

The Texas Wine and Grape Industry
Talking Points for the 82nd Legislature
As of January 28, 2011



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210 W. Hudgins
Street

Grapevine, TX
76051

817.424.0570
Phone

817.912.3637
Fax

www.txwines.org

In the last two years, a time when most industries were contracting, the Texas wine and grape industry grew 26% from \$1.35 billion in 2007 to **\$1.7 billion** in 2009 (MKF Research, the nation's most prominent wine industry research organization).

There are currently 212 wineries in the state of Texas and an estimated 3,500 acres of planted vineyard land.

Agenda Items for the 82nd Legislature

1. Protect Current Operating Environment
There are currently no bills filed that endanger the industry's operating environment.
2. Protect Current Funding
 - \$4.3 million per biennium has been reduced from the TDA budget for marketing, education and research.
 - Authored by Senator Frank Madla, sponsored by Representative Vicki Truitt in the 79th legislature – SB 1370.
 - **Since the origination of this funding in 2005, \$2.4 billion of additional economic impact has been generated, or \$200 of additional economic impact for every dollar invested by the state.**
 - The funding is generated from excise tax on wine, and is only remitted to TDA if an adjusted 2003 level is surpassed.
 - SB 1370 funding is capped at \$2 million per year.

\$500,000 per biennium currently remains in the TDA budget for marketing.
Generated by a surcharge on TABC permits.
3. SB 411: Increase Tasting Room Sales Cap
Senate Author: Senator Craig Estes; House Sponsor: TBD
 - No other state with a developed wine industry has a cap on tasting room sales.
 - This bill increases the limit from 35,000 gallons to 55,000 gallons.
4. Adjust GF (Festival and Farmer's Market) Permit Restrictions
Senate Author: Senator Jane Nelson; House Sponsor: TBD
 - Makes restrictions similar to those in temporary mixed beverage and caterer's permits.
5. Winery Code Clean-Up
Senate Author: Senator Jane Nelson; House Sponsor: TBD
 - Removes unnecessary code as a result of bills passed during the 81st legislature.
6. Establish Beer Sales
 - Would allow wineries to sell small amounts of beer during events.

Association Contacts

Dacota Haselwood, chief governmental affairs officer, 210/867-2576
Lou Bright, general counsel, 512/468-5730
Kyle Frazier, lobbyist, 512/217-1854