
The original instrument was prepared by Ashley Menou. The following digest, which does not constitute a part of the legislative instrument, was prepared by Cathy Wells.

DIGEST

SB 489 Reengrossed

2018 Regular Session

Morrish

Proposed law allows a Class A-General retail permit to be issued to a third party that has entered into a written agreement with a retail dealer for the delivery of alcoholic beverages if certain conditions are met.

Proposed law authorizes retail dealers who hold a Class A-General retail permit or a Class "R" restaurant permit to provide delivery services of beverages of low alcoholic content and sparkling and still wines to its customers within the state.

Proposed law provides that the holder of a retail dealer permit may enter into a written agreement with a third party for the use of an internet or mobile application to facilitate the sale of alcoholic beverages for delivery to consumers for personal consumption within the state.

Proposed law requires an alcoholic beverage delivery agreement between a retail dealer and a third party to meet certain listed conditions.

Proposed law provides that a third party must meet all of the following requirements to enter into an alcoholic beverages delivery agreement with a retail dealer:

- (1) Properly registered and authorized to conduct business in Louisiana.
- (2) Holds a valid Louisiana alcoholic beverage permit issued pursuant to proposed law.
- (3) Maintains not less than two million dollars in liquor liability insurance for the duration of the agreement with the retail dealer and provides proof of coverage to the retail dealer.
- (4) Has the ability to monitor the routes of its employees during deliveries.
- (5) Conducts an in-person interview and a background check on all employees that will deliver alcoholic beverages.

Proposed law provides that a retail dealer may pay a third party a fee for its services and a third party may charge a reasonable delivery fee for orders delivered by the third party.

Proposed law provides that a third party 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.

Proposed law provides that the third party may receive orders and accept payment via the internet

or through a mobile application or similar technology.

Proposed law provides that at the time of delivery, the third party's delivery agent shall obtain the recipient's signature and verify the age of the recipient through the use of an electronic age verification device that is approved by the commissioner. Such device must meet certain requirements.

Proposed law provides that delivery of alcoholic beverages shall be refused if:

- (1) The recipient does not produce a valid and current form of identification.
- (2) The recipient is intoxicated.
- (3) There is reason to doubt the authenticity or correctness of the recipient's identification.
- (4) The recipient refuses to sign for the receipt of the delivery.

Proposed law provides that records of each delivery shall be kept for a period of two years from the date of delivery and made available to the commissioner upon request. Further provides that the record for each delivery shall contain all of the following:

- (1) The retail dealer's name, address, and permit number.
- (2) The name of the person who placed the order and the date, time, and method of the order.
- (3) The name of the delivery agent and the date, time, and address of the delivery.
- (4) The type, brand, and quantity of each alcoholic beverage delivered.
- (5) The name, date of birth, and signature of the person who received the delivery.

Proposed law specifies that provisions of proposed law relating to delivery agreements do not apply to certain interstate carriers.

Effective August 1, 2018.

(Adds R.S. 26:271.2(1)(j) and 307)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Limits scope to beverages of low alcoholic content, sparkling and still wine.

2. Authorizes issuance of permits to third parties who have entered into written agreements with a retail dealer for the delivery of low alcoholic content beverages, sparkling and still wines pursuant to rules promulgated by the commissioner.
3. Limits delivery to only those products delivered in a manufacturer sealed container.
4. Defines "manufacturer sealed".
5. Prohibits delivery of low alcoholic content beverages and sparkling and still wines more than 15 miles from the place of purchase.
6. Requires all orders for delivery to contain food.
7. Adds additional requirements that must be contained in each alcoholic beverages delivery agreement.
8. Adds additional requirements for third parties that wish to enter into alcoholic beverage delivery agreements with retail dealers.
9. Adds additional requirements for third party delivery agents.
10. Exempts certain interstate carriers.
11. Makes technical corrections.