By: Seliger

1

S.B. No. 2083

## A BILL TO BE ENTITLED

## AN ACT

2 relating to the sale of beer and ale by the holders of 3 Manufacturer's Licenses and Brewer's permits.

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

5 SECTION 1. Section 12.052, Alcoholic Beverage Code, is 6 amended to read as follows:

Sec. 12.052. SALES BY CERTAIN BREWERS TO CONSUMERS. (a) In 7 8 addition to the activities authorized by Section 12.01, the holder of a brewer's permit whose annual production of ale together with 9 10 the annual production of beer by the holder of a manufacturer's license at all [the same] premises owned directly or indirectly by 11 12 the license holder or an affiliate or subsidiary does not exceed a 13 total of 225,000 barrels may sell ale produced on the brewer's premises under the permit to ultimate consumers on the brewer's 14 premises for responsible consumption on the brewer's premises. 15

(b) The total combined sales of ale to ultimate consumers under this section, together with the sales of beer to ultimate consumers by the holder of a manufacturer's license under Section 62.122 at the same premises, may not exceed 5,000 barrels annually.

20 SECTION 2. Section 62.122, Alcoholic Beverage Code, is 21 amended to read as follows:

Sec. 62.122. SALES BY CERTAIN MANUFACTURERS TO CONSUMERS. (a) A manufacturer's licensee whose annual production of beer together with the annual production of ale by the holder of a

1

## S.B. No. 2083

1 brewer's permit at [the same] <u>all</u> premises owned <u>directly or</u> 2 <u>indirectly by the license holder or an affiliate or subsidiary</u> does 3 not exceed 225,000 barrels may sell beer produced on the 4 manufacturer's premises under the license to ultimate consumers on 5 the manufacturer's premises for responsible consumption on the 6 manufacturer's premises.

7 (b) The total combined sales of beer to ultimate consumers 8 under this section, together with the sales of ale to ultimate 9 consumers by the holder of a brewer's permit under Section 12.052 at 10 the same premises, may not exceed 5,000 barrels annually.

SECTION 3. Section 12A.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 12A.02. AUTHORIZED ACTIVITIES. (a) A holder of 13 а 14 brewer's self-distribution permit whose annual production of ale 15 under the brewer's or nonresident brewer's permit, together with 16 the annual production of beer by the holder of a manufacturer's or nonresident manufacturer's license at [the same] all premises owned 17 directly or indirectly by the license holder or an affiliate or 18 subsidiary, does not exceed 125,000 barrels may sell ale produced 19 20 under the brewer's or nonresident brewer's permit to those persons 21 to whom the holder of a general class B wholesaler's permit may sell 22 ale under Section 20.01(3).

(b) The total combined sales of ale under this section, together with the sales of beer by the holder of a manufacturer's self-distribution license under Section 62A.02 at <u>all</u> [the same] premises owned <u>directly or indirectly by the license holder or an</u> <u>affiliate or subsidiary</u>, may not exceed 40,000 barrels annually.

2

## S.B. No. 2083

1 (c) With regard to a sale under this section, the holder of a 2 brewer's self-distribution permit has the same authority and is 3 subject to the same requirements that apply to a sale made by the 4 holder of a general class B wholesaler's permit.

5 (d) Ale sold under this section may be shipped only from a6 brewery in this state.

7 SECTION 4. Section 62A.02, Alcoholic Beverage Code, is 8 amended to read as follows:

9 Sec. 62A.02. AUTHORIZED ACTIVITIES. (a) A holder of а manufacturer's self-distribution license whose annual production 10 of beer under the manufacturer's or nonresident manufacturer's 11 12 license, together with the annual production of ale by the holder of 13 a brewer's or nonresident brewer's permit at [the same] all premises owned directly or indirectly by the license holder or an affiliate 14 or subsidiary, does not exceed 125,000 barrels may sell beer 15 16 produced under the manufacturer's or nonresident manufacturer's license to those persons to whom the holder of a general 17 distributor's license may sell beer under Section 64.01(a)(2). 18

(b) The total combined sales of beer under this section, together with the sales of ale by the holder of a brewer's self-distribution permit under Section 12A.02 at <u>all</u> [the same] premises owned <u>directly or indirectly by the license holder or an</u> affiliate or subsidiary, may not exceed 40,000 barrels annually.

(c) With regard to a sale under this section, the holder of a manufacturer's self-distribution license has the same authority and is subject to the same requirements that apply to a sale made by the holder of a general distributor's license.

3

S.B. No. 2083

(d) Beer sold under this section may be shipped only from a
manufacturing facility in this state.

3 SECTION 5. This Act take effect immediately if it receives a 4 vote of two-thirds of all the members elected to each house, as 5 provided by Section 39, Article III, Texas Constitution. If this 6 Act does not receive the vote necessary for immediate effect, this 7 Act takes effect September 1, 2017.