

## **BILL ANALYSIS**

Senate Research Center  
83R6290 JAM-D

S.B. 642  
By: Van de Putte  
Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, the Texas Alcoholic Beverage Commission grants industrial permits for food processors to buy distilled spirits at retail establishments for use in food production. However, these permits only authorize food processors to buy distilled spirits from retailers.

S.B. 642 allows a holder of a distiller's and rectifier's permit to sell the holder's bulk product to holders of industrial permits.

As proposed, S.B. 642 amends current law relating to the sale of distilled spirits to the holder of an industrial permit.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 14.01(a), Alcoholic Beverage Code, as follows:

(a) Authorizes the holder of a distiller's or rectifier's permit to:

(1)-(5) Makes no changes to these subdivisions;

(6)-(7) Makes nonsubstantive changes to these subdivisions; and

(8) sell bulk products in this state to holders of industrial permits to authorizations granted to the holder of a distiller's and rectifier's permit.

SECTION 2. Amends Chapter 14, Alcoholic Beverage Code, by adding Section 14.05, as follows:

Sec. 14.05. REPORT OF CERTAIN SALES. Requires a holder of a distiller's and rectifier's permit who sells distilled spirits to a holder of an industrial permit under Section 14.01(a)(8) to keep records of those sales in a manner prescribed by the Texas Alcoholic Beverage Commission (TABC) or administrator of TABC.

SECTION 3. Effective date: September 1, 2013.