



<b>TABC USE ONLY</b>	<b>ISSUE DATE</b>	<b>FEE</b>	<b>LATE FEE (RENEWAL ONLY)</b>
<b>CD-</b>		<b>\$10,000.00</b>	

<b>ALL APPLICANTS</b>	<b>1A. TYPE OF APPLICATION:</b> <input type="checkbox"/> Original <input type="checkbox"/> Renewal <input type="checkbox"/> Change			
	<b>1B.</b> If renewal or change, enter license/permit no(s): _____			
	<b>2.</b> Trade Name of Business _____			
	<b>3.</b> Location Address _____			
	City	County	State	Zip Code
<b>4.</b> Mailing Address _____		City/Foreign Country	State	Zip Code

**OWNERSHIP INFORMATION**

<b>OWNERSHIP INFORMATION</b>	<b>5A.</b> Indicate type of ownership and complete the information below: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Partnership			
	<b>5B. Corporations/Partnerships</b>			
	Entity Name (Name of Corporation, LLC, etc.): _____		Federal Employer's I.D. No.: _____	
	Filing No.: _____	Date Approved: _____	State: _____	
	<b>5C. Individual Owner OR Officer/Manager/Partner of above:</b>			
Social Security Number	Issuing State and Driver's License Number	Date of Birth (mm/dd/yyyy)		
Full Legal Name (Last, First, Middle) _____				
Residential Address	City	State	Zip Code	
<b>5D</b> Designated Contact Person inside the state of Texas:				
Name: _____		Phone: _____	Email: _____	

**WARNING:** Section 101.69 of the Texas Alcoholic Beverage Code is as follows: "...a person who makes a false statement or false representation in an application for a permit or license or in a statement, report, or other instrument to be filed with the Commission and required to be sworn commits an offense punishable by imprisonment in the Texas Department of Criminal Justice for not less than 2 nor more than 10 years."

**ACKNOWLEDGMENT**

If Applicant is:	Who Must Sign:	
Individual	Individual Owner	<b>PRINT NAME:</b> _____ NAME MUST APPEAR AS NAME SHOWN IN QUESTION 5C.  <b>SIGN HERE:</b> _____ SIGNATURE MUST APPEAR AS NAME SHOWN IN QUESTION 5C.  Before me, the undersigned authority, on this _____ day of _____, 20____ the person whose name is signed to the foregoing application personally appeared and, duly sworn by me, states under oath that he or she read the said application and that all the facts therein set forth are true and correct.  <b>SIGN HERE:</b> _____ NOTARY PUBLIC
Partnership	Partner	
Corporation	Officer	
Limited Partnership	General Partner	
Limited Liability Partnership	General Partner	
Limited Liability Company	Officer or Manager	
<b>SEAL</b>		

## INFORMATION AND INSTRUCTIONS

### AUTHORIZED ACTIVITIES:

#### Sec. 57.01 (a)

The holder of a consumer delivery permit may contract with or employ a driver for the delivery of an alcoholic beverage from the premises of the holder of a retailer's permit described by subsection (b) to an ultimate consumer located in an area where the sale of the beverage is legal.

#### Limit Liability with TRAD Certification or Use of a Compliant Delivery App

A CD permittee is not liable for the conduct of a delivery driver acting on behalf of the permittee if: **(1)** the permittee has not directly or indirectly encouraged the driver to violate the law and **(2)** the delivery driver either:

- (a)** holds a valid Texas Responsible Alcohol Delivery (TRAD) certification, or
- (b)** completes the delivery using a software application that meets the requirements in Rule

It is illegal to sell or deliver (for commercial purposes) an alcoholic beverage to a minor or an intoxicated person. However, it is presumed that an alcoholic beverage was not sold or delivered with criminal negligence if the driver:

- (1)** held a valid TRAD certification at the time of delivery, and
- (2)** completed the delivery due to a technical malfunction of a software application that meets the requirements in Rule

CD permittees are strongly encouraged to have their software application assessed to determine if the application meets the requirements in Rule 35.7. Even though the assessment is not mandatory, it does ensure the CD permittee that the software application meets the rule's requirements.

#### How to Get Your Delivery Software Application Assessed

1. Read through the Assessment Checklist for Consumer Delivery Applications and the Assessment Guidelines for Software Applications (included with this application) to understand the assessment process.
2. After reviewing the documents, email an assessment request to [CDsoftwareassessment@tabc.texas.gov](mailto:CDsoftwareassessment@tabc.texas.gov).

All assessments will be conducted by Loblolly, a third-party vendor.

When completing the application (L-DEL) all applicants should answer numbers 1-5. Ensure application is signed by individual/officer/manager/partner and a notary public has acknowledged the signature.

Prior to mailing the original application, make a copy for your records. **Mail original application with proper fees to:**

**Texas Alcoholic Beverage Commission  
P.O. Box 13127  
Austin, Texas 78711**

Fees **MUST** be paid at the time of submission. Fees may **NOT** be prorated or refunded. Submit your application along with permit fees and surcharges with a cashier's check, money order, or firm check from corporate permittee **payable to the Comptroller of Public Accounts**.

**RESPONSIBILITY COURSES** - TABC recommends that every *applicant* complete a Responsibility Course for the type of license/permit sought. Courses are available online at [https://www.tabc.texas.gov/licensing/responsibilities\\_course.asp](https://www.tabc.texas.gov/licensing/responsibilities_course.asp).

## Assessment Guidelines for Software Applications

### OVERVIEW AND PURPOSE

In September 2019, a new Consumer Delivery Permit (CD) went into effect authorizing alcoholic beverage delivery directly to consumers on behalf of certain retailers. Deliveries must be made by a business or person who contracts with or employs people to deliver retail goods to consumers. Because it was expected that mobile applications would be used for alcohol delivery, the law directs TABC to establish minimum requirements for alcohol delivery compliance software applications.

**Purpose of Assessment:** To review a permittee's software application through a live demonstration to determine if the application complies with the requirements in TABC Rule 35.7.

Using an approved application that meets Rule 35.7's requirements provides CD Permit holders and delivery drivers additional protections from legal liability.

A CD permittee is not liable for the conduct of the driver acting on the permittee's behalf if the permittee has not directly or indirectly encouraged the delivery driver to violate the law and the delivery driver either (1) holds a valid Texas Responsible Alcohol Delivery (TRAD) certification or (2) completes the delivery using a software application that meets the standards set forth in Rule 35.7.

It is illegal to sell or to deliver (for commercial purposes) an alcoholic beverage to a minor or an intoxicated individual. However, it is a presumption that an alcoholic beverage was not sold or delivered with criminal negligence if the driver held a valid TRAD certification at the time of delivery and the driver completed the delivery due to a technical malfunction of a software application that complies with Rule 35.7.

In both cases, it's recommended the CD permittee get their application assessed to determine if it meets Rule 35.7 standards.

### WHEN TO GET AN ASSESSMENT

- Your software application may be assessed for approval at any time before or after its initial rollout.
- A software application must be re-assessed any time the functions that were previously assessed are changed or modified. Examples of changes that require and do not require a new assessment are provided below.

#### Subsequent Changes to Application Requiring a New Assessment

1. The method used to authenticate the application changes.
2. The method used to read driver's license information changes.
3. Business rules in the application change regarding when a transaction can be completed or canceled.
4. The method for determining if the alcohol can be legally delivered to the requested address changes, inside or outside of the application.

#### Subsequent Changes Not Requiring a New Assessment

1. The screen display changes, but all information and functionality remain the same.
2. Additional reason codes not required by TABC are added, but no required reason codes are deleted or modified.
3. The Transaction Report format changes, but the content does not change.
4. Accessibility features are added to comply with Americans with Disability Act (ADA) rules.

## SCOPE OF THE ASSESSMENT

You must demonstrate during the assessment that:

- The application's functionality complies with the required functions in the Assessment Checklist for Software Applications and TABC Rule 35.7
- The data entered in the software application during the assessment is saved and can be exported and viewed in a user-friendly electronic or paper report.

## HOW TO PREPARE

- Email a request to conduct an assessment to [CDsoftwareassessment@tabc.texas.gov](mailto:CDsoftwareassessment@tabc.texas.gov).
- TABC has designated Loblolly Consulting company as the firm that will conduct the assessment and report findings back to TABC. A representative from Loblolly will follow up with you to schedule, plan and conduct the assessment and report findings back to TABC.
- Appoint at least one representative with the requisite technical knowledge of both Rule 35.7's requirements and the software application to conduct a live demonstration. The representatives should:
  - Be knowledgeable and proficient in using the application.
  - Understand the design and functionality of the application.
  - Know how to generate reports of information saved within the application.
  - Speak to the application's integration with other systems.
  - Be able to satisfactorily answer all questions regarding the software application.
- For the demonstration, the software application will use a uniform set of test data that contains no real personally identifying information or financial data. The test data must be representative of production data.
- The software application will use a test environment for the assessment that replicates exactly the production environment and provides real-time transactions.
- The permit holder or their appointed representative must demonstrate the functionality of the software application on a laptop or tablet.
  - If the permit holder wishes to demonstrate the application on a mobile phone, they must bring a projector to the assessment location so that the screen can be projected for easy viewing.
  - Or if demonstrating virtually, the device (mobile phone, tablet or computer) screen must be shared live in real time. Screenshots are not an acceptable form of screen sharing in a virtual demonstration.

- The permit holder must provide reports of information and transactions to Loblolly during the assessment. To facilitate the delivery of these items, the application and permit holder must be able to export the reports from the application to an electronic file or provide a printed report during the assessment.

## **DURING THE LIVE DEMONSTRATION AND ASSESSMENT**

- The permit holder and/or representative will meet in person or virtually with a Loblolly representative to review the application.
- Loblolly will verify the name and version of the software being demonstrated.
- The permit holder/representative must demonstrate each function of the software application as it appears on the assessment checklist.
- Loblolly may ask questions about the function or request that you demonstrate the function again to gain as much clarification needed to complete the assessment of each item on the checklist.

## **DETERMINING THE APPLICATION'S COMPLIANCE**

- As you demonstrate each function on the assessment checklist, Loblolly will determine whether the function complies with the applicable Rule 35.7 requirement(s). A basis for the determination must be provided to the permit holder's representative for each function found to not comply.
- After all functions on the assessment checklist have been demonstrated, Loblolly will determine the software application's overall compliance.
- Overall application compliance may only be designated as one of the following outcomes:
  1. In Compliance - Overall Application
    - i. If all functions on the assessment checklist are determined to comply, the overall software application complies with Rule 35.7.
  2. Out of Compliance – Overall Application / reason
    - i. If one or more functions on the assessment checklist do not comply, the overall software application will be out of compliance with Rule 35.7.
  3. Pending Compliance Modifications
    - i. If one or more functions on the assessment checklist does not comply, and the application can be reasonably remediated within two weeks of the assessment date, the assessment determination will be set to pending status.
      - If at the end of the two-week period the permit holder demonstrates how the function(s) were remediated to comply with the requirements of Rule 35.7, the overall application will be determined to comply with Rule 35.7.
      - If at the end of the two-week period the permit holder cannot demonstrate how the function(s) were remediated to comply with the requirements of Rule 35.7, the overall application will be determined to not comply with Rule 35.7. A new

assessment is required before the overall application may be deemed to comply with Rule 35.7.

## GETTING YOUR ASSESSMENT RESULTS

- The Loblolly representative will provide the results from the Assessment Checklist for Software Applications and Letter of Assessment Findings to the permit holder's representative when the assessment is completed.
- If the assessment determination is "pending," Loblolly will provide updated results and a revised Letter of Assessment Findings when the pending items are remediated or when the two-week pending period expires, whichever occurs first.
- Real-time feedback will allow the permit holder to understand why an item on the checklist is determined not to not comply at the time of the assessment. The permit holder may ask questions and obtain feedback during the assessment wrap-up process regarding what must be remediated to bring a function into compliance and the necessary next steps.
- For questions about the checklist or findings, email Loblolly at [consumerdelivery@loblollyconsulting.com](mailto:consumerdelivery@loblollyconsulting.com) to receive a prompt response.

## Assessment Checklist for Software Applications

<b>Permit Holder:</b>	
<b>Permit Number:</b>	
<b>Software Vendor:</b>	
<b>Application Name:</b>	
<b>Application Version Number:</b>	
<b>Initial Software Assessment or Re-assessment</b>	
<b>Software Application Demonstration Performed by:</b>	
<b>Date of Assessment:</b>	
<b>Assessment Conducted by:</b>	

Individual Item Compliance Rating Definition Related to TABC Rule 35.7:

- 1) In compliance
- 2) Feature does not comply

ID	Function	Assessment Test	Compliance Rating	Reason if not in compliance
1	The application requires the user to log in to verify the user's identity (using password, biometrics, or multi-factor authentication) before allowing the user to open and use the application.	Application Demonstration		
2	Application can electronically read the birthdate from a driver's license or state ID card, and based on the information scanned in, the application can determine if the person receiving the alcohol is at least 21 years old.	Application Demonstration		
3	Application lets the user manually enter the birthdate from a driver's license or state ID card, and based on the information entered, the application can determine if the person receiving the alcohol is at least 21 years old.	Application Demonstration		

ID	Function	Assessment Test	Compliance Rating	Reason if not in compliance
4	Application requires the driver to affirm the following statements about the person accepting the alcohol delivery:	Application Demonstration		
	a) Does not display signs of intoxication.	Application Demonstration		
	b) Presented a valid unexpired government-issued driver's license or ID card.	Application Demonstration		
	c) Is 21 or older.	Application Demonstration		
5	<i>For deliveries from permit holders pursuant to Alcoholic Beverage Code Section 28.1001 only:</i> Application requires the driver to affirm that food was delivered with the alcohol.	Application Demonstration		
6	<i>For deliveries from permit holders pursuant to Alcoholic Beverage Code Section 28.1001 only:</i> When distilled spirits are delivered, the application requires the driver to affirm that the amount of distilled spirits being delivered does not exceed 375 mL.	Application Demonstration		
7	<i>For deliveries from permit holders pursuant to Alcoholic Beverage Code Section 28.1001 only:</i> Application allows the driver to affirm that the delivered alcohol was sealed at the time of delivery.	Application Demonstration		
8	Application allows the driver to confirm completion of the delivery only if all affirmations are made (#4 and, if applicable, #5, #6 and #7).	Application Demonstration		
9	Application requires the driver to cancel the delivery order if the delivery cannot be completed.	Application Demonstration		
10	If the delivery cannot be completed the application requires the driver to capture the reason for non-delivery.	Application Demonstration		
11	The following reasons for non-delivery, at a minimum, can be indicated by the driver:	Application Demonstration		
	a) Person receiving the delivery displayed signs of intoxication.	Application Demonstration		



ID	Function	Assessment Test	Compliance Rating	Reason if not in compliance
	b) Person receiving the delivery failed to present a valid, unexpired government-issued driver's license or ID demonstrating the holder is 21 years of age.	Application Demonstration		
	c) Unable to complete delivery within a reasonable amount of time after leaving the retailer's premises, which is now closed.	Application Demonstration		
12	If the delivery cannot be completed, the application requires the driver to record how the undelivered alcohol was disposed before the transaction can be closed out.	Application Demonstration		
13	Indicate how the application confirms the type of alcoholic beverage being delivered can be legally delivered to the delivery address:	Verbal Description		
	a) Automatically in the online ordering application (go to #14)	Verbal Statement		
	b) Automatically in the delivery application (go to #15)	Application Demonstration		
	c) Manually by the driver (go to #16)	Verbal Statement		
14	From 13a: a) The application requires the driver to confirm the address where the alcohol was delivered is the same as the address entered in the online ordering application.	Application Demonstration		
	b) The online ordering application uses the publicly available information provided by the TABC regarding eligibility of delivery for each type of alcohol to a delivery address.	Verbal Affirmation		
15	From 13b: a) The application requires the driver to confirm the address where the alcohol was delivered is	Application Demonstration		

ID	Function	Assessment Test	Compliance Rating	Reason if not in compliance
	the same as the address verified in the delivery application.			
	b) The delivery application uses the publicly available information provided by TABC regarding eligibility of delivery for each type of alcohol to a delivery address.	Verbal Affirmation		
16	From 13c: The application requires the driver to affirm they manually verified that alcohol can legally be delivered to the address where the alcohol was delivered from publicly available information provided by TABC.	Verbal Affirmation		
17	The delivery system captures and stores the following information about each transaction and can generate a report of the following required information for delivery transactions.	Report Verification at Time of Assessment		
	a) Whether the person receiving the alcohol passed age verification based on the ID provided.	Report Verification at Time of Assessment		
	b) Physical address where the alcohol was delivered	Report Verification at Time of Assessment		
	c) The specific alcoholic beverage(s) or type(s) of alcohol delivered (e.g., malt beverages, wine and/or distilled spirits)	Report Verification at Time of Assessment		
	d) Date/Time stamp for when the order for alcohol was received, when the delivery driver obtained the alcoholic beverages from the retailer, and when the alcoholic beverages were delivered to the consumer or the transaction was canceled.	Report Verification at Time of Assessment		
	e) Information regarding canceled orders due to alcohol not being delivered: indication order	Report Verification at Time of Assessment		



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ID	Function	Assessment Test	Compliance Rating	Reason if not in compliance
	was canceled, reason and disposition of alcohol.			
	f) Version of software used for transaction (the permit application compliance features used on the date of the transaction.)	Report Verification at Time of Assessment		
	g) The address and license/permit number of the originating retailer.	Report Verification at Time of Assessment		
18	Transaction information can be stored for the greater of a period of six months or until enforcement action(s) related to the transaction are closed.	Verbal Affirmation		
19	If the information is the subject of an ongoing commission enforcement action, must be stored in the permit holder's usual manner until the enforcement action is closed.	Verbal Affirmation		

Overall Compliance Rating for the Alcohol Delivery Software Application

\_\_\_\_\_ Software application complies with TABC Rule 35.7

\_\_\_\_\_ Software application does not comply with TABC Rule 35.7

\_\_\_\_\_ Software application compliance with TABC Rule 35.7 is pending.

Reason (by checklist number)

Resolution Plan:

**Signatures**

Loblolly Representative

Printed Name: \_\_\_\_\_



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Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Permit Holder Representative

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_