

By: Brown of Brazos

H.B. No. 654

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the prices of certain consumer goods and services
3 during a declared state of disaster.

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

5 SECTION 1. Subtitle C, Title 5, Business & Commerce Code, as
6 effective April 1, 2009, is amended by adding Chapter 106 to read as
7 follows:

8 CHAPTER 106. PRICING OF CERTAIN CONSUMER GOODS AND SERVICES DURING

9 DECLARED STATE OF DISASTER

10 Sec. 106.001. DEFINITIONS. In this chapter:

11 (1) "Designated disaster area" means the geographical
12 area of this state subject to a declaration of a state of disaster
13 under Section 418.014, Government Code.

14 (2) "Disaster" has the meaning assigned by Section
15 418.004, Government Code.

16 (3) "Essential consumer good or service" means a good
17 or service that is:

18 (A) purchased or provided primarily for
19 personal, family, or household purposes; and

20 (B) necessary for the health, safety, or welfare
21 of a consumer.

22 Sec. 106.002. EXECUTIVE ORDER TO FREEZE CERTAIN PRICES
23 DURING DECLARED DISASTER. (a) During the time a state of disaster
24 is in effect under Section 418.014, Government Code, the governor

1 may implement this section by executive order if the governor
2 determines that it is necessary to prevent persons from taking
3 advantage of consumers by charging exorbitant or excessive prices
4 for essential consumer goods or services that are not readily
5 available as a result of a disaster.

6 (b) A merchant or wholesaler may not sell or offer to sell an
7 essential consumer good or service in a designated disaster area at
8 a price that is in excess of the price at which the good or service
9 was sold or offered for sale by the merchant or wholesaler in the
10 usual course of business, or was readily obtainable by consumers in
11 the trade area, immediately before the date specified in the
12 executive order, which may not be earlier than the date the governor
13 declared a state of disaster under Section 418.014, Government
14 Code.

15 (c) The governor may restrict the price freeze provided
16 under Subsection (b) to particular categories of essential consumer
17 goods or services by specifically identifying in the executive
18 order issued under this section the categories of essential
19 consumer goods or services to which the price freeze applies.

20 (d) A violation of this section is a deceptive trade
21 practice under Subchapter E, Chapter 17, and constitutes a
22 violation separate from any violation of Section 17.46(b)(27).

23 Sec. 106.003. PUBLICATION OF EXECUTIVE ORDER. The governor
24 shall publish the executive order:

25 (1) on the office of the governor's Internet website;
26 and

27 (2) in any other manner the governor considers

1 adequate to give notice to persons in the designated disaster area.

2 Sec. 106.004. TERMINATION OF EXECUTIVE ORDER. Unless
3 terminated on an earlier date by the governor, an executive order
4 issued under this section automatically terminates on the date a
5 declared state of disaster is terminated under Section 418.014,
6 Government Code.

7 SECTION 2. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2009.