

By: Hancock, Schwertner

S.B. No. 1655

A BILL TO BE ENTITLED

AN ACT

relating to the sampling of distilled spirits provided by the manufacturer to a retailer of distilled spirits.

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

SECTION 1. Chapter 14, Alcoholic Beverage Code, is amended by adding Section 14.07 to read as follows:

Sec. 14.07. RETAILER SAMPLING. (a) Subject to this section and notwithstanding any other provision of this code, the holder of a distiller's and rectifier's permit or the agent or employee of the holder of a distiller's and rectifier's permit may:

(1) provide a sample of distilled spirits to the holder of a retail permit authorizing the sale of distilled spirits or an agent or employee of the holder of the retail permit; or

(2) conduct a distilled spirits product tasting on the retailer's premises, including opening, touching, or pouring distilled spirits, for the holder of the retail permit or an agent or employee of the holder of the retail permit.

(b) The holder of the distiller's and rectifier's permit or the agent or employee of the holder of the distiller's and rectifier's permit may make a presentation or answer questions at a distilled spirits tasting conducted under Subsection (a).

(c) The holder of a retail permit authorizing the sale of distilled spirits or an agent or employee of the permit holder may not sample or taste a distilled spirit provided under this section

1 on the permitted retail premises unless the holder of the
2 distiller's and rectifier's permit is present.

3 (d) The distilled spirits provided as a sample or at a
4 tasting under Subsection (a):

5 (1) must be manufactured by the holder of the
6 distiller's and rectifier's permit;

7 (2) may not be of a brand previously purchased by the
8 holder of the retailer's permit;

9 (3) must be limited to 750 milliliters of each brand
10 provided as a sample or at a tasting; and

11 (4) must meet all labeling requirements of this code.

12 (e) Distilled spirits may legally be transported by the
13 holder of the distiller's and rectifier's permit or the permit
14 holder's agent or employee to a retail premises for the purpose of
15 providing a sample or conducting a tasting under this section.

16 SECTION 2. Section 15.01, Alcoholic Beverage Code, is
17 amended to read as follows:

18 Sec. 15.01. AUTHORIZED ACTIVITIES. The holder of a
19 distiller's agent's permit may:

20 (1) represent the holder of a distiller's and
21 rectifier's permit;

22 (2) solicit and take orders from a holder of a
23 wholesaler's permit for the sale of distilled spirits manufactured
24 by the permit holder represented by the agent; ~~and~~

25 (3) conduct free distilled spirits tastings for
26 consumers on the premises of the holder of a package store permit;
27 and

1 (4) provide samples or conduct tastings of distilled
2 spirits on a retailer's premises in accordance with Section 14.07.

3 SECTION 3. Sections 22.10 and 22.11, Alcoholic Beverage
4 Code, are amended to read as follows:

5 Sec. 22.10. OPENING CONTAINERS PROHIBITED. Except as
6 authorized under Section 14.07, 37.01(b-1), or 52.01 [~~of this~~
7 ~~code~~], no person may break or open a container containing liquor or
8 beer or possess an opened container of liquor or beer on the
9 premises of a package store.

10 Sec. 22.11. CONSUMPTION ON PREMISES PROHIBITED. Except as
11 authorized under Section 14.07, 37.01(b-1), or 52.01, no person may
12 sell, barter, exchange, deliver, or give away any drink or drinks of
13 alcoholic beverages from a container that has been opened or broken
14 on the premises of a package store.

15 SECTION 4. Sections 28.06(a) and (c), Alcoholic Beverage
16 Code, are amended to read as follows:

17 (a) Except as provided by Sections 14.07 and 37.01(b-1), no
18 [~~No~~] holder of a mixed beverage permit, nor any officer, agent, or
19 employee of a holder, may possess or permit to be possessed on the
20 premises for which the permit is issued any alcoholic beverage
21 which is not covered by an invoice from the supplier from whom the
22 alcoholic beverage was purchased.

23 (c) Except as provided by Sections 14.07 and 37.01(b-1), no
24 [~~No~~] holder of a mixed beverage permit, nor any officer, agent, or
25 employee of a holder, may knowingly possess or permit to be
26 possessed on the licensed premises any alcoholic beverage which is
27 not covered by an invoice from the supplier from whom the alcoholic

1 beverage was purchased.

2 SECTION 5. Section 28.15(a), Alcoholic Beverage Code, is
3 amended to read as follows:

4 (a) Except as provided by Sections 14.07 and 37.01(b-1), a
5 [A] mixed beverage permittee may not possess or permit a person to
6 possess on the premises distilled spirits in any container that
7 does not bear a serially numbered identification stamp issued by
8 the commission or other identification approved by the commission.

9 SECTION 6. Section 32.15, Alcoholic Beverage Code, is
10 amended to read as follows:

11 Sec. 32.15. REMOVAL OF BEVERAGES FROM PREMISES. A private
12 club, irrespective of location or system of storage of alcoholic
13 beverages, may not permit any person to remove any alcoholic
14 beverages from the club premises, except as authorized by
15 [~~Subsection (b) of~~] Section 28.10(b) or for the purpose of removing
16 unused inventory the person brought onto the premises under Section
17 14.07 or 37.01(b-1) [~~28.10 of this code~~].

18 SECTION 7. Section 32.20(a), Alcoholic Beverage Code, is
19 amended to read as follows:

20 (a) Except as provided by Sections 14.07 and 37.01(b-1), a
21 [A] private club registration permittee may not possess or permit a
22 person to possess on the premises distilled spirits in any
23 container that does not bear a serially numbered identification
24 stamp issued by the commission or other identification approved by
25 the commission.

26 SECTION 8. Section 36.01, Alcoholic Beverage Code, is
27 amended to read as follows:

1 Sec. 36.01. AUTHORIZED ACTIVITIES. The holder of a
2 manufacturer's agent's permit may:

3 (1) represent only the holders of nonresident seller's
4 permits; ~~and~~

5 (2) solicit and take orders for the sale of liquor from
6 permittees authorized to import liquor for the purpose of resale;
7 and

8 (3) if the agent represents the holder of a
9 nonresident seller's permit who owns a distillery outside of the
10 state, provide samples or conduct tastings of distilled spirits on
11 a retailer's premises as authorized by Section 37.01(b-1).

12 SECTION 9. Section 37.01, Alcoholic Beverage Code, is
13 amended by adding Subsection (b-1) and amending Subsection (c) to
14 read as follows:

15 (b-1) The holder of a nonresident seller's permit who owns a
16 distillery outside of the state or an agent or employee of the
17 permit holder may provide samples or conduct tastings of the kinds
18 of distilled spirits the permit holder is authorized to produce in
19 the manner authorized by Section 14.07 for the holder of a
20 distiller's and rectifier's permit or the agent or employee of the
21 holder of a distiller's and rectifier's permit.

22 (c) Any alcoholic beverages used in a sampling event under
23 Subsection (b) [this section] must be purchased from the retailer
24 on whose premises the sampling event is held. Subsection
25 (b) [This section] does not authorize the holder of a nonresident
26 seller's permit or manufacturer's agent's permit to withdraw or
27 purchase alcoholic beverages from the holder of a wholesaler's

1 permit or provide alcoholic beverages for a sampling event on a
2 retailer's premises that is not purchased from the retailer. The
3 amount of alcoholic beverages purchased from the retailer may not
4 exceed the amount of alcoholic beverages used in the sampling
5 event.

6 SECTION 10. This Act takes effect September 1, 2019.