

2020 Regular Session

HOUSE BILL NO. 175

BY REPRESENTATIVE MAGEE

ALCOHOLIC BEVERAGES: Provides relative to the delivery of alcoholic beverages

1 AN ACT

2 To amend and reenact R.S. 26:271.2(2)(b), 271.4, and 308(A), (B), (C)(1), (2), (8), and
3 (11)(b), (D), (E), and (F)(1), relative to the delivery of alcoholic beverages; to
4 provide relative to the delivery of alcoholic beverages by a third party delivery
5 company and establishments with certain alcohol beverage permits; to provide
6 relative to permits of authorized agents of retail dealers; to define agent; to provide
7 relative to delivery restrictions; to provide for requirements and limitations on the
8 delivery of alcohol by certain entities; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 26:271.2(2)(b), 271.4, and 308(A), (B), (C)(1), (2), (8), and (11)(b),
11 (D), (E), and (F)(1) are hereby amended and reenacted to read as follows:

12 §271.2. Class A permit; definitions

13 The commissioner shall issue the following four types of Class A retail
14 permits for beverages of low alcoholic content:

15 * * *

16 (2) Class A-Restaurant:

17 * * *

18 (b) Notwithstanding any provision of law to the contrary and subject to rules
19 promulgated by the commissioner, in addition to the authority to contract with a third
20 party delivery company as provided in R.S. 26:308, a permit may be issued to a

1 "restaurant establishment" enabling the delivery of restaurant prepared food and
2 ~~alcohol~~ alcoholic beverages as defined in R.S. 26:2 and 241(1)(a) with its own
3 employees or agents for which the retailer is required to file an Internal Revenue
4 Service Form W-2 or 1099. Notwithstanding the provisions of R.S. 26:271(A)(2),
5 the permit fee for the permit issued pursuant to this Subparagraph shall be two
6 hundred fifty dollars.

7 * * *

8 §271.4. Package house-Class B permit

9 Notwithstanding any provisions of law to the contrary and subject to rules
10 promulgated by the commissioner, in addition to the authority to contract with a third
11 party delivery company as provided in R.S. 26:308, a permit may be issued to a
12 grocery store enabling the delivery of ~~alcohol~~ alcoholic beverages as defined in R.S.
13 26:2 and 241(1)(a) with its own employees or agents for which the retailer is
14 required to file an Internal Revenue Service Form W-2 or 1099. Notwithstanding the
15 provisions of R.S. 26:271(A)(2), the permit fee for the permit issued pursuant to this
16 Section shall be two hundred fifty dollars.

17 * * *

18 §308. Alcoholic beverages delivery agreements; requirements; limitations

19 A. For purposes of this Section only, a third party delivery company shall be
20 defined as a third party delivery service that is licensed to do business in the state of
21 Louisiana, permitted with the office of alcohol and tobacco control, and uses their
22 own W-2 employees or agents for which the third party delivery company is required
23 to file an Internal Revenue Service Form W-2 or 1099 for delivery. For all other
24 alcohol delivery provisions of this Chapter, third party shall be the definition
25 provided in R.S. 26:2 and 241.

26 B. Notwithstanding any provision of law to the contrary, a retail dealer
27 possessing a valid Class A-General retail permit as provided in R.S. 26:271.2, a
28 Class "R" restaurant permit as provided in R.S. 26:272, or a package house-Class B,
29 as defined in R.S. 26:241, permit as provided in this Chapter may enter into a written

1 agreement with a third party delivery company for the use of an internet or mobile
2 application or similar technology platform to facilitate the sale of alcoholic
3 beverages for delivery to consumers for personal consumption within this state and
4 the third party delivery company may deliver alcoholic beverages to the consumer.

5 C. An alcoholic beverage delivery agreement between a retail dealer and a
6 third party shall require all of the following:

7 (1) Only alcoholic beverages purchased from a wholesale dealer licensed
8 pursuant to this ~~Chapter~~ Title are offered for delivery.

9 (2) Only alcoholic beverages of ~~low alcoholic content, beer, sparkling wine~~
10 as defined in R.S. 26:2; and ~~still wine as defined in R.S. 26:2~~ R.S. 26:241(1)(a) are
11 offered for delivery.

12 * * *

13 (8) No alcoholic beverages shall be delivered more than ~~ten~~ twenty-five
14 miles from the place of purchase.

15 * * *

16 (11) Alcoholic beverages are delivered only by a person that meets all of the
17 following requirements:

18 * * *

19 (b) The person is an employee or agent for which the third party delivery
20 company shall be required to file an Internal Revenue Service Form W-2 or 1099.

21 * * *

22 D. A retail dealer shall enter into an alcoholic beverage delivery agreement
23 with a third party delivery company only when the third party meets all of the
24 following requirements:

25 (1) The third party delivery company is properly registered and authorized
26 to conduct business in Louisiana.

27 (2) The third party delivery company holds a valid Louisiana alcoholic
28 beverage permit issued pursuant to R.S. 26:271.2(1)(j).

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 175 Original

2020 Regular Session

Magee

Abstract: Provides for delivery of alcoholic beverages, adds agents of the third party delivery company to permit provisions, extends the distance between the place of business and place of delivery from 10 miles to 25 miles, and allows a third party company to act as an agent of the retail dealer under certain circumstances.

Present law, for purposes of alcohol delivery, defines "third party" as being a third party delivery service that is licensed to do business in the state of La., permitted with the office of alcohol and tobacco control, and uses their own W-2 employees for delivery.

Proposed law changes all references of "third party" to "third party delivery company" and adds agents for which the third party delivery company is required to file an Internal Revenue Service Form W-2 or 1099 to the definition of third party delivery company.

Present law provides that only alcoholic beverages of low alcoholic content, beer, sparkling wine, and still wine are offered for delivery.

Proposed law removes the present law limitation on the alcoholic beverages that may be offered for delivery.

Present law provides that no alcoholic beverage shall be delivered more than ten miles from the place of purchase.

Proposed law changes the distance between the place of purchase and the delivery address from 10 miles to 25 miles from the place of purchase.

Present law provides that the third party delivery service shall maintain a general liability insurance policy with a liquor liability endorsement.

Proposed law retains present law with regard to requiring the third party delivery company to have a general liability insurance policy but removes the stipulation that the policy have a liquor liability endorsement.

Present 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 and that the third party may act as an agent of a retail dealer with regard to collection of payments from the sale of alcoholic beverages, but the retail dealer must have control over the full amount of the order and the ultimate receipt of the payment from the consumer.

Proposed law retains present law and stipulates that a third party delivery company must be properly licensed pursuant to present law for its authorized agent to act as an agent of the retail dealer with regard to the collection of payments from the sale of alcoholic beverages.

Proposed law expands present law to allow a third party delivery company that is properly licensed or its authorized agent to act as an agent of the retail dealer with regard to

processing, assembling, packaging, and fulfilling alcoholic beverage orders for delivery from the retailer's licensed premises.

Proposed law stipulates that when a third party delivery company is acting as an agent of the retail dealer with regard to processing, assembling, packaging, and fulfilling alcoholic beverage orders for delivery from the retailer's licensed premises, no additional permit is required of the retail dealer when the retail dealer has contracted with a third party delivery company that is properly licensed pursuant to present law.

Effective upon signature of 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))