

New Laws from the 89th Texas Legislature

July 2025

A word from the agency...



TABC developed this information to provide you with a basic summary of new laws adopted by the 89th Texas Legislature that impact the alcoholic beverage industry.

This is only meant to be a summary of new laws and is not meant to be an exhaustive statement of the law or to be construed as a legal authority.

For complete legal requirements, access the following:

- <u>Texas Legislature Online</u>,
- Texas Alcoholic Beverage Code,
- TABC Administrative Rules, and
- TABC Marketing Practices Advisories



New Laws Impacting the Production Tier

Nonresident Brewers HB 4463 | Effective Sept. 1, 2025



- Applies To: Nonresident Brewer's Licenses
- CHANGE IN LAW Licensing: Nonresident Brewers may hold one license that covers
 all their locations outside of Texas (rather than a license for each out-of-state facility)
- NEW REQUIREMENT Importation: Nonresident Brewers importing malt beverages into Texas must be the "primary American source of supply" for that brand (i.e., the exclusive entity – as the brewer, producer, commodity owner at the time it becomes a marketable product, bottler, or the exclusive agent of any of those – authorized to import the product into Texas)
 - The Nonresident Brewer qualifies as the "brewer" of the malt beverage for purposes of AB Code Chapter 102, Subchapter C (Territorial Limits) and Subchapter D (Malt Beverage Industry Fair Dealing Law)

In the coming months, TABC will adopt rules to implement this law

Tex. Alco. Bev. Code Sec. 62.14, 63.01, 63.06, 63.05 (HB 4463, 89R)



New Laws Impacting the Wholesale Tier

Wholesaler Payments to Distillers SB 1355 | Effective Sept. 1, 2025



NEW VIOLATION FOR WHOLESALERS

- Applies To: Wholesaler's Permits and Distiller's and Rectifier's Permits
- Timely Payments: A wholesaler who buys liquor from a distiller must pay the distiller according to the agreed terms of a written agreement between the permittees
- Violation for Delinquency: Wholesaler becomes delinquent to Distiller when...
 - Wholesaler fails to pay Distiller the amount due by the date required in the written agreement; and
 - Wholesaler subsequently fails to pay after receiving a demand for payment from Distiller per the agreed payment terms of the written agreement
- Distillers may report delinquent wholesalers to TABC

In the coming months, TABC will adopt rules to implement this law

Tex. Alco. Bev. Code Sec. 102.33 (SB 1355, 89R)



New Laws Impacting the Retail Tier

Age Verification (Deshawn Jagwan Act) SB 650 | Effective Sept. 1, 2025



NEW LAW REQUIRING AGE VERIFICATION

- Applies To: Wine & Malt Beverage Retailer's Off-Premise Permits, Retail Dealer's Off-Premise Licenses, Wine Only
 Package Store Permits, Package Store Permits, Wine & Malt Beverage Retailer's Permits, and Retail Dealer's OnPremise Licenses <u>unless</u> the holder operates a <u>restaurant</u> or holds a <u>Brewpub License</u> on the premises. <u>Additional</u>
 exceptions apply in certain circumstances.
- Age Verification: when selling an alcoholic beverage for off-premises consumption, the seller must visually inspect AND scan the buyer's ID (or enter the ID information into an electronic reader) to verify the buyer's age
- License and Permit Holders may receive disciplinary action from TABC for violations that occur on or after 9/1/2027
 - No TABC disciplinary action if the seller's failure access the electronically readable information on the buyer's ID is because they were **unable to access the Internet** <u>AND</u> the seller **visually inspected the ID** to verify the buyer's age
 - No TABC disciplinary action for selling to a minor if the seller accessed the electronically readable information on the buyer's ID
 <u>AND</u> the scan device identified the ID as valid and the buyer as 21 or older
- Persons Conducting a Sale Who Violate this Law commit a Class A Misdemeanor
 - It's a defense to criminal prosecution if the seller fails to access the electronically readable information on the buyer's ID because they were **unable to access the Internet** <u>OR</u> if the **buyer was 40 years old or older** on the date of purchase

TABC will adopt rules to implement this law prior to the Sept. 1, 2027, enforcement date against licenses/permits

Tex. Alco. Bev. Code Sec. 109.61 (SB 650, 89R)

Private Wine Collections SB 1184 | Effective Sept. 1, 2025



- Applies To: Mixed Beverage, Wine and Malt Beverage Retailer, and Private Club permit holders who also hold a Food and Beverage Certificate (i.e., restaurants)
- **Private Wine Collections**: authorized restaurants may buy wine from a private wine collection seller and sell it to an ultimate consumer for on-premises consumption
 - <u>Private Wine Collection Seller</u>: must not hold a TABC license or permit, nor have an interest in or be engaged in the business of selling alcoholic beverages (*applies to sellers in and outside of Texas*)
 - CHANGE IN LAW Eligible Wines: must have been manufactured 10 years or more before the sale
 date to the restaurant, and must be in their original container sealed by the manufacturer
 - Records: the restaurant must maintain a record of each purchase for at least 2 years from the date it sells the wine to the ultimate consumer
 - Excise Taxes: the private wine collection seller's sale is exempt from excise taxes

Sales at Certain Racing Facilities SB 1577 | Effective Sept. 1, 2025



- Applies To: Mixed Beverage Permit holders with a Temporary Event Approval to conduct alcoholic beverage sales at certain motor vehicle racing facilities with a seating capacity greater than 40,000
- CHANGE IN LAW Temporary Sales at Qualifying Racing Facilities: may sell
 distilled spirits, wine, and malt beverages at these venues during a motor vehicle racing
 event sponsored by a professional motor racing association or another event held at the
 racing facility
- CHANGE IN LAW Limitations on Sales:
 - MB Permit holders are eligible to conduct sales at an unlimited number of events throughout the year (instead of just 4 per year)
 - MB Permit holders are eligible to conduct sales at as many concession stands at the venue as they wish (rather than limited to no more than 50% of the concession stands that are open)

Tex. Alco. Bev. Code Sec. 28.20 (SB 1577, 89R)

Alcohol Storage by Airlines HB 4285 | Effective Sept. 1, 2025



- Applies To: Airlines that hold a Passenger Transportation Permit
- CHANGE IN LAW Alcohol Storage: permitted airlines may store their alcoholic beverages at any airport they regularly serve or at a location within 5 miles of the airport so long as the storage location is also in the same county as the airport

TABC will adopt any rules and guidance necessary to implement this requirement



Other New Laws Impacting License and Permit Holders

Fees from Local Governments SB 1008 | Effective Sept. 1, 2025



- Applies To: Cities, Towns, and Counties
- CHANGE IN LAW Local Fees for TABC Licenses and Permits:

 a city, town, or county may not levy a local fee under Tex. Alco. Bev.
 Code Sec. 11.38 or 61.36 upon a business that obtains or renews a TABC license or permit if the licensed or permitted premises is a food establishment that has already paid a fee to operate to DSHS or to any county, municipality, or public health district

TABC has no authority to enforce this law and provides this for informational purposes only

Tex. Health & Safety Code Sec. 437.01235 (SB 1008, 89R)