

SENATE BILL 2495

By Dickerson

AN ACT to amend Tennessee Code Annotated, Title 57,
Chapter 3, relative to the Unfair Wine Sales Law.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-902, is amended by adding the following as a new, appropriately designated subdivision:

(_) "Closeout" means a price reduction below the cost to the retailer.

SECTION 2. Tennessee Code Annotated, Section 57-3-909, is amended by adding the following as a new subsection:

(b) A retailer may offer a closeout on wine if:

- (A) The closeout price is above the cost of the basic cost of wine;
- (B) The duration of the closeout is ninety (90) days or less;
- (C) At the conclusion of the ninety (90) days, the price of the unsold inventory reverts to not less than the cost to the retailer for a period of not less than one (1) calendar year from the date that the closeout concludes; and
- (D) The retailer does not place new orders for inventory that was placed on closeout for a period of one (1) calendar year from the date of the conclusion of the closeout.

SECTION 3. Tennessee Code Annotated, Section 57-3-909, is amended by deleting subdivision (a)(3) and substituting instead the following:

(3) Closeouts, subject to subsection (b), and case discounts;

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.