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Texas once the governor affixes his signature to legislation aimed at loosening restrictions on those industries.

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There's little doubt glasses will be raised at brewpubs and microbreweries across Texas once the governor affixes his signature to legislation aimed at loosening restrictions on those industries.

On May 20, the Texas House of Representatives passed a package of bills that allow brewpubs to sell their product to distributors and retailers, something that's been prohibited since the state legalized microbreweries and brewpubs business in 1993.

The bills passed out of the Texas Senate in March after grueling negotiations between representatives of brewpubs, microbreweries, distributors, retailers and consumer groups.

Microbreweries are nonexistent in the Rio Grande Valley. Brewpubs, which brew and sell their own beer on-site and usually double as restaurants, are few and far between. A rare exception is Padre Island Brewing Co. on South Padre Island.

Head brewer Mark Haggenmiller founded the establishment in 1995, part of the first wave of Texas "craft beer" entrepreneurs. He's happy about the new legislation and said the word from the Texas Craft Brewers Guild — which Haggenmiller belongs to and which hired its own lobbyist to duke it out in Austin — is that Gov. Rick Perry will sign it into law.

Putting it all together involved quite a bit of horse trading, Haggenmiller noted. Big distributors and brewers, protective of their huge market share, fought the legislation in the beginning but came around after certain compromises were made.

“There were a lot of concessions that were made,” he said. “Opposing bills came out

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they're fighting to keep below double digits.”

That's why the brewing giants have tapped into the craft beer market. Blue Moon Belgian-style ale, for example, is owned by MillerCoors, while Shock Top is an Anheuser-Busch InBev product.

Distribution was a big bone of contention as lawmakers hashed out the bills. In the end, small brewers like Haggenmiller will be limited to contracting with just one distributor, or do their own distributing, as opposed to being able to sell to more than one distributor.

But one is better than none, from his perspective. PIBC now will be able to sell its products to distributors and retailers, which is new.

That means Haggenmiller's popular Speckled Trout Stout, for instance, could eventually be available in bars and restaurants, as well as convenience, grocery, and package stores.

“We're already looking at doing kegging,” he said. “That would be our first step. We'll look at starting out first down here in the Lower Valley and seeing if we couldn't hit the cap for production.”

The new rules double the yearly cap on production for brewpubs from 5,000 to 10,000 barrels a year. PIBC is currently at 400 to 500 barrels a year, Haggenmiller said.

For microbreweries, the production cap is raised from 75,000 to 125,000 barrels a year. Also, microbreweries will now be allowed to sell beer for on-site consumption, such as after brewery tours, rather than having to give away samples as in the past.

Even with the concessions to the industry's biggest players, there's much more to

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