20 shall be assessed against the permit or license for the premises
- where the offense was committed. 21
- SECTION ____. Section 61.72, Alcoholic Beverage Code, is 2.2
- 23 amended to read as follows:
- OR CANCELLATION: RETAILER: Sec. 61.72. SUSPENSION 24
- PREMISES. Except for a violation of the credit [or cash] law, a 25
- penalty of suspension or cancellation of the license of a retail
- dealer shall be assessed against the license for the premises where 27

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28 the offense was committed.