SENATE BILL NO. 178

BY SENATOR ALLAIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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), and to enact R.S. 26:241(26), relative to the delivery of
4	alcoholic beverages; to provide for third party delivery companies and platforms; to
5	provide for delivery agreements; to provide for requirements; to provide for
6	limitations; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 26:271.2(2)(b), 271.4, and 308(A), (B), (C)(1), (2), (8) and (11)(b),
9	(D), (E), and (F)(1) are hereby amended and reenacted and R.S. 26:241(26) is hereby
10	enacted to read as follows:
11	§241. Definitions
12	The following terms have the respective meanings ascribed to them except
13	in those instances where the context indicates a different meaning:
14	* * *
15	(26) "Third party platform" means a third party service that is licensed
16	to do business in the state of Louisiana that performs work with its own
17	employees or agents for which the platform is required to file an Internal
18	Revenue Service Form W-2 or 1099.
19	* * *
20	§271.2. Class A permit; definitions
21	The commissioner shall issue the following four types of Class A retail
22	permits for beverages of low alcoholic content:
23	* * *
24	(2) Class A-Restaurant:
25	* * *

SB NO. 178 ENROLLED

(b) Notwithstanding any provision of law to the contrary and subject to rules promulgated by the commissioner, in addition to the authority to contract with a third party <u>delivery company or a third party platform</u> as provided in R.S. 26:308, a permit may be issued to a "restaurant establishment" enabling the delivery of restaurant prepared food and alcohol <u>malt beverages</u>, <u>sparkling wine</u>, <u>and still wine</u>, <u>as defined in R.S. 26:2 and 241</u> with its own employees <u>or agents for which the retailer is required to file an Internal Revenue Service Form W-2 or 1099</u>. Notwithstanding the provisions of R.S. 26:271(A)(2), the permit fee for the permit issued pursuant to this Subparagraph shall be two hundred fifty dollars.

* * *

§271.4. Package house-Class B permit

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

* * *

§308. Alcoholic beverages delivery agreements; requirements; limitations

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

B. Notwithstanding any provision of law to the contrary, a retail dealer possessing a valid Class A-General retail permit as provided in R.S. 26:271.2, a

SB NO. 178 ENROLLED

1	Class "R" restaurant permit as provided in R.S. 26:272, or a package house-Class B,
2	as defined in R.S. 26:241, permit as provided in this Chapter may enter into a written
3	agreement with a third party delivery company or a third party platform for the
4	use of an internet or mobile application or similar technology platform to facilitate
5	the sale of alcoholic beverages for delivery to consumers for personal consumption
6	within this state and the third party delivery company or the third party platform
7	may deliver alcoholic beverages to the consumer.
8	C. An alcoholic beverage delivery agreement between a retail dealer and a
9	third party shall require all of the following:
10	(1) Only alcoholic beverages purchased from a wholesale dealer licensed
11	pursuant to this Chapter Title are offered for delivery.
12	(2)(a) Only alcoholic beverages of low alcoholic content, beer, sparkling
13	wine as defined in R.S. 26:2(1), and still wine as defined in R.S. 26:241(1)(a) are
14	offered for delivery from the licensed premises of a package house-Class B
15	permit holder.
16	(b) Only malt beverages, sparkling wine, and still wine, as defined in R.S.
17	26:2 and 241 are offered for delivery from the licensed premises of a restaurant
18	permit holder.
19	* * *
20	(8) No (a) For any parish having a population of less than one hundred
21	thousand according to the latest federal decennial census, no alcoholic beverages
22	shall be delivered more than ten twenty-five miles from the place of purchase.
23	(b) For any parish having a population of greater than one hundred
24	thousand according to the latest federal decennial census, no alcoholic beverages
25	shall be delivered more than ten miles from the place of purchase.
26	* * *
27	(11) Alcoholic beverages are delivered only by a person that meets all of the
28	following requirements:
29	* * *
30	(b) The person is an employee <u>or agent</u> for which the third party <u>delivery</u>

SB NO. 178 ENROLLED

1	company or the third party platform shall be required to file an Internal Revenue
2	Service Form W-2 <u>or 1099</u> .
3	* * *
4	D. A retail dealer shall enter into an alcoholic beverage delivery agreement
5	with a third party delivery company or a third party platform only when the third
6	party meets all of the following requirements:
7	(1) The third party delivery company or the third party platform is
8	properly registered and authorized to conduct business in Louisiana.
9	(2) The third party delivery company or the third party platform holds a
10	valid Louisiana alcoholic beverage permit issued pursuant to R.S. 26:271.2(1)(j).
11	(3) The third-party third party delivery service company or the third party
12	<u>platform</u> shall maintain a general liability insurance policy with a liquor liability
13	endorsement in an amount no less than one million dollars per occurrence for the
14	duration of the agreement with the retail dealer and shall provide proof of coverage
15	to the retail dealer.
16	(4) The third party delivery company or the third party platform is able
17	to monitor the routes of its employees or agents during alcoholic beverage
18	deliveries.
19	(5) The third party delivery company or the third party platform conducts
20	an interview a screening and a background check of all persons that will deliver
21	alcoholic beverages.
22	E. A retail dealer may pay a third party delivery company or a third party
23	platform a fee for its services and a third party may charge a reasonable delivery fee
24	for orders delivered by the third party delivery company or the third party
25	platform. A third party delivery company properly licensed pursuant to this
26	Section or its authorized agent may act as an agent of a retail dealer in the
27	collection of payments from the sale of alcoholic beverages, but the full amount of
28	each order must be handled in a manner that gives the retail dealer control over the

29

30

ultimate receipt of the payment from the consumer. A third party delivery

company or a third party platform properly licensed pursuant to this Section

SB NO. 178 ENROLLED 1 or its authorized agent may also act as an agent of a retail dealer for the 2 purposes of processing, assembling, packaging, and fulfilling alcoholic beverage 3 orders for delivery from the retailer's licensed premises. No additional permit 4 shall be required of a retail dealer who has contracted with a third party 5 delivery company properly licensed pursuant to this Section for the purpose of processing, assembling, packaging, and fulfilling alcoholic beverage orders for 6 7 delivery from the retailer's licensed premises. F.(1) The third party **delivery company or the third party platform** may 8 9 receive orders and accept payment via the internet or through a mobile application 10 or similar technology. 11 12 Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature 13 14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become 15 16 effective on the day following such approval. PRESIDENT OF THE SENATE SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED:

GOVERNOR OF THE STATE OF LOUISIANA