governed by the law in effect when the election was ordered, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2013.

Passed the Senate on April 18, 2013: Yeas 31, Nays 0; passed the House on May 22, 2013: Yeas 148, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 555

S.B. No. 639

AN ACT
relating to the sale of beer, ale, and malt liquor by a brewer or beer manufacturer to a wholesaler or distributor and contractual agreements between those entities.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 102.75, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.75. PROHIBITED CONDUCT. (a) No manufacturer shall:

(1) induce or coerce, or attempt to induce or coerce, any distributor to engage in any illegal act or course of conduct;

(2) require a distributor to assent to any unreasonable requirement, condition, understanding, or term of an agreement prohibiting a distributor from selling the product of any other manufacturer or manufacturers;

(3) fix or maintain the price at which a distributor may resell beer;

(4) fail to provide to each distributor of its brands a written contract which embodies the manufacturer's agreement with its distributor;

(5) require any distributor to accept delivery of any beer or any other item or commodity which shall not have been ordered by the distributor;

(6) adjust the price at which the manufacturer sells beer to a distributor based on the price at which a distributor resells beer to a retailer, but a manufacturer is free to set its own price so long as any price adjustment is based on factors other than a distributor's increase in the price it charges to a retailer and not intended to otherwise coerce illegal behavior under this section; or

(7) accept payment in exchange for an agreement setting forth territorial rights.

(b) Nothing in this section shall interfere with the rights of a manufacturer or distributor to enter into contractual agreements that could be construed as governing ordinary business transactions, including, but not limited to, agreements concerning allowances, rebates, refunds, services, capacity, advertising funds, promotional funds, or sports marketing funds.

(c) It is the public policy and in the interest of this state to assure the independence of members of the three-tier system, but nothing in this code may be construed to prohibit contractual agreements between members of the same tier who hold the same licenses and permits.

SECTION 2. (a) Subject to Subsection (b) of this section, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

(b) The changes in law made by this Act take effect only if each of the following bills is enacted and becomes law:

(1) Senate Bill No. 515, House Bill No. 1763, or another similar bill of the 83rd Legislature, Regular Session, 2013, that allows holders of brewpub licenses to self-distribute beer, malt liquor, or ale produced under the license to retailers;
(2) Senate Bill No. 516, House Bill No. 1764, or another similar bill of the 83rd Legislature, Regular Session, 2013, that allows small brewers to sell ale to retailers;

(3) Senate Bill No. 517, House Bill No. 1765, or another similar bill of the 83rd Legislature, Regular Session, 2013, that allows small beer manufacturers to sell beer to retailers; and

(4) Senate Bill No. 518, House Bill No. 1766, or another similar bill of the 83rd Legislature, Regular Session, 2013, that allows small brewers and beer manufacturers to sell beer and ale to ultimate consumers.

Passed the Senate on March 25, 2013: Yeas 31, Nays 0; passed the House on May 20, 2013: Yeas 122, Nays 26, one present not voting.

Approved June 14, 2013.

Effective June 14, 2013.