

2021 Regular Session

SENATE CONCURRENT RESOLUTION NO. 31

BY SENATOR HENRY

ALCOHOLIC BEVERAGES. Directs office of alcohol and tobacco control to amend administrative rules relative to the prohibition of certain unfair business practices.

1 A CONCURRENT RESOLUTION

2 To direct the Department of Revenue, office of alcohol and tobacco control, to amend  
3 administrative rules Title 55, Part VII, Chapter 3, Section 317(C)(2)(a)(ii) and (b)(iii)  
4 of the Louisiana Administrative Code to provide relative to equipment and product  
5 displays that an alcoholic beverage manufacturer may furnish, or cause to be  
6 furnished, to a retail dealer in order to provide for the storage, display, proper  
7 dispensing, and advertisement of the manufacturer's products.

8 WHEREAS, the furnishment of equipment and product displays by alcoholic  
9 beverage liquor manufacturers to retail dealers in order to provide for the storage, display,  
10 proper dispensing, and advertisement of a manufacturer's products is restricted by the office  
11 of alcohol and tobacco control via administrative regulation; and

12 WHEREAS, the provisions of the administrative regulation restricting the  
13 furnishment of equipment have not been updated since June of 1991; and

14 WHEREAS, the legislature recognizes that it is common industry practice to display  
15 and sell alcoholic beverages in racks, bins, barrels, casks, shelving, and the like with  
16 substantial advertising matter, and for these displays to be furnished by liquor manufacturers  
17 to retail dealers; and

18 WHEREAS, the legislature recognizes that it is common industry practice to display

1 and sell alcoholic beverages in refrigerated coolers and common practice for such  
2 refrigerated coolers to bear substantial advertising matter; and

3 WHEREAS, the legislature recognizes no threat to public safety or wellbeing for  
4 branded refrigerated coolers to be furnished by liquor manufacturers to retail dealers  
5 alongside other currently permitted equipment and product displays.

6 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby  
7 direct the Department of Revenue, office of alcohol and tobacco control, to amend  
8 administrative rules Title 55, Part VII, Chapter 3, Section 317(C)(2)(a)(ii) and (b)(iii) of the  
9 Louisiana Administrative Code to read as follows:

10 §317. Prohibition of Certain Unfair Business Practices

11 \* \* \*

12 C. Marketing and Sale of Alcoholic Beverages in Louisiana

13 \* \* \*

14 2. Exceptions

15 a. Equipment

16 \* \* \*

17 ii.(aa) Accessories such as carbon dioxide gas tanks, regulators, and other  
18 draught equipment accessories with a reasonable open market price of more than \$5  
19 but less than \$200 per item must be sold to retailers at a price no less than the cost  
20 to the industry member as defined herein. Such sales shall be made for cash only.

21 **(bb) Refrigerated coolers which serve only as a temperature-controlled**  
22 **product display for spirituous liquor and which have a reasonable open market**  
23 **price of less than \$155 and which bear advertising of a spirituous liquor product**  
24 **that is conspicuous, substantial, and permanently inscribed or securely affixed**  
25 **may be given, loaned, or sold to a retailer by a manufacturer at a price no less**  
26 **than the cost to the manufacturer.**

27 \* \* \*

28 b. Inside Signs

29 \* \* \*

30 iii. Product displays may be furnished by an industry member to a retailer,

1 provided that the total value of all product displays furnished by an industry member  
 2 may not exceed \$155 per brand in use at any one time in any one retail  
 3 establishment. Product display are racks, bins, barrels, casks, shelving, **refrigerated**  
 4 **coolers that are furnished by manufacturers**, and the like from which alcoholic  
 5 beverages are displayed or sold. Product displays shall bear conspicuous and  
 6 substantial advertising matter.

7 \* \* \*

8 BE IT FURTHER RESOLVED that the commissioner of the office of alcohol and  
 9 tobacco control is hereby directed to allow refrigerated coolers along with other equipment  
 10 and displays as provided for in LAC 55:VII.317(C)(2)(a)(ii) and (b)(iii) on the effective date  
 11 of this Resolution.

12 BE IT FURTHER RESOLVED that a copy of this Resolution shall be transmitted  
 13 to the Department of Revenue, office of alcohol and tobacco control.

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The original instrument was prepared by Jerry J. Guillot. The following digest, which does not constitute a part of the legislative instrument, was prepared by Alan Miller.

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SCR 31 Engrossed DIGEST Henry  
2021 Regular Session

Directs the Department of Revenue, office of alcohol and tobacco control, to:

- (1) Change the exception to the rule regarding the prohibition of certain unfair business practices as it relates to marketing and sale of alcoholic beverages in La. to include refrigerated coolers which serve only as a temperature-controlled product display for spirituous liquor and which have a reasonable open market price of less than \$155 and which bear advertising of a spirituous liquor product that is conspicuous, substantial, and permanently inscribed or securely affixed.
- (2) Provide that the refrigerated coolers may be given, loaned, or sold to a retailer by a manufacturer at a price no less than the cost to the manufacturer.
- (3) Describe product displays that may be furnished by an industry member to a retailer to include refrigerated coolers furnished by manufacturers.

Directs the commissioner of the ATC to allow refrigerated coolers along with other equipment and displays on the effective date of this Resolution.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

1. Clarifies that exception for coolers is limited to coolers from alcohol beverage manufacturers.