SLS 21RS-406 ORIGINAL

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.

## A CONCURRENT RESOLUTION

To direct 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 has 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

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 retailers at a price no less than the cost to the
26	industry member as defined herein.
27	* * *
28	b. Inside Signs
29	* * *
30	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,** and the like from which alcoholic beverages are displayed or sold. Product
displays shall bear conspicuous and substantial advertising matter.

\* \* \*

BE IT FURTHER RESOLVED that the commissioner of the office of alcohol and tobacco control is hereby directed 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.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry J. Guillot.

## DIGEST 2021 Regular Session

Henry

SCR 31 Original

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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 retailers at a price no less than the cost to the provider.
- (3) Describe product displays that may be furnished by an industry member to a retailer to include refrigerated coolers.

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