## **DIGEST**

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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.

<u>Present law</u>, 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.

<u>Proposed law</u> 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.

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

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

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

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

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

<u>Proposed law</u> retains <u>present law</u> 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.

<u>Present law</u> 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.

<u>Proposed law</u> retains <u>present law</u> and stipulates that a third party delivery company must be properly licensed pursuant to <u>present law</u> 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.

<u>Proposed law</u> expands <u>present law</u> 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.

<u>Proposed law</u> 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 <u>present law</u>.

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))