

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 27, 2025

TO: Honorable Bryan Hughes, Chair, Senate Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3385 by King (relating to the promotion and sale of wine produced in this state; creating a farm winery permit; authorizing a fee.), **Committee Report 2nd House, Substituted**

The fiscal implications of the bill cannot be determined due to the unknown number of permits that may be issued and the unknown number of permits that would be consolidated.

The bill would create a new Farm Winery Permit for eligible Texas wineries and wineries outside the state that produce at least 50,000 gallons of Texas wine annually, allowing permit holders to sell products at additional locations.

The bill would allow the Texas Alcoholic Beverage Commission (TABC) to create permit requirement exemptions for certain permit holders based on specific requirements.

The bill would require the Comptroller of Public Accounts (CPA) to deposit 50 percent of each permit fee collected to the General Revenue Fund and remit 50 percent of the fee collected to the farm winery marketing assistance fund.

The bill would create a new dedicated account within the General Revenue Fund, the farm winery marketing assistance fund. The fund would consist of appropriations to the Texas Department of Agriculture (TDA), fees collected from the farm winery permits, interest or earnings on money credited to the fund, and any gifts, grants, or donations received for the fund.

According to the CPA, the revenue implications of the bill cannot be determined due to the unknown number of permits that may be issued and the number of permits that would be consolidated.

According to TABC and the TDA, no significant fiscal implication to the agencies is anticipated.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

Any fiscal implication or revenue implication to units of local government cannot be determined at this time.

Source Agencies: 304 Comptroller of Public Accounts, 458 Alcoholic Beverage Commission, 551 Department of Agriculture

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