

BILL ANALYSIS

H.B. 4284
By: Geren
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Texas statute currently prohibits excessive discounts on certain alcoholic beverage sales. However, the term "excessive discount" is not defined for purposes of these prohibitions. The bill author has informed the committee that, as a result, an alcoholic beverage businesses could face regulatory action based on this subjective standard, in situations such as when a retailer puts items in their stores on closeout prices to eliminate excess inventory. H.B. 4284 seeks to address this issue by removing these prohibitions on excessive discounts.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 4284 amends the Alcoholic Beverage Code to remove, with respect to a person who has an interest in the business of a distiller-rectifier, wholesaler, class B wholesaler, winery, or local distributor's permittee, or the agent, servant, or employee of such a person, the prohibition against allowing a mixed beverage permittee an excessive discount. The bill also removes, with respect to a person who owns or has an interest in the business of a distiller, brewer, rectifier, wholesaler, class B wholesaler, winery, or wine bottler, or the agent, servant, or employee of such a person, the prohibition against allowing an excessive discount to a retailer.

H.B. 4284 repeals Section 102.07(c), Alcoholic Beverage Code, which prohibits any person who owns or has an interest in the business of a package store or wine only package store, or the agent, servant, or employee of such a person, from allowing an excessive discount on liquor.

EFFECTIVE DATE

September 1, 2025.