

Office of the Governor
State of Louisiana

JOHN BEL EDWARDS
GOVERNOR



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July 1, 2021

VIA HAND DELIVERY

Honorable Clay J. Schexnayder
Speaker of the House
Louisiana House of Representatives
Post Office Box 94062
Baton Rouge, Louisiana 70804-9062

RE: Veto of House Bill 571 of the 2021 Regular Session

Dear Speaker Schexnayder:

Please be advised that I have vetoed House Bill 571 of the 2021 Regular Session.

House Bill 571 both expands physical locations where alcohol may be delivered by a third party delivery company and limits which package house Class B permit holders are eligible to use a third party delivery company for delivery.

Currently, there are restrictions on where alcohol may be delivered, both by W-2 employees of an alcohol retailer and by third party alcohol delivery companies. In crafting the original legislation for alcohol delivery, great care was taken to ensure that alcohol could not be delivered to college campuses. Despite the fact that the stated goal of the author of House Bill 571 was to make sure alcohol is not being delivered to college kids on campus, the language of this bill as finally passed would limit where on campus alcohol delivery is restricted to only those buildings *owned* or *operated* by the higher education institution, opening up the possibility of delivery to fraternity and sorority houses on campus thereby increasing accessibility to underage students. No delivery to college campuses should be permissible and this would be consistent with existing statutory framework for alcohol delivery.

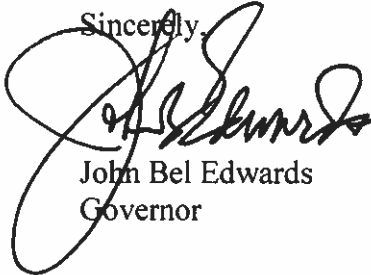
If enacted, House Bill 571 would eliminate the ability of every package house Class-B permit holder to use a third-party delivery company or a third-party platform to facilitate the sale and delivery of alcohol, *except* grocery stores. Under current law, all package house Class-B permit holders have the ability to use a third-party delivery company or a third-party platform to facilitate the sale and delivery of alcohol. Businesses like grocery stores, stand-alone liquor stores, and convenience stores hold package house Class-B permits and are authorized now to utilize either a third-party delivery company or a third-party platform to facilitate alcohol delivery. This legislation, if signed into law, may unconstitutionally impair contracts already entered into by

Honorable Clay J. Schexnayder
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Page Two

package house Class-B permit holders, *other than grocery stores*, with third-party delivery companies and third-party platforms for alcohol delivery.

For these reasons, this bill will not become law.

Sincerely,

A handwritten signature in black ink, appearing to read "John Bel Edwards". The signature is fluid and cursive, with a large loop at the beginning and end.

John Bel Edwards
Governor

cc: Honorable Patrick Page Cortez
Louisiana Senate President

2021 Regular Session

HOUSE BILL NO. 571

BY REPRESENTATIVE STEFANSKI

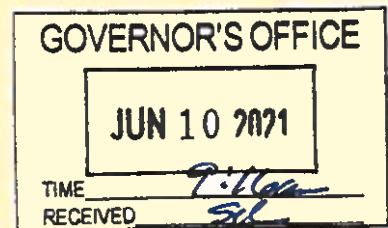
AN ACT

To amend and reenact R.S. 26:274(A)(2) and 308(B), (C)(6), (8), and (11)(c), and (J) and to enact R.S. 26:308(C)(12)(b)(i) through (iii), relative to the delivery of alcoholic beverages; to provide relative to third party delivery companies and platforms; to provide for requirements for alcoholic beverage delivery agreements; to provide for penalties; to provide for an effective date; and to provide for related matters.

ORIGINATED

IN THE

House of Representatives



Michelle D. Indino

Clerk of the House of Representatives

2021 Regular Session

HOUSE BILL NO. 571

BY REPRESENTATIVE STEFANSKI

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Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 26:274(A)(2) and 308(B), (C)(6), (8), and (11)(c), and (J) are hereby amended and reenacted and R.S. 26:308(C)(12)(b)(i) through (iii) is hereby enacted to read as follows:

§274. Local permits

A.

* * *

(2) Parishes and municipalities may issue and require local permits similar to those issued by the commissioner for the delivery of alcoholic beverages by grocery stores; and restaurants; ~~and third parties.~~ No parish or municipality shall require permits of any third party which has been issued a Class D delivery service permit.

* * *

§308. Alcoholic beverages delivery agreements; requirements; limitations

* * *

B.(1) 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

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~~ by R.S. 26:271.4 may
 3 enter into a written agreement with a third-party delivery company or a third-party
 4 platform for the use of an internet or mobile application or similar technology
 5 platform to facilitate the sale of alcoholic beverages for delivery to consumers for
 6 personal consumption within this state and the third-party delivery company or the
 7 third-party platform may deliver alcoholic beverages to the consumer.

8 (2) Notwithstanding any provision of law to the contrary, a retail dealer
 9 possessing a package house-Class B permit as provided by R.S. 26:271.4 may enter
 10 into a written agreement with a third-party delivery company or a third-party
 11 platform for the use of an internet or mobile application or similar technology
 12 platform to facilitate the sale of alcoholic beverages for curbside pickup by
 13 consumers within this state for personal consumption.

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

16 * * *

17 (6) No alcoholic beverages shall be delivered to any building owned or
 18 operated by a state college, university, or technical college or institute or an
 19 independent college or university located in this state: where students are housed,
 20 attend class, gather, or meet.

21 * * *

22 (8)(a) ~~For any parish having a population of less than one hundred thousand~~
 23 ~~according to the latest federal decennial census, no alcoholic beverages shall be~~
 24 ~~delivered more than twenty-five miles from the place of purchase.~~

25 (b) ~~For any parish having a population of greater than one hundred thousand~~
 26 ~~according to the latest federal decennial census, no alcoholic beverages shall be~~
 27 ~~delivered more than ten miles from the place of purchase.~~ No alcoholic beverages
 28 shall be delivered more than twenty miles from the place of purchase.

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

* * *

(c) The person possesses a valid server permit as provided in R.S. 26:931 et seq. Any person who has obtained a server permit as provided in R.S. 26:931 et seq. solely for the purpose of delivering alcoholic beverages in accordance with this Section shall be exempt from local server permitting requirements.

(12) The retail dealer shall manage and control the sale of alcoholic beverages including but not limited to all of the following:

* * *

(b) Determining the price at which alcoholic beverages are offered for sale or sold through a third party's internet or mobile application platform or similar technology.

(i) A third party shall list all alcoholic beverages on its platform at the price determined and directed by the retail dealer.

(ii) A third party that lists alcoholic beverages on its platform at the price directed by the retail dealer shall not be held liable for an impermissible price increase even if the listed price is higher than the retailer determines for its licensed premises.

(iii) A third party that lists alcoholic beverages on its platform at any price other than the price determined and directed by the retail dealer shall be liable for an impermissible price increase.


* * *

J. Any permittee who violates the provisions of this Section ~~shall~~ may be subject to revocation of ~~their~~ the permit by the commissioner and be subject to penalties as provided by R.S. 26:292.

Section 2. This Act shall become effective upon signature of the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18, of the Constitution of Louisiana. If

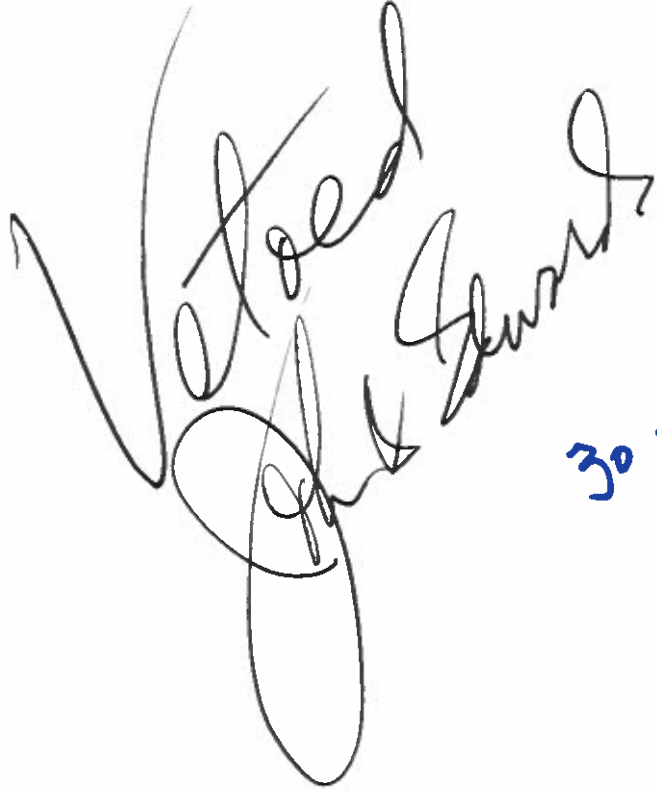
1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.


SPEAKER OF THE HOUSE OF REPRESENTATIVES


PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____



30 June 2021
WFS