

By: Biedermann

H.B. No. 4396

A BILL TO BE ENTITLED

AN ACT

relating to the repeal of territorial limits on the distribution and sale of ale, malt liquor, and beer and certain related provisions governing relations between malt beverage manufacturers and distributors.

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

SECTION 1. Section 12.052(e), Alcoholic Beverage Code, is amended to read as follows:

(e) A holder of a brewer's permit who under Subsection (c) sells ale produced on the brewer's premises under the permit to ultimate consumers on the brewer's premises for responsible consumption on the brewer's premises:

(1) ~~[shall file a territorial agreement with the commission under Subchapters C and D, Chapter 102,~~

~~(2)]~~ must purchase any ale the permit holder sells on the brewer's premises from the holder of a permit issued under Chapter 19, 20, or 21; and

(2) ~~(3)~~ with respect to those purchases, must comply with the requirements of this code governing dealings between a distributor or wholesaler and a member of the retail tier, including Section 102.31.

SECTION 2. Section 62.122(e), Alcoholic Beverage Code, is amended to read as follows:

(e) A holder of a manufacturer's license who under

1 Subsection (c) sells beer produced on the manufacturer's premises
2 under the license to ultimate consumers on the manufacturer's
3 premises for responsible consumption on the manufacturer's
4 premises:

5 (1) ~~[shall file a territorial agreement with the~~
6 ~~commission under Subchapters C and D, Chapter 102,~~

7 ~~[(2)]~~ must purchase any beer the license holder sells
8 on the manufacturer's premises from the holder of a license issued
9 under Chapter 64, 65, or 66; and

10 (2) ~~[(3)]~~ with respect to those purchases, must comply
11 with the requirements of this code governing dealings between a
12 distributor or wholesaler and a member of the retail tier,
13 including Sections 61.73 and 102.31.

14 SECTION 3. Section 73.011(a), Alcoholic Beverage Code, is
15 amended to read as follows:

16 (a) A holder of an agent's beer license who is an employee or
17 agent of a manufacturer's licensee or a nonresident manufacturer's
18 licensee may not represent that the holder is the agent of or is
19 acting on behalf of a licensed distributor. ~~[An agent may not~~
20 ~~engage in conduct that is prohibited by Section 102.75 of this code~~
21 ~~or other provisions of this code.]~~

22 SECTION 4. Section 109.62(e), Alcoholic Beverage Code, is
23 amended to read as follows:

24 (e) The alternate location must be in an area where the sale
25 of the applicable alcoholic beverages has been approved by a local
26 option election or where the distributor or wholesaler had been
27 operating under Section 251.77 or 251.78. ~~[If beer, ale, or malt~~

~~liquor is handled at the alternate location, the alternate location must be in the area assigned to the distributor or wholesaler under Subchapters C and D, Chapter 102.]~~

SECTION 5. The following provisions of the Alcoholic Beverage Code are repealed:

- (1) Section 55.01(b);
- (2) Section 64.07(c);
- (3) Section 74.09(b);
- (4) Section 74.10; and
- (5) Subchapters C and D, Chapter 102.

SECTION 6. This Act takes effect September 1, 2019.