

SENATE CONCURRENT RESOLUTION NO. 31

BY SENATOR HENRY

A CONCURRENT RESOLUTION

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

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

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

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

WHEREAS, the legislature recognizes that it is common industry practice to display and sell alcoholic beverages in refrigerated coolers and common practice for such refrigerated coolers to bear substantial advertising matter; and

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

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Department of Revenue, office of alcohol and tobacco control, to amend

administrative rules Title 55, Part VII, Chapter 3, Section 317(C)(2)(a)(ii) and (b)(iii) of the Louisiana Administrative Code to read as follows:

§317. Prohibition of Certain Unfair Business Practices

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C. Marketing and Sale of Alcoholic Beverages in Louisiana

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2. Exceptions

a. Equipment

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

(bb) 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 may be given, loaned, or sold to a retailer by a manufacturer at a price no less than the cost to the manufacturer.

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b. Inside Signs

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

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

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES