

1-1 By: Parker, Hagenbuch S.B. No. 1355
1-2 (In the Senate - Filed February 18, 2025; March 6, 2025,
1-3 read first time and referred to Committee on State Affairs;
1-4 March 24, 2025, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 10, Nays 0; March 24, 2025,
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Hughes	X			
1-10	Paxton	X			
1-11	Bettencourt	X			
1-12	Birdwell	X			
1-13	Hall	X			
1-14	Hinojosa of Nueces	X			
1-15	Middleton	X			
1-16	Parker	X			
1-17	Perry			X	
1-18	Schwertner	X			
1-19	Zaffirini	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1355 By: Parker

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to liquor sales on credit by the holder of a distiller's
1-24 and rectifier's permit to a wholesaler.
1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-26 SECTION 1. Subchapter B, Chapter 102, Alcoholic Beverage
1-27 Code, is amended by adding Section 102.33 to read as follows:
1-28 Sec. 102.33. SALE OF LIQUOR BY DISTILLER AND RECTIFIER TO
1-29 WHOLESALER: CREDIT RESTRICTIONS. (a) The holder of a distiller's
1-30 and rectifier's permit shall provide a written invoice to the
1-31 holder of a wholesaler's permit who purchases liquor from the
1-32 holder of the distiller's and rectifier's permit.
1-33 (b) The holder of a wholesaler's permit shall pay for liquor
1-34 purchased from the holder of a distiller's and rectifier's permit in
1-35 accordance with the agreed terms of a contract or letter of
1-36 agreement between the holder of the distiller's and rectifier's
1-37 permit and the wholesaler.
1-38 (c) If the holder of a wholesaler's permit becomes
1-39 delinquent in the payment of an invoice for liquor under this
1-40 section, the holder of the distiller's and rectifier's permit who
1-41 sold the liquor to the wholesaler may report that fact in writing,
1-42 along with any supporting documentation, to the commission. For
1-43 purposes of this section, a wholesaler becomes delinquent in the
1-44 payment of an invoice if the wholesaler:
1-45 (1) fails to pay the amount due to the holder of the
1-46 distiller's and rectifier's permit on or before the date payment is
1-47 required under the agreed terms of a contract or letter of agreement
1-48 between the holder of the distiller's and rectifier's permit and the
1-49 wholesaler; and
1-50 (2) fails to pay the amount due to the holder of the
1-51 distiller's and rectifier's permit after receiving a demand for
1-52 payment from the holder of the distiller's and rectifier's permit,
1-53 in accordance with any agreed payment terms of a contract or letter
1-54 of agreement between the holder of the distiller's and rectifier's
1-55 permit and the wholesaler.
1-56 (d) It is a violation of this section for the holder of a
1-57 wholesaler's permit to become delinquent in the payment of an
1-58 invoice under this section. The commission may take disciplinary
1-59 action against a wholesaler who violates this section. In
1-60 determining an appropriate disciplinary action for the violation,

the commission may consider:

(1) the duration of the delinquency;

(2) the amount of the delinquent payment;

(3) any previous violations of this section committed by the wholesaler;

(4) the financial resources of the wholesaler; and

(5) any other factors the commission or administrator determines relevant.

(e) The commission shall adopt rules to implement this section, including rules regarding the submission of supporting documentation by the holder of a distiller's and rectifier's permit under Subsection (c).

SECTION 2. This Act takes effect September 1, 2025.

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