

By: Walle

H.B. No. 5388

A BILL TO BE ENTITLED

AN ACT

relating to operating agreements between holders of a distiller's and rectifier's permit and nonresident seller's permit.

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

SECTION 1. Chapter 37, Alcoholic Beverage Code, is amended by amending Section 37.011(a) to read as follows:

Sec. 37.011. OPERATING AGREEMENT WITH IN-STATE DISTILLERY.

(a) The holder of a nonresident seller's permit who owns a distillery outside of the state and holds a distiller's and rectifier's permit or whose affiliate owns a distillery outside of the state and holds a distiller's and rectifier's permit may enter into an agreement with the holder of a distiller's and rectifier's permit that allows the nonresident seller to engage in the following activities on the distiller's and rectifier's permitted premises:

(1) manufacture distilled spirits;

(2) rectify, purify, and refine distilled spirits and wines;

(3) mix wines, distilled spirits, or other liquors;

(4) bottle, label, and package the nonresident seller's finished products; and

(5) sell the finished products in this state to holders of distiller's and rectifier's permits and holders of wholesaler's permits and to authorized wholesalers and

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1 manufacturers outside the state.

2 SECTION 2. This Act takes effect September 1, 2025.