

CONFERENCE COMMITTEE REPORT
Senate Bill No. 115 By Senator Walsworth

June 23, 2011

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 115 by Senator Walsworth, recommend the following concerning the Engrossed bill:

1. That House Committee Amendments No. 1, 2, 3, 4, and 5 proposed by House Committee on Judiciary and adopted by the House of Representatives on June 19, 2011 be rejected.
2. That the following amendments to the engrossed bill be adopted:

AMENDMENT NO. 1

On page 1, delete lines 2 through 6 in their entirety and insert "To amend and reenact R.S. 26:80(C)(3), (D) and (H) and R.S. 26:280(C)(2), (D) and (H), relative to alcohol beverage permits; to provide with respect to suitability; to provide for fingerprinting of certain applicants; to provide for rulemaking; to provide for the verification of suitability; and to provide for related matters."

AMENDMENT NO. 2

On page 1, delete line 8 in its entirety and insert "Section 1. R.S. 26:80(C)(3), (D) and (H) and R.S. 26:280(C)(2), (D) and (H) are hereby amended and reenacted to read as"

AMENDMENT NO. 3

On page 1, delete lines 10 through 17 in their entirety

AMENDMENT NO. 4

Delete pages 2, 3, and 4 in their entirety

AMENDMENT NO. 5

On page 5, delete lines 1 through 12 in their entirety and insert the following:

"§80. Qualifications of applicants for permits

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C.

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(3) Notwithstanding any other provisions of law to the contrary, the commissioner may accept from a publicly traded **or other** corporation **or entity**, other than any gaming entity regulated pursuant to the provisions of R.S. 27:20 et seq., R.S. 27:41 et seq., or R.S. 27:301 et seq., the necessary documentation of those persons described in Subsection D of this Section and three officers of the corporation in full satisfaction of the requirements of this Section.

D. If the applicant's business is to be conducted wholly or partly by one or more managers, agents, servants, employees, or other representatives, those persons shall also possess the qualifications required of the applicant and shall furnish ~~their social security numbers and their correct home addresses~~ **verification of suitability in accordance with Paragraph (H)(6) of this Section**; however, convicted felons may be employed by an applicant if, in the applicant's business, alcoholic beverages are not the principal commodities sold, handled, or given away.

* * *

H.(1) ~~In order to determine the applicant's suitability for a permit, the applicant~~ **In order to determine suitability, the applicant, members of a partnership recognized by Louisiana law, the officers and directors of a corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such a corporation or company** shall be fingerprinted. If no disqualifying record is identified at the state level, the fingerprints shall be forwarded by the Department of Public Safety and Corrections, Public Safety Services, office of state police, to the Federal Bureau of Investigation (F.B.I.) for a national criminal history record check.

(2) ~~In order to determine the applicant's suitability for an alcoholic beverage permit,~~ **In order to determine the suitability of an applicant, the office of alcohol and tobacco control shall require members of a partnership recognized by Louisiana law, the officers and directors of a corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such a corporation or company,** the office of alcohol and tobacco control shall require the applicant to furnish to the office of alcohol and tobacco control a full set of fingerprints to enable a criminal background investigation to be conducted. The office of alcohol and tobacco control shall submit the completed fingerprint card to the office of state police. The office of state police is authorized to submit the fingerprints to the F.B.I. for a national criminal history background check.

(3) The office of alcohol and tobacco control shall require a background investigation **by means of fingerprint checks by the office of state police and the F.B.I.** of each applicant, **members of a partnership recognized by Louisiana law, the officers and directors of a corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such a corporation or company applying** for an alcoholic beverage permit ~~by means of fingerprint checks by the office of state police and the F.B.I.~~

(4) In addition to the other requirements established by law, the submittal of fingerprints shall be a prerequisite to the issuance of ~~an~~ **a permanent** alcoholic beverage permit by means of fingerprint checks by the office of state police and the F.B.I.

(5) The office of state police shall require each **applicant, members of a partnership recognized by Louisiana law, officers and directors of a corporation, the stockholders of a corporation, and the members of a limited liability company owning more than five percent of such a corporation or company** ~~person~~ applying for an alcoholic beverage permit pursuant to this Chapter to be fingerprinted. Such fingerprints shall be available for use by the office of state police and for transmittal to the F.B.I. for a national criminal history record check. The information obtained from the national criminal history record check conducted pursuant to this Section may be used by the office of alcohol and tobacco control to determine the applicant's eligibility for an alcoholic beverage permit.

(6) In order to determine the suitability of the spouses of those persons required to submit fingerprints in accordance with this Section, and all other persons required to possess the same qualifications required of the applicant, except for those persons otherwise provided for in this Section, the office of alcohol and tobacco control shall require such persons to provide verification of suitability in accordance with rules adopted by the commissioner pursuant to the Administrative Procedure Act.

Fingerprints shall not be required unless the commissioner requests fingerprints based upon credible information that a person may not meet the qualifications of an applicant.

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§280. Qualifications of applicants for permits

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C.

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(2) Notwithstanding any other provisions of law to the contrary, the commissioner may accept from a publicly traded **or other** corporation **or entity**, other than any gaming entity regulated pursuant to the provisions of R.S. 27:20 et seq., R.S. 27:41 et seq., or R.S. 27:301 et seq., the necessary documentation of those persons described in Subsection D of this Section and three officers of the corporation in full satisfaction of the requirements of this Section.

D. If the applicant's business is to be conducted wholly or partly by one or more managers, agents, servants, employees, or other representatives, those persons shall also possess the qualifications required of the applicant and shall furnish ~~their social security numbers and their correct home addresses~~ **verification of their suitability in accordance with Paragraph (H)(6) of this Section**; however, convicted felons may be employed by an applicant if, in the applicant's business, alcoholic beverages are not the principal commodities sold, handled, or given away.

* * *

H.(1) ~~In order to determine the applicant's suitability for a permit, the applicant shall be fingerprinted.~~ **In order to determine suitability, the applicant, members of a partnership recognized by Louisiana law, officers and directors of a corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such corporations and companies shall be fingerprinted.** If no disqualifying record is identified at the state level, the fingerprints shall be forwarded by the Department of Public Safety and Corrections, Public Safety Services, office of state police, to the Federal Bureau of Investigation (F.B.I.) for a national criminal history record check.

(2) ~~In order to determine the applicant's suitability for an alcoholic beverage permit,~~ **In order to determine the suitability of an applicant, the office of alcohol and tobacco control shall require the members of a partnership recognized by Louisiana law, officers and directors of a corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such corporations and companies,** ~~the office of alcohol and tobacco control shall require the applicant~~ to furnish to the office of alcohol and tobacco control a full set of fingerprints to enable a criminal background investigation to be conducted. The office of alcohol and tobacco control shall submit the completed fingerprint card to the office of state police. The office of state police is authorized to submit the fingerprints to the F.B.I. for a national criminal history background check.

(3) The office of alcohol and tobacco control shall require a background investigation **by means of fingerprint checks by the office of state police and the F.B.I.** of each applicant, **members of a partnership recognized by Louisiana law, officers and directors of a corporation, the stockholders of a corporation, and the members of a limited liability company owning more than five percent of such corporations or companies applying** for an alcoholic beverage permit ~~by means of fingerprint checks by the office of state police and the F.B.I.~~

(4) In addition to the other requirements established by law, the submittal of fingerprints shall be a prerequisite to the issuance of ~~an~~ **a permanent** alcoholic beverage permit by means of fingerprint checks by the office of state police and the F.B.I.

(5) The office of state police shall require each **applicant, members of a partnership recognized by Louisiana law, officers and directors of a**

corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such corporations and companies ~~person~~ applying for an alcoholic beverage permit pursuant to this Chapter to be fingerprinted. Such fingerprints shall be available for use by the office of state police and for transmittal to the F.B.I. for a national criminal history record check. The information obtained from the national criminal history record check conducted pursuant to this Section may be used by the office of alcohol and tobacco control to determine the applicant's eligibility for an alcoholic beverage permit.

(6) In order to determine the suitability of the spouses of those persons required to submit fingerprints in accordance with this Section, and all other persons required to possess the same qualifications required of the applicant, except for those persons already provided for by this Section, the office of alcohol and tobacco control shall require such persons to provide verification of suitability in accordance with rules adopted by the commissioner pursuant to the Administrative Procedure Act. Fingerprints shall not be required unless the commissioner requests fingerprints based upon credible information that a person may not meet the qualifications of an applicant.

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Respectfully submitted,

Senators:

Representatives:

Senator Mike Walsworth

Representative Rosalind D. Jones

Senator Daniel "Danny" Martiny

Representative Mack "Bodi" White

Senator Dan Claitor

Representative Jeffery "Jeff" J. Arnold

The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ducharme.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 115 by Senator Walsworth

Keyword and summary of the bill as proposed by the Conference Committee

ALCOHOLIC BEVERAGES. Requires spouses of liquor license applicants to provide their fingerprints with the applicant's application. (gov sig)

Report rejects House amendments which would have:

1. Removed provisions requiring the spouse of an applicant for an alcoholic beverage permit submit fingerprints.
2. Added that fingerprints shall only be requested when the commissioner for the office of alcohol tobacco control (ATC) determines that, based upon credible evidence, the person may not meet suitability requirements.
3. Added that suitability verification may be obtained from spouses and others in accordance with rules adopted pursuant to the Administrative Procedure Act (APA).
5. Changed the effective date from signature of the governor to Jan. 1, 2012.

Report amends the bill to:

1. Remove provisions requiring the spouse of an applicant for an alcoholic beverage permit submit fingerprints.
2. Add that fingerprints shall only be requested when the ATC commissioner determines that, based upon credible evidence, the person may not meet suitability requirements.
3. Add that suitability verification may be obtained from spouses and others in accordance with rules adopted pursuant to the APA.
4. Keep effective date upon signature of the governor.

Digest of the bill as proposed by the Conference Committee

Present law requires that all applicants for a liquor license submit their fingerprints upon application for a license.

Present law, regarding high and low alcohol beverage permits, provides several qualification for applicants. Also requires that the spouse of an applicant meet the same qualifications.

Proposed law requires all applicants for a liquor license, members of a partnership recognized by Louisiana law, the officers and directors of a corporation, the stockholders of a corporation, and members of a limited liability company owning more than five percent of such a corporation or company and all other persons required to possess the same qualifications required of the applicant to submit their fingerprints when the application for the permit is submitted.

Present law provides that the commissioner for the office of alcohol tobacco control may accept from a publicly traded corporation, other than any gaming entity, the necessary documentation of managers, agents, servants, employees, or other representatives and three officers of the corporation in full satisfaction of suitability requirements for an alcoholic beverage permit.

Proposed law retains the provisions of present law and adds other corporations and entities in addition to publicly traded corporations.

Proposed law provides that in order to determine the suitability of the spouses of alcoholic beverage permit applicants, and all other persons required to possess the same qualifications required of the applicant, the office of alcohol and tobacco control shall require such persons to provide verification of suitability in accordance with rules adopted by the commissioner pursuant to the Administrative Procedure Act.

Proposed law further provides that fingerprints shall not be required unless the commissioner requests fingerprints based upon credible information that a person may not meet the qualifications of an applicant

Effective upon signature of the governor.

(Amends R.S. 26:80(C)(3), (D), and (H) and 280(C)(2), (D), and (H))