
DIGEST

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Arnold

HB No. 346

Abstract: Prohibits the transfer of tobacco permits for certain legal entities and provides for notification requirements.

Present law prohibits permits issued for low and high alcoholic content beverages from being assignable or heritable and requires the permit to be returned or surrendered to the office of alcohol and tobacco control (ATC) within five days of closure or if ownership of the business is transferred or terminated, and unless the dissolution of a partnership is by death, the partners are authorized to operate under the partnership permit.

Proposed law retains present law and prohibits the transfer of a permit for low and high alcoholic content beverages and further requires that the permit holder notify the ATC within 15 days of any changes in the officers, directors, managers, shareholders, members, or previously qualified persons and that the notification include the suitability documents and information for each new individual.

Proposed law requires the permit holder to notify the ATC of any changes that increase or decrease the previously approved licensed business premises.

Present law prohibits tobacco permits from being transferred if over 51% of a corporation is sold or transferred during the period for which a permit was issued, and requires an application for a new permit.

Present law provides that a change of the controlling interest shall constitute a change of ownership if the holder of the permit is an association, partnership, or limited partnership, and further requires the registration certificate holder or permittee to notify the commissioner in writing if the business is physically relocated.

Proposed law prohibits a tobacco permit from being transferred, assigned, or inherited and requires the permit to be returned or surrendered to the ATC within five days of permanently ceasing business operations or change in ownership.

Proposed law requires a permit holder who is a corporation or limited liability company to provide notification within 15 days of changes in its officers, directors, managers, shareholders, or members and requires the notification to include suitability documents and information of each new individual required to meet the qualifications of the applicant.

Proposed law requires the permit holder to notify the commissioner in writing prior to relocating if the business is physically relocated during the permit period.

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

(Amends R.S. 26:76(A)(2), 276(A)(2), and 912(A))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Judiciary to the original bill.

1. Added a provision to prohibit the transfer of a permit for low and high alcoholic content beverages.
2. Added requirements for certain permit holders of low and high alcoholic content beverages to notify the ATC within 15 days of any changes in officers, directors, managers, shareholders, members, or previously qualified persons and to include the suitability documents and information for each individual.
3. Added requirements that the permit holder notify the ATC of any changes that increase or decrease the previously approved licensed business premises.
4. Changed requirements relative to the transfer of tobacco permits and requires the return or surrender of a permit within 5 days of permanently ceasing business operations or a change in ownership and provides for certain notification requirements if the business is a corporation or limited liability company.