

March 30, 2015

The Honorable Kevin Eltife  
Chairman, Texas Senate Business and Commerce Committee  
Texas State Capitol  
Austin, TX 78711

Dear Chairman Eltife,

I'm writing to thank you for attempting to eliminate some of the many remaining anti-competitive laws on the books in Texas by taking up SB 609.

Increasingly, here in Texas we pride ourselves on our limited government, free-market approach to the economy. We want to be the best, and we're constantly patting ourselves on the back based on comparisons with other states such as California. There's no question that the Texas Model works better than regulation. Unfortunately, the truth is that *we're not as free-market as we think we are*—there remain many anti-competitive laws in Texas that have the effect of using government to protect certain businesses or certain business models.

No business interest or business model should be protected against competition by government laws or regulations. The Texas Legislature should not be enabling cartels or facilitating crony capitalism. Rather, government should set an open, level playing field and let the market determine winners and losers.

With regard to the TABC code, there remain two anti-competitive rules that have no place in a free-market, competitive Texas. One is the bar against publically traded companies owning package liquor stores, and the other is the supposed "five store limit," which creative business owners have long found ways around. Both of these anti-competitive laws are offensive to competition and to the free-market.

IPI commends your committee for taking up the elimination of these anti-competitive laws. Consumers will undoubtedly benefit from enhanced competition, as consumers always do, since anti-competitive laws protect particular business interests, not consumers.

We will be delighted to work with you on SB 609 and on attempts to eliminate other anti-competitive laws for the benefit of the Texas economy and Texas consumers.

Sincerely,



Tom Giovanetti  
President  
Institute for Policy Innovation (IPI)

[www.ipi.org](http://www.ipi.org)

Tom Giovanetti  
*President*  
tomg@ipi.org

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1320 Greenway Drive,  
Suite 820  
Irving, TX 75038  
(972) 874-5139 voice  
(972) 874-5144 fax

email [ipi@ipi.org](mailto:ipi@ipi.org)