

By: Hernandez

H.B. No. 2165

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the sale by certain alcoholic beverage permit or  
3 license holders of alcoholic beverages at a cost below the cost to  
4 the seller.

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

6 SECTION 1. Subchapter D, Chapter 109, Alcoholic Beverage  
7 Code, is amended by adding Section 109.65 to read as follows:

8 Sec. 109.65. CERTAIN RETAIL SALES BELOW COST PROHIBITED.

9 (a) In this section, "retailer's cost" includes applicable  
10 freight, taxes, and duties.

11 (b) A person who holds a permit or license authorizing the  
12 retail sale of any alcoholic beverage for off-premise consumption  
13 may not sell an alcoholic beverage at retail for off-premise  
14 consumption at a cost less than the retailer's cost.

15 (c) Proof of the retailer's cost for alcoholic beverages  
16 shall:

17 (1) become a part of the permanent records of each  
18 person who holds a permit or license authorizing the retail sale of  
19 any alcoholic beverage for off-premise consumption; and

20 (2) be available for a period of two years for  
21 inspection by the commission.

22 (d) This section does not apply to the sale of a specific  
23 alcoholic beverage product if the manufacturer of the product has  
24 discontinued the production, importation, special packaging, or

1 market availability of the product.

2 (e) The commission shall adopt rules to implement this  
3 section.

4 SECTION 2. This Act takes effect September 1, 2019.