

1-1 By: Creighton S.B. No. 1760
 1-2 (In the Senate - Filed March 9, 2017; March 23, 2017, read
 1-3 first time and referred to Committee on Business & Commerce;
 1-4 April 3, 2017, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; April 3, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14			X	
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to product tastings of alcoholic beverages on certain
 1-20 permitted premises.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Chapter 14, Alcoholic Beverage Code, is amended
 1-23 by adding Section 14.07 to read as follows:

1-24 Sec. 14.07. PRODUCT TASTINGS. (a) The holder of a
 1-25 distiller's and rectifier's permit or the agent or employee of the
 1-26 holder of a distiller's and rectifier's permit may:

1-27 (1) conduct distilled spirits samplings, including
 1-28 product tastings of distilled spirits, on the premises of the
 1-29 holder of:

1-30 (A) a package store permit;

1-31 (B) a mixed beverage permit; or

1-32 (C) a private club registration permit; and

1-33 (2) open, touch, or pour distilled spirits, make a
 1-34 presentation, or answer questions at a distilled spirits sampling
 1-35 or product tasting.

1-36 (b) The distilled spirits used for a distilled spirits
 1-37 sampling or product tasting under Subsection (a) may be provided
 1-38 from the distiller's and rectifier's permit holder's inventory if:

1-39 (1) the distilled spirits are legally transported to
 1-40 the premises where the sampling or product tasting is to be
 1-41 conducted;

1-42 (2) the distilled spirits are ordinarily offered for
 1-43 sale by the holder of the distiller's and rectifier's permit;

1-44 (3) the holder of the distiller's and rectifier's
 1-45 permit pays the taxes owed under Chapter 183, Tax Code, on the
 1-46 distilled spirits used for the sampling or product tasting; and

1-47 (4) except as provided by Subsection (d), the person
 1-48 who conducts the sampling or product tasting complies with the
 1-49 requirements of Section 52.01 for conducting a product tasting
 1-50 under that section.

1-51 (c) Before an agent or employee of a holder of a distiller's
 1-52 and rectifier's permit conducts a distilled spirits sampling or
 1-53 product tasting under this section, the holder of the distiller's
 1-54 and rectifier's permit or the permit holder's agent or employee
 1-55 shall provide to the permit holder for the premises where the
 1-56 sampling or product tasting is to be conducted written notice that
 1-57 the agent or employee maintains a seller server certificate as
 1-58 defined by 16 T.A.C. Section 50.2.

1-59 (d) To the extent of a conflict between this section and
 1-60 Section 52.01, this section controls.

1-61 SECTION 2. Section 15.01, Alcoholic Beverage Code, is

2-1 amended to read as follows:

2-2 Sec. 15.01. AUTHORIZED ACTIVITIES. The holder of a
2-3 distiller's agent's permit may:

2-4 (1) represent the holder of a distiller's and
2-5 rectifier's permit;

2-6 (2) solicit and take orders from a holder of a
2-7 wholesaler's permit for the sale of distilled spirits manufactured
2-8 by the permit holder represented by the agent; and

2-9 (3) conduct free distilled spirits tastings for
2-10 consumers on the premises of the holder of a package store permit,
2-11 mixed beverage permit, or private club registration permit.

2-12 SECTION 3. Sections 22.10 and 22.11, Alcoholic Beverage
2-13 Code, are amended to read as follows:

2-14 Sec. 22.10. OPENING CONTAINERS PROHIBITED. Except as
2-15 authorized under Section 14.07 or 52.01 [~~of this code~~], no person
2-16 may break or open a container containing liquor or beer or possess
2-17 an opened container of liquor or beer on the premises of a package
2-18 store.

2-19 Sec. 22.11. CONSUMPTION ON PREMISES PROHIBITED. Except as
2-20 authorized under Section 14.07 or 52.01, no person may sell,
2-21 barter, exchange, deliver, or give away any drink or drinks of
2-22 alcoholic beverages from a container that has been opened or broken
2-23 on the premises of a package store.

2-24 SECTION 4. Sections 28.06(a) and (c), Alcoholic Beverage
2-25 Code, are amended to read as follows:

2-26 (a) Except as provided by Section 14.07, no [~~No~~] holder of a
2-27 mixed beverage permit, nor any officer, agent, or employee of a
2-28 holder, may possess or permit to be possessed on the premises for
2-29 which the permit is issued any alcoholic beverage which is not
2-30 covered by an invoice from the supplier from whom the alcoholic
2-31 beverage was purchased.

2-32 (c) Except as provided by Section 14.07, no [~~No~~] holder of a
2-33 mixed beverage permit, nor any officer, agent, or employee of a
2-34 holder, may knowingly possess or permit to be possessed on the
2-35 licensed premises any alcoholic beverage which is not covered by an
2-36 invoice from the supplier from whom the alcoholic beverage was
2-37 purchased.

2-38 SECTION 5. Section 28.15(a), Alcoholic Beverage Code, is
2-39 amended to read as follows:

2-40 (a) Except as provided by Section 14.07, a [~~A~~] mixed
2-41 beverage permittee may not possess or permit a person to possess on
2-42 the premises distilled spirits in any container that does not bear a
2-43 serially numbered identification stamp issued by the commission or
2-44 other identification approved by the commission.

2-45 SECTION 6. Section 32.15, Alcoholic Beverage Code, is
2-46 amended to read as follows:

2-47 Sec. 32.15. REMOVAL OF BEVERAGES FROM PREMISES. A private
2-48 club, irrespective of location or system of storage of alcoholic
2-49 beverages, may not permit any person to remove any alcoholic
2-50 beverages from the club premises, except as authorized by
2-51 [~~Subsection (b) of~~] Section 28.10(b) or for the purpose of removing
2-52 unused inventory the person brought onto the premises under Section
2-53 14.07(b) [~~28.10 of this code~~].

2-54 SECTION 7. Section 32.20(a), Alcoholic Beverage Code, is
2-55 amended to read as follows:

2-56 (a) Except as provided by Section 14.07, a [~~A~~] private club
2-57 registration permittee may not possess or permit a person to
2-58 possess on the premises distilled spirits in any container that
2-59 does not bear a serially numbered identification stamp issued by
2-60 the commission or other identification approved by the commission.

2-61 SECTION 8. Sections 52.01(b) and (c), Alcoholic Beverage
2-62 Code, are repealed.

2-63 SECTION 9. This Act takes effect September 1, 2017.

2-64

* * * * *