

1-1 By: King of Hemphill (Senate Sponsor - Hancock) H.B. No. 3222
 1-2 (In the Senate - Received from the House May 13, 2019;
 1-3 May 14, 2019, read first time and referred to Committee on Business
 1-4 & Commerce; May 20, 2019, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;
 1-6 May 20, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
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	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 3222 By: Hancock

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the creation of a nonresident brewer's or nonresident
 1-22 manufacturer's agent's permit; authorizing a fee.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle A, Title 3, Alcoholic Beverage Code, is
 1-25 amended by adding Chapter 57 to read as follows:

1-26 CHAPTER 57. NONRESIDENT BREWER'S OR NONRESIDENT MANUFACTURER'S
 1-27 AGENT'S PERMIT

1-28 Sec. 57.001. AUTHORIZED ACTIVITIES. The holder of a
 1-29 nonresident brewer's or nonresident manufacturer's agent's permit
 1-30 may:

- 1-31 (1) represent one or more:
 - 1-32 (A) nonresident brewers; and
 - 1-33 (B) nonresident manufacturers; and
- 1-34 (2) on behalf of a nonresident brewer or nonresident
 1-35 manufacturer whom the permit holder represents:
 - 1-36 (A) perform any activity the nonresident brewer
 1-37 or nonresident manufacturer whom the permit holder represents could
 1-38 perform in this state; and
 - 1-39 (B) apply for a permit, license, or other
 1-40 authorization required by the commission.

1-41 Sec. 57.002. FEE. The annual state fee for a nonresident
 1-42 brewer's or nonresident manufacturer's agent's permit is \$2,500.

1-43 Sec. 57.003. ELIGIBILITY. A nonresident brewer's or
 1-44 nonresident manufacturer's agent's permit may be issued only to a
 1-45 person who holds a nonresident seller's permit under Chapter 37.

1-46 Sec. 57.004. RESTRICTION AS TO REPRESENTATION. (a) A
 1-47 holder of a nonresident brewer's or nonresident manufacturer's
 1-48 agent's permit may not represent a nonresident brewer or a
 1-49 nonresident manufacturer unless the permit holder is the primary
 1-50 American source of supply for a product produced by the nonresident
 1-51 brewer or nonresident manufacturer.

1-52 (b) In this section, "primary American source of supply"
 1-53 means the nonresident brewer or nonresident manufacturer or the
 1-54 exclusive agent of the nonresident brewer or nonresident
 1-55 manufacturer. To be the "primary American source of supply" the
 1-56 nonresident brewer's or nonresident manufacturer's agent must be
 1-57 the first source, that is, the brewer or manufacturer or the source
 1-58 closest to the brewer or manufacturer, in the channel of commerce
 1-59 from whom the product can be secured by Texas wholesalers and
 1-60 distributors.

2-1 Sec. 57.005. AUTHORIZATION BY NONRESIDENT BREWER OR
2-2 NONRESIDENT MANUFACTURER REQUIRED. A nonresident brewer's or
2-3 nonresident manufacturer's agent's permit may not be issued to a
2-4 person unless the person shows to the satisfaction of the
2-5 commission that the person has been authorized to act as the agent
2-6 of a nonresident brewer or nonresident manufacturer the person
2-7 proposes to represent.

2-8 Sec. 57.006. TERRITORIAL AGREEMENT NOT AFFECTED. Nothing
2-9 in this chapter affects a territorial agreement entered into under
2-10 Subchapter C, Chapter 102.

2-11 Sec. 57.007. RESPONSIBILITY FOR AGENT'S ACTIONS. A
2-12 nonresident brewer or nonresident manufacturer is responsible for
2-13 any action taken by a nonresident brewer's or nonresident
2-14 manufacturer's agent in the course of the agent's representation of
2-15 the nonresident brewer or nonresident manufacturer under this
2-16 chapter to the same extent and in the same manner as if the action
2-17 had been taken by the nonresident brewer or nonresident
2-18 manufacturer.

2-19 SECTION 2. This Act takes effect September 1, 2019.

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