

By: King

H.B. No. 3385

A BILL TO BE ENTITLED

AN ACT

relating to the promotion and sale of wine produced in this state;  
creating a farm winery permit; authorizing a fee.

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

SECTION 1. Subtitle A, Title 3, Alcoholic Beverage Code, is amended by adding Chapter 17 to read as follows:

CHAPTER 17. FARM WINERY PERMIT

Sec. 17.001. DEFINITION. In this chapter, "Texas wine" means wine that is:

(1) at least 75 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) bottled in this state.

Sec. 17.002. QUALIFICATION FOR PERMIT. A farm winery permit may be issued only to the holder of a winery permit who produces Texas wine.

Sec. 17.003. AUTHORIZED ACTIVITIES. In addition to the activities authorized for a winery permit holder under Chapter 16, the holder of a farm winery permit may:

(1) operate up to five locations off of the winery premises where the permit holder may sell Texas wine to ultimate consumers for consumption on the location's premises; and

(2) sell on the winery premises or at a location

1 described by Subdivision (1) Texas wine to ultimate consumers in  
2 unbroken packages for consumption off the winery's or location's  
3 premises in an amount not to exceed 250,000 gallons annually.

4 Sec. 17.004. SALES AT OFF-SITE LOCATION. (a) The  
5 commission shall adopt rules to implement Section 17.003, including  
6 rules that:

7 (1) require the farm winery permit holder to notify  
8 the commission of each location operated by the permit holder under  
9 Section 17.003(1);

10 (2) establish a procedure to verify the wet or dry  
11 status of each location described by Subdivision (1); and

12 (3) require the farm winery permit holder to provide  
13 any other information the commission determines necessary.

14 (b) The provisions of this code applicable to the sale of  
15 Texas wine on the permitted premises of the holder of a farm winery  
16 permit apply to the sale of Texas wine at a location authorized by  
17 Section 17.003(1).

18 Sec. 17.005. PERMIT FEE. (a) The fee for a farm winery  
19 permit may not exceed \$500 annually.

20 (b) The comptroller shall deposit 50 percent of each permit  
21 fee collected under this chapter to the credit of the general  
22 revenue fund and remit 50 percent of the fee collected under this  
23 subchapter to the credit of the farm winery marketing assistance  
24 fund.

25 SECTION 2. Chapter 110, Alcoholic Beverage Code, is amended  
26 by adding Subchapter C to read as follows:

1           SUBCHAPTER C. FARM WINERY MARKETING ASSISTANCE FUND

2           Sec. 110.101. FARM WINERY MARKETING ASSISTANCE FUND. (a)

3 The farm winery marketing assistance fund is a dedicated account in  
4 the general revenue fund.

5           (b) The fund consists of:

6                 (1) legislative appropriations to the Department of  
7 Agriculture for a purpose of the fund;

8                 (2) money from farm winery permit fees;

9                 (3) interest or other earnings on money credited to or  
10 allocable to the fund; and

11                (4) gifts, grants, including grants from the federal  
12 government, and donations received for the fund.

13           (c) The Department of Agriculture may use money in the fund  
14 only to promote and market farm wineries permitted under Chapter  
15 17.

16           SECTION 3. As soon as practicable after the effective date  
17 of this Act, the Texas Alcoholic Beverage Commission shall adopt  
18 rules necessary to implement the changes in law made by this Act.

19           SECTION 4. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2025.