86R724 MCK-F

By:  Wilson H.B. No. 3973

A BILL TO BE ENTITLED

AN ACT

relating to the amount of wine certain wineries may sell directly to consumers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 16.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a)  Except as provided by Section 16.011, the holder of a winery permit may:

(1)  manufacture, bottle, label, and package wine containing not more than 24 percent alcohol by volume;

(2)  manufacture fruit brandy and:

(A)  use that brandy on the winery permit holder's permitted premises for fortifying purposes only; or

(B)  sell that brandy to other winery permit holders;

(3)  import or buy fruit brandy from a permit holder authorized to manufacture fruit brandy and use that brandy on the winery permit holder's permitted premises for fortifying purposes only;

(4)  sell wine in this state to or buy wine from permit holders authorized to purchase and sell wine, including holders of wholesaler's permits, winery permits, and wine bottler's permits;

(5)  sell wine to ultimate consumers:

(A)  for consumption on the winery premises; or

(B)  in unbroken packages for off-premises consumption [~~in an amount not to exceed 35,000 gallons annually~~];

(6)  sell the wine outside this state to qualified persons;

(7)  blend wines;

(8)  dispense free wine for consumption on the winery premises; and

(9)  purchase and import wine from the holder of a nonresident seller's permit.

SECTION 2.  Section 54.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 54.02.  PROHIBITED ACTIVITIES. The holder of an out-of-state winery direct shipper's permit may not:

(1)  sell or ship wine to a minor;

(2)  deliver wine to a consumer using a carrier that does not hold a carrier's permit under this code; or

(3)  deliver to the same consumer in this state more than nine gallons of wine within any calendar month or more than 36 gallons of wine within any 12-month period[~~; or~~

[~~(4)  sell to ultimate consumers more than 35,000 gallons of wine annually~~].

SECTION 3.  This Act takes effect September 1, 2019.