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

DIGEST

SB 178 Reengrossed

2020 Regular Session

Allain

<u>Present law</u> adds additional ATC-issued permits for the delivery of low alcohol content beverages by restaurants, grocery stores, holders of a package house-Class B permit, and third parties, and sets the amount of the fees for such permits.

<u>Proposed law</u> removes the limitation on delivery of only low alcohol content beverages for package house-Class B permit.

<u>Proposed law</u> provides that only malt beverages, sparkling wine, and still wine may be delivered from the licensed premises of a restaurant permit holder.

<u>Present law</u> defines a "third party delivery company" as a third party delivery service that is licensed to do business in the state of La., permitted with ATC, and uses their own W-2 employees for delivery.

<u>Proposed law</u> retains <u>present law</u> but also provides that a third party delivery company may also utilize the service of agents that receive an IRS Form 1099 as proof of compensation for their services. Persons that receive an IRS Form 1099 are considered independent contractors and not employees.

<u>Proposed law</u> defines a "third party platform" as a third party service that is licensed to do business in the state of Louisiana that performs work with its own employees or agents for which the platform is required to file an IRS Form W-2 or 1099.

<u>Present law</u> prohibits alcoholic beverages from being delivered more than 10 miles from the place of purchase.

<u>Proposed law</u> expands the delivery area <u>from</u> 10 miles to 25 miles from the place of purchase in a parish having a population of less than 100,000 according to the latest federal decennial census.

<u>Proposed law</u> provides that a third party delivery company, third party platform, 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 with no additional permit required of a retail dealer who has contracted with a third party delivery company or third party platform for the purpose of processing, assembling, packaging, and fulfilling alcoholic beverage orders for delivery from the retailer's licensed premises with no additional permit required of a retail dealer who has contracted with a third party delivery company or third party platform for the purpose of processing, assembling, packaging, and fulfilling alcoholic beverage orders for delivery from the retailer's licensed premises.

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

(Amends R.S. 26:271.2(2)(b), 271.4, and 308(A), (B), (C)(1), (2), (8) and (11)(b), (D), (E), and (F)(1); adds R.S. 26:241(26))

Summary of Amendments Adopted by Senate

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

- 1. Adds definition for "third party platform".
- 2. Adds authority for a third party platform to perform the same services as a third party delivery company.
- 3. Extends the delivery area for places of purchase located in parishes with a population under 100,000 from 10 to 25 miles.
- 4. Changes <u>proposed law</u> to retain <u>present law</u> provision requiring a liquor liability endorsement on the third party delivery company's general liability insurance company and adds some requirement for third party platform.
- 5. Changes <u>proposed law from</u> allowing alcoholic beverage delivery agreement between a retail dealer and a third party to include the delivery of beverages of high and low alcohol content <u>to</u> allowing delivery of beverages of high and low content from a package house-Class B permit holder and malt beverages, sparkling wine, and still wine from a restaurant permit holder.

Senate Floor Amendments to engrossed bill

- 1. Change the requirement for the third party delivery company or third party platform to conduct an interview of a prospective delivery employee to a requirement to conduct a screening.
- 2. Make technical changes.