86R5037 BEE-D

By:  Kuempel H.B. No. 4233

A BILL TO BE ENTITLED

AN ACT

relating to the labeling of wine as originating from this state.

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

SECTION 1.  Subchapter D, Chapter 101, Alcoholic Beverage Code, is amended by adding Section 101.672 to read as follows:

Sec. 101.672.  USE OF TEXAS APPELLATION OF ORIGIN. (a) A wine is entitled to an appellation of origin indicating the wine's origin is this state or a geographical subdivision of this state only if the wine is:

(1)  100 percent by volume fermented juice of grapes or other fruit grown in this state or a lesser percentage established by the commissioner of agriculture under Section 12.039, Agriculture Code; and

(2)  fully produced in this state.

(b)  Notwithstanding Subsection (a)(1), a wine is entitled to an appellation of origin indicating the wine's origin is this state or a geographical subdivision of this state if the wine is:

(1)  at least 75 percent by volume fermented juice of grapes or other fruit grown in this state in 2019 or a lesser percentage established by the commissioner of agriculture under Section 12.039, Agriculture Code;

(2)  at least 80 percent by volume fermented juice of grapes or other fruit grown in this state in 2020 or a lesser percentage established by the commissioner of agriculture under Section 12.039, Agriculture Code;

(3)  at least 85 percent by volume fermented juice of grapes or other fruit grown in this state in 2021 or a lesser percentage established by the commissioner of agriculture under Section 12.039, Agriculture Code; or

(4)  at least 90 percent by volume fermented juice of grapes or other fruit grown in this state in 2022 or a lesser percentage established by the commissioner of agriculture under Section 12.039, Agriculture Code.

SECTION 2.  Section 12.039(d), Agriculture Code, is amended to read as follows:

(d)  The commissioner shall review the report and, if the commissioner determines that the quantity of a variety of grapes or other fruit grown in this state is insufficient for the wineries in this state to produce their projected production estimates during the following calendar year, the commissioner may reduce the percentage by volume of fermented juice of grapes or other fruit grown in this state that wine containing that particular variety of grape or other fruit must contain under Sections [~~Section~~] 16.011 and 101.672, Alcoholic Beverage Code. A [~~The~~] percentage established under this subsection must ensure that the use of that variety of grape or other fruit grown in this state is maximized while allowing for the acquisition of grapes or other fruit grown outside of this state in a quantity sufficient to meet the needs of wineries in this state.

SECTION 3.  The change in law made by this Act applies only to a wine labeled on or after the effective date of this Act.

SECTION 4.  This Act takes effect September 1, 2019.