HLS 21RS-488 REENGROSSED

2021 Regular Session

HOUSE BILL NO. 571

1

BY REPRESENTATIVE STEFANSKI

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AN ACT

ALCOHOLIC BEVERAGES: Provides relative to alcoholic beverage delivery

2	To amend and reenact R.S. 26:274(A)(2) and 308(B), (C)(6), (8), and (11)(c), and (J) and
3	to enact R.S. 26:308(C)(12)(b)(i) through (iii), relative to the delivery of alcoholic
4	beverages; to provide relative to third party delivery companies and platforms; to
5	provide for requirements for alcoholic beverage delivery agreements; to provide for
6	penalties; to provide for an effective date; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 26:274(A)(2) and 308(B), (C)(6), (8), and (11)(c), and (J) are hereby
9	amended and reenacted and R.S. 26:308(C)(12)(b)(i) through (iii) is hereby enacted to read
0	as follows:
1	§274. Local permits
12	A.
13	* * *
4	(2) Parishes and municipalities may issue and require local permits similar
15	to those issued by the commissioner for the delivery of alcoholic beverages by
16	grocery stores, and restaurants, and third parties. No parish or municipality shall
17	require permits of any third party which has been issued a Class D delivery service
18	permit.
9	* * *

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	§308. Alcoholic beverages delivery agreements; requirements; limitations
2	* * *
3	B.(1) Notwithstanding any provision of law to the contrary, a retail dealer
4	possessing a valid Class A-General retail permit as provided in R.S. 26:271.2, a
5	Class "R" restaurant permit as provided in R.S. 26:272, or a package house-Class B;
6	as defined in R.S. 26:241, permit as provided in this Chapter by R.S. 26:271.4 may
7	enter into a written agreement with a third-party delivery company or a third-party
8	platform for the use of an internet or mobile application or similar technology
9	platform to facilitate the sale of alcoholic beverages for delivery to consumers for
10	personal consumption within this state and the third-party delivery company or the
11	third-party platform may deliver alcoholic beverages to the consumer.
12	(2) Notwithstanding any provision of law to the contrary, a retail dealer
13	possessing a package house-Class B permit as provided by R.S. 26:271.4 may enter
14	into a written agreement with a third-party delivery company or a third-party
15	platform for the use of an internet or mobile application or similar technology
16	platform to facilitate the sale of alcoholic beverages for curbside pickup by
17	consumers within this state for personal consumption.
18	C. An alcoholic beverage delivery agreement between a retail dealer and a
19	third party shall require all of the following:
20	* * *
21	(6) No alcoholic beverages shall be delivered to any building owned or
22	operated by a state college, university, or technical college or institute or an
23	independent college or university located in this state: where students are housed,
24	attend class, gather, or meet.
25	* * *
26	(8)(a) For any parish having a population of less than one hundred thousand
27	according to the latest federal decennial census, no alcoholic beverages shall be
28	delivered more than twenty-five miles from the place of purchase.

1	(b) For any parish having a population of greater than one hundred thousand
2	according to the latest federal decennial census, no alcoholic beverages shall be
3	delivered more than ten miles from the place of purchase. No alcoholic beverages
4	shall be delivered more than twenty miles from the place of purchase.
5	* * *
6	(11) Alcoholic beverages are delivered only by a person that meets all of the
7	following requirements:
8	* * *
9	(c) The person possesses a valid server permit as provided in R.S. 26:931 et
10	seq. Any person who has obtained a server permit as provided in R.S. 26:931 et seq.
11	solely for the purpose of delivering alcoholic beverages in accordance with this
12	Section shall be exempt from local server permitting requirements.
13	(12) The retail dealer shall manage and control the sale of alcoholic
14	beverages including but not limited to all of the following:
15	* * *
16	(b) Determining the price at which alcoholic beverages are offered for sale
17	or sold through a third party's internet or mobile application platform or similar
18	technology.
19	(i) A third party shall list all alcoholic beverages on its platform at the price
20	determined and directed by the retail dealer.
21	(ii) A third party that lists alcoholic beverages on its platform at the price
22	directed by the retail dealer shall not be held liable for an impermissible price
23	increase even if the listed price is higher than the retailer determines for its licensed
24	premises.
25	(iii) A third party that lists alcoholic beverages on its platform at any price
26	other than the price determined and directed by the retail dealer shall be liable for an
27	impermissible price increase.
28	* * *

1 J. Any permitee who violates the provisions of this Section shall may be 2 subject to revocation of their the permit by the commissioner and be subject to 3 penalties as provided by R.S. 26:292. 4 Section 2. This Act shall become effective upon signature of the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature 5 6 by the governor, as provided by Article III, Section 18, of the Constitution of Louisiana. If 7 vetoed by the governor and subsequently approved by the legislature, this Act shall become 8 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 571 Reengrossed

2021 Regular Session

Stefanski

Abstract: Provides relative to the regulation of alcoholic beverage delivery.

<u>Present law</u> allows for parishes and municipalities to issue and require local permits for the delivery of alcoholic beverages by grocery stores, restaurants, and third parties.

<u>Proposed law</u> prohibits a parish or municipality from requiring permits of any third party which has been issued a Class D delivery service permit.

<u>Present law</u> allows certain retail dealers to enter into an agreement with a third-party to facilitate the sale of alcoholic beverages for delivery.

<u>Proposed law</u> retains <u>present law</u> and additionally authorizes agreements for the sale of alcoholic beverages for curbside pickup for holders of Class B permits.

<u>Present law</u> prohibits the delivery of alcoholic beverages to a state college, university, technical college or institute, or an independent college or university located in this state.

<u>Proposed law</u> restricts the prohibition in <u>present law</u> to any building owned or operated by a state college, university, technical college or institute, or an independent college or university located in this state where students are housed, attend class, gather, or meet.

<u>Present law</u> prohibits the delivery of alcoholic beverages beyond a certain distance in certain parishes.

<u>Proposed law</u> prohibits the delivery of alcoholic beverages beyond 20 miles from the place of purchase.

<u>Present law</u> requires a person delivering alcoholic beverages to possess a valid server permit as provided in R.S. 26:931 et seq.

<u>Proposed law</u> retains <u>present law</u> and additionally exempts any person who has obtained a permit solely for the purpose of alcoholic beverage delivery from local server permitting requirements.

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<u>Present law</u> requires a retail dealer to determine the price at which alcoholic beverages are offered for sale or sold through a third party.

<u>Proposed law</u> retains <u>present law</u> and adds the following:

- (1) Requires a third party to list all alcoholic beverages on its platform at the price set by the retail dealer.
- (2) Exempts third parties from liability for an impermissible price increase even if the listed price is higher than the retail dealer determines for its licensed premises.
- (3) Holds a third party liable for an impermissible price increase if the price listed is different from the price set by the retail dealer.

<u>Present law</u> provides that any permitee who violates the provisions of <u>present law</u> shall be subject to revocation of the permit by the commissioner.

<u>Proposed law</u> provides that any permitee who violates the provisions of <u>present law</u> may be subject to revocation of the permit by the commissioner and adds that a violation of <u>present law</u> may also be punishable as provided by R.S. 26:292.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 26:274(A)(2) and 308(B), (C)(6), (8), and (11)(c), and (J); Adds R.S. 26:308(C)(12)(b)(i)-(iii))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Judiciary</u> to the <u>original</u> bill:

- 1. Make technical changes.
- 2. Change the distance permitted for alcohol delivery <u>from 30 to 20 miles</u>.
- 3. Remove <u>proposed law</u> changes relative to the requirement that delivery orders contain food.
- 4. Remove <u>proposed law</u> changes relative to a variable delivery fee.

The House Floor Amendments to the engrossed bill:

1. Limit the prohibition of delivering alcoholic beverages on certain campuses to any building owned or operated by a state college, university, technical college or institute, or an independent college or university located in this state where students are housed, attend class, gather, or meet.