

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) A person who holds a permit or license authorizing the retail
10 sale of alcoholic beverages may not sell an alcoholic beverage at
11 retail at a cost less than the retailer's cost.

12 (b) Proof of the retailer's cost for alcoholic beverages
13 shall:

14 (1) become a part of the permanent records of each
15 person who holds a permit or license authorizing the retail sale of
16 alcoholic beverages; and

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

19 (c) This section does not apply to the sale of a specific
20 alcoholic beverage product if:

21 (1) the manufacturer of the product has discontinued
22 the production, importation, or market availability of the product;

23 or

24 (2) the retailer liquidates, by sale or destruction,

1 all of the retailer's inventory of the product the retailer has on
2 the date the retailer begins to sell the product at a cost less than
3 the retailer's cost.

4 (d) A retailer who liquidates a specific alcoholic beverage
5 product as authorized by Subsection (c)(2) may not sell the product
6 at a cost less than the retailer's cost before the second
7 anniversary of the date the retailer completes the liquidation of
8 the product.

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