

BILL ANALYSIS

Senate Research Center
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S.B. 1450
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Background

In 2018, Texas Alcoholic Beverage Commission (TABC) worked with digital delivery service companies to obtain various permits in order for these companies to deliver beer, ale, and wine to consumers. TABC has authorized the delivery of alcohol by digital delivery service companies by rule. Currently, there is no clear permitting or certification process for the delivery of alcohol by a digital delivery service company in law.

Bill Analysis

S.B. 1450 creates a consumer delivery permit. A consumer delivery permit holder will be allowed to contract with or employ a person to deliver alcoholic beverages from a retailer to the ultimate consumer. The consumer delivery permit holder must contract with or employ a person who is 21 years of age or older and holds a valid driver's license. The alcoholic beverage can only be delivered to a person who is 21 years of age and has valid proof of identity and age.

S.B. 1450 directs TABC to establish an annual state fee for a consumer delivery permit. TABC will be required to adopt and administer a seller training program for the purpose of training delivery drivers. TABC must also develop and implement a program that allows the holder of a retail permit or a consumer delivery permit to verify, in real time, the delivery driver has completed the seller training program.

As proposed, S.B. 1450 amends current law relating to a permit authorizing the delivery of alcoholic beverages from the premises of certain alcoholic beverage retailers to consumers and authorizes a fee.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Alcoholic Beverage Commission in SECTION 1 (Section 57.03, Alcoholic Beverage Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle A, Title 3, Alcoholic Beverage Code, by adding Chapter 57, as follows:

CHAPTER 57. CONSUMER DELIVERY PERMIT

Sec. 57.01. AUTHORIZED ACTIVITIES. (a) Authorizes the holder of a consumer delivery permit, notwithstanding any other provision of this code, to contract with or employ a driver for the delivery of an alcoholic beverage from the premises of the holder of a retailer's permit described by Subsection (b) to an ultimate consumer located in an area where the sale of the beverage is legal.

(b) Authorizes an alcoholic beverage to be delivered under this section only if the alcoholic beverage is sold to the ultimate consumer by the holder of a permit

authorizing the retail sale and delivery of the alcoholic beverage to the ultimate consumer.

Sec. 57.02. DETERMINATION OF DELIVERY AREA. Requires a person who sells or delivers an alcoholic beverage under Section 57.01, in determining whether the sale of an alcoholic beverage is legal in an area for purposes of that section, to consult a map or other information produced by the Texas Alcoholic Beverage Commission (TABC) for the purpose of establishing where the sale of alcoholic beverages is legal.

Sec. 57.03. FEE. Requires TABC by rule to establish the annual state fee for a consumer delivery permit.

Sec. 57.04. ELIGIBILITY FOR PERMIT. Authorizes a consumer delivery permit to be issued to a person who contracts with or employs individuals for the delivery of retail goods to consumers.

Sec. 57.045. DELIVERY DRIVER REQUIREMENTS. Prohibits a consumer delivery permit holder under this chapter from contracting with or employing a person to make a delivery under this chapter unless the person is 21 years of age or older and holds a valid driver's license.

Sec. 57.05. DELIVERY OF ALCOHOLIC BEVERAGES TO CONSUMER. (a) Authorizes an alcoholic beverage to be delivered under this chapter only to a person who is 21 years of age or older after the person accepting the package presents valid proof of identity and age.

(b) Prohibits an alcoholic beverage from being delivered under this chapter to any person other than the person who purchased the beverages, a recipient designated in advance by the purchaser, or a person at the delivery address who is 21 years of age or older.

(c) Authorizes an alcoholic beverage to be delivered under this chapter outside the hours of operation of the retailer from which the delivery is being made only if the delivery driver received the beverage from the retailer during the retailer's hours of operation.

Sec. 57.06. LIABILITY OF RETAILER. (a) Establishes that the actions of a delivery driver acting on behalf of a consumer delivery permit holder are not attributable to a retailer if the delivery driver has completed a training program under Section 106.14(c-1).

(b) Requires TABC to develop and implement a program that allows the holder of a retail permit or a consumer delivery permit to verify in real time whether a delivery driver has completed a training program under Section 106.14(c-1).

SECTION 2. Amends Section 106.14, Alcoholic Beverage Code, by adding Subsection (c-1) to require TABC to adopt and administer under this section a seller training program for the purpose of training delivery drivers contracting with or employed by the holder of a permit under Chapter 57.

SECTION 3. Effective date: September 1, 2019.