

## RÉSUMÉ DIGEST

**HB 571**

**2021 Regular Session**

**Stefanski**

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

Proposed law would have prohibited a parish or municipality from requiring permits of any third party which had been issued a Class D delivery service permit.

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

Proposed law would have retained existing law and additionally would have authorized agreements for the sale of alcoholic beverages for curbside pickup for holders of Class B permits.

Present law 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.

Proposed law would have restricted the prohibition in existing law 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 were housed, attended class, gathered, or met.

Present law prohibits the delivery of alcoholic beverages beyond a certain distance in certain parishes.

Proposed law would have prohibited the delivery of alcoholic beverages beyond 20 miles from the place of purchase.

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

Proposed law would have retained present law and additionally would have exempted any person who had obtained a permit solely for the purpose of alcoholic beverage delivery from local server permitting requirements.

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

Proposed law would have retained present law and would have added the following:

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

Present law provides that any permittee who violates the provisions of present law shall be subject to revocation of the permit by the commissioner.

Proposed law would have provided that any permittee who violated the provisions of present law was subject to revocation of the permit by the commissioner and would have added that a violation of present law was also punishable as provided by R.S. 26:292.

(Proposed to amend R.S. 26:274(A)(2) and 308(B), (C)(6), (8), and (11)(c), and (J); proposed to add R.S. 26:308(C)(12)(b)(i)-(iii))

## **VETO MESSAGE:**

"House Bill 571 both expands physical locations where alcohol may be delivered by a third party delivery company and limits which package house Class B permit holders are eligible to use a third party delivery company for delivery.

Currently, there are restrictions on where alcohol may be delivered, both by W-2 employees of an alcohol retailer and by third party alcohol delivery companies. In crafting the original legislation for alcohol delivery, great care was taken to ensure that alcohol could not be delivered to college campuses. Despite the fact that the stated goal of the author of House Bill 571 was to make sure alcohol is not being delivered to college kids on campus, the language of this bill as finally passed would limit where on campus alcohol delivery is restricted to only those buildings *owned* or *operated* by the higher education institution, opening up the possibility of delivery to fraternity and sorority houses on campus thereby increasing accessibility to underage students. No delivery to college campuses should be permissible and this would be consistent with existing statutory framework for alcohol delivery.

If enacted, House Bill 571 would eliminate the ability of every package house Class-B permit holder to use a third-party delivery company or a third-party platform to facilitate the sale and delivery of alcohol, *except* grocery stores. Under current law, all package house Class-B permit holders have the ability to use a third-party delivery company or a third-party platform to facilitate the sale and delivery of alcohol. Businesses like grocery stores, stand-alone liquor stores, and convenience stores hold package house Class-B permits and are authorized now to utilize either a third-party delivery company or a third-party platform to facilitate alcohol delivery. This legislation, if signed into law, may unconstitutionally impair contracts already entered into by package house Class-B permit holders, *other than grocery stores*, with third-party delivery companies and third-party platforms for alcohol delivery.

For these reasons, this bill will not become law."