SLS 22RS-1190 ORIGINAL

2022 Regular Session

SENATE BILL NO. 417

BY SENATOR CATHEY

1

17

ALCOHOLIC BEVERAGES. Provides relative to the delivery of alcoholic beverages. (8/1/22)

AN ACT

2 To amend and reenact R.S. 26:83 and 308(E) and to enact R.S. 26:308(D)(6) and (7), relative to alcoholic beverages; to provide for interposed persons; to provide for 3 alcoholic beverage delivery agreements, requirements, and limitations; and to 4 5 provide for related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 26:83 and 308(E) are hereby amended and reenacted and R.S. 8 26:308(D)(6) and (7) are hereby enacted to read as follows: 9 §83. Interposed persons 10 No permit shall be issued to any person who is an interposed person for the 11 owner or proprietor of a business or any permittee licensed pursuant to this Title. The commissioner may require a full disclosure, in writing and under oath, of the 12 13 details of the operation of any person it suspects of being interposed for another, including full disclosure of all contractual agreements entered into between a 14 retailer and a third-party delivery company or third-party platform licensed 15 pursuant to this Title. The commissioner may summarily rule before the 16

commissioner for examination, any person suspected of being an interposed person.

A person who is subsidized, financed, or employed by a liquor manufacturer to operate a business without disclosing the ownership of the liquor manufacturer shall be considered an interposed person for the liquor manufacturer under this Chapter.

\* \* \*

§308. Alcoholic beverages delivery agreements; requirements; limitations

\* \* \*

D. A retail dealer shall enter into an alcoholic beverage delivery agreement with a third-party delivery company or a third-party platform only when the third-party meets all of the following requirements:

\* \* \*

(6) The third-party delivery company or third-party platform shall not, through a contract with the retailer or otherwise, directly or indirectly share in the revenue from the sale of alcoholic beverages.

(7) The third-party delivery company or third-party platform provides a copy of all contracts with a retailer to the commissioner within ten days of execution of the contract.

E. A retail dealer may pay a third-party delivery company or a third-party platform a fee for its services and a third party may charge a reasonable delivery fee for orders delivered by the third-party delivery company or the third-party platform. A third-party delivery company properly licensed pursuant to this Section or its authorized agent may act as an agent of a retail dealer in the collection of payments from the sale of alcoholic beverages, but the full amount of each order must be handled in a manner that gives the retail dealer control over the ultimate receipt of the payment from the consumer. A third-party delivery company or a third-party platform properly licensed pursuant to this Section or its authorized agent may also act as an agent of a retail dealer for the purposes of processing, assembling, packaging, and fulfilling alcoholic beverage orders for delivery from the retailer's licensed premises. No additional permit shall be required of a retail dealer who has contracted with a third-party delivery company properly licensed pursuant to this

SLS 22RS-1190 ORIGINAL
SB NO. 417

Section for the purpose of processing, assembling, packaging, and fulfilling alcoholic
beverage orders for delivery from the retailer's licensed premises. However, a
third-party delivery company or a third-party platform acting as an agent of a
retailer shall not violate the provisions of R.S. 26:83.

\* \* \*

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

## DIGEST 2022 Regular Session

Cathey

SB 417 Original

5

<u>Present law</u> prohibits the issuance of an alcoholic beverage permit to any person who is an interposed person for the owner or proprietor of a business. <u>Present law</u> authorizes the commissioner of the office of alcohol and tobacco control (ATC commissioner) to require a full disclosure, in writing and under oath, of the details of the operation of any person it suspects of being interposed for another.

<u>Present law</u> authorizes the ATC commissioner to summarily rule before the commissioner for examination, any person suspected of being an interposed person.

<u>Present law</u> provides that an "interposed person" is a person who is subsidized, financed, or employed by a liquor manufacturer to operate a business without disclosing the ownership of the liquor manufacturer.

<u>Proposed law</u> retains <u>present law</u> and provides that the full disclosure of the details of the operation of any person it suspects of being interposed for another, include a full disclosure of all contractual agreements entered into between a retailer and a third-party delivery company or third-party platform.

<u>Present law</u> provides for certain requirements that a third-party delivery company or third-party platform meet prior to entering into an alcoholic beverage delivery agreement with a retailer.

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

- (1) Prohibits the third-party delivery company or third-party platform, through a contract with the retailer or otherwise, directly or indirectly from sharing in the revenue from the sale of alcoholic beverages.
- (2) Requires the third-party delivery company or third-party platform to provide a copy of all contracts with a retailer to the ATC commissioner within 10 days of execution of the contract.

Effective August 1, 2022.

(Amends R.S. 26:83 and 308(E); adds R.S. 26:308(D)(6) and (7))