# **BILL ANALYSIS**

H.B. 3015 By: Geren Licensing & Administrative Procedures Committee Report (Unamended)

## BACKGROUND AND PURPOSE

Texas wineries have been a successful and growing segment of the alcoholic beverage industry, but interested parties note that, while wineries are included in the manufacturing tier of the Texas three-tiered distribution system, they currently are not obligated to manufacture wine. H.B. 3015 seeks to impose a manufacturing obligation on Texas wineries.

#### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

## **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

## ANALYSIS

H.B. 3015 amends the Alcoholic Beverage Code to require the holder of a winery permit to produce, bottle, or blend at least 200 gallons of wine or fruit brandy annually beginning in the 12-month period preceding the third anniversary of the date the winery's original permit is issued. The bill adds a temporary provision, set to expire September 1, 2019, to require the holder of a winery permit issued before September 1, 2015, to meet those minimum annual production requirements beginning in the 12-month period preceding September 1, 2018. The bill authorizes these winery activities to be done through an operating agreement between winery permit holders approved by the Texas Alcoholic Beverage Commission or through an agreement with another winery in Texas for a bottling brand under an Alcohol and Tobacco Tax and Trade Bureau Basic Permit trade name application. The bill establishes that failure to comply with the bill's provisions constitutes grounds to cancel or suspend a winery permit or deny an application for renewal of a winery permit.

#### EFFECTIVE DATE

September 1, 2015.