

By: VanDeaver

H.B. No. 4463

Substitute the following for H.B. No. 4463:

By: Phelan

C.S.H.B. No. 4463

A BILL TO BE ENTITLED

AN ACT

relating to authorized activities of a brewer's or nonresident
brewer's license holder; authorizing a fee increase.

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

SECTION 1. Sections 62.14(a) and (b-1), Alcoholic Beverage
Code, are amended to read as follows:

(a) The holder of a brewer's or nonresident brewer's license
may contract with the holder of a brewer's or nonresident brewer's
license:

(1) to provide manufacturing services; or

(2) for the use of the license holder's manufacturing
facilities under an alternating brewery proprietorship if each
party to the proprietorship:

(A) has filed the appropriate Brewer's Notice and
Brewer's Bond as required by the Alcohol and Tobacco Tax and Trade
Bureau of the United States Department of the Treasury; and

(B) if applicable, has posted with the commission
a bond in an amount determined by the commission under Subsection
(d) or (e).

(b-1) Each entity that is a party to an alternating brewery
proprietorship or contract brewing arrangement must hold a brewer's
license in this state at the location where brewing services are
conducted under the arrangement.

SECTION 2. Section 63.01, Alcoholic Beverage Code, is

1 amended to read as follows:

2 Sec. 63.01. AUTHORIZED ACTIVITIES. (a) The holder of a
3 nonresident brewer's license may transport or cause to be
4 transported malt beverages into Texas only to holders of brewer's
5 or distributor's licenses. The nonresident brewer's licensee may
6 transport the malt beverages in carriers or vehicles operated by
7 holders of carrier's permits or in motor vehicles owned or leased by
8 the nonresident brewer. The malt beverages must be shipped in
9 barrels or other containers in accordance with the provisions of
10 this code and may not be shipped into the state in tank cars.

11 (b) The holder of a nonresident brewer's license may
12 transport or cause to be transported malt beverages into Texas from
13 any of the license holder's locations outside of this state under
14 the license. The holder is not required to hold a separate
15 nonresident brewer's license for each location outside of this
16 state.

17 (c) The holder of a nonresident brewer's license may enter
18 into a contract with the holder of a brewer's license under Section
19 62.14 and engage in any activity authorized under that section.

20 SECTION 3. Chapter 63, Alcoholic Beverage Code, is amended
21 by adding Section 63.06 to read as follows:

22 Sec. 63.06. RESTRICTION AS TO SOURCE OF SUPPLY;
23 CONSTRUCTION OF OTHER LAW. (a) No holder of a nonresident brewer's
24 license may solicit, accept, or fill an order for malt beverages
25 from a holder of a brewer's or distributor's license unless the
26 nonresident brewer is the primary American source of supply for the
27 brand of malt beverages that is ordered.

1 (b) A nonresident brewer that is the primary American source
2 of supply for a malt beverage is considered the brewer of the malt
3 beverage for purposes of Subchapters C and D, Chapter 102.

4 (c) In this section, "primary American source of supply"
5 means the brewer, the producer, the owner of the commodity at the
6 time it becomes a marketable product, the bottler, or the exclusive
7 agent of any of those. To be the "primary American source of
8 supply" the nonresident brewer must be the first source, that is,
9 the manufacturer or the source closest to the manufacturer, in the
10 channel of commerce from whom the product can be secured by Texas
11 distributors or brewers. A product may have only one primary
12 American source of supply to Texas.

13 SECTION 4. Section 63.05, Alcoholic Beverage Code, is
14 repealed.

15 SECTION 5. As soon as practicable after the effective date
16 of this Act, the Texas Alcoholic Beverage Commission shall adopt
17 rules to implement the changes in law made by this Act, including
18 rules to adjust, including by increasing, fees assessed by the
19 commission under Section 5.50, Alcoholic Beverage Code, on
20 applicants for an original or renewal certificate, permit, or
21 license issued by the commission as necessary to ensure the amount
22 of the fees for an original or renewal certificate, permit, or
23 license is sufficient to cover the costs incurred by the commission
24 in administering the Alcoholic Beverage Code, as required by
25 Section 5.50, Alcoholic Beverage Code.

26 SECTION 6. This Act takes effect September 1, 2025.