

BILL SUMMARY

1st Session of the 60th Legislature

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| Bill No.: | SB 1046 |
| Version: | POLPCS1 |
| Request Number: | 13424 |
| Author: | Lawson |
| Date: | 4/8/2025 |
| Impact: | Please see previous summary of this measure |

Research Analysis

The proposed policy committee substitute for SB 1046 lowers the cost for the Delivery Service license from \$10,000 to \$2,500. The polpcs also provides that \$27 of the delivery driver license fee will be deposited in the Alcoholic Beverage Governance Revolving Fund, changed from \$30 in the engrossed version. Additionally, \$3 of each Delivery Driver License purchased will be deposited in the Alcohol Abuse Revolving Fund used specifically for the treatment of alcohol abuse by the Department of Mental Health and Substance Abuse Services. Any delivery service licensee must only deliver within the county the licensed premise is located and any immediately contiguous county shared a county line border with the licensee's home county where the license is held. The polpcs adds that delivery service licensees and technology services companies facilitating the sale of alcoholic beverages must comply with trade practice and illegal inducement as well as other applicable provisions. The measure removes the 15% or \$15 independent delivery fee and fee remitted to the ABLE Commission. The polpcs creates the "Alcohol Abuse Revolving Fund" for the Department of Mental Health and Substance Abuse Services.

SB 1046 strikes the Bottle Club License from the list of licenses issued by ABLE in statute and adds a Delivery Service License, which is \$2,500, and a Delivery Driver License, which is \$30. The measure provides that delivery driver licenses are valid for two years. Employees licensed as delivery drivers and independent contractors of delivery service licensees will be permitted to make alcoholic beverage product deliveries to consumers on behalf of a retail spirit licensee. An action by a delivery service or delivery will not be attributable to the retail spirit licensee with regard to providing alcohol to a minor or intoxicated person, the delivery of alcohol in an illegal area unless the retailer has agreed to retain responsibility for this, or any other provision of the title. A retail spirit licensee's responsibility for delivery will be considered satisfied the moment the retail transfer possession of the alcoholic beverage product. This measure also allows delivery services and drivers to make deliveries on behalf of a restaurant, bar, or club licensee and grocery or convenience store licensees with the same provisions as to a retail spirit licensee.

The measure strikes a provision prohibiting utilizing third party vendors or delivery services for alcoholic beverage deliveries. A delivery service licensee or delivery driver of a delivery service licensee will be permitted to make deliveries to a consumer 21 or older for their personal use and not for resale. These individuals will be liable for violations of law or ABLE administrative rules, affecting their license privileges. Any licensed establishment using a delivery service is not required to verify that the driver has received delivery driver training or a license and will not be liable for the actions of the driver or service. Additionally, pricing for alcoholic beverage products delivered will meet the minimum markup requirements, will not be discounted below the price at the licensed premises, and delivery service licensees will be prohibited from discriminating between any retailers. Any delivery service licensee must only deliver within the county the licensed premise is located and any immediately contiguous county shared a county

line border with the licensee's home county where the license is held. A delivery service licensee must not have any stake in the licenses listed in the measure. The measure also allows any individual, limited liability company, corporation, or partnership registered to do business in the state, regardless of ownership residency, to apply for an be issued a delivery service license. The measure outlines what the applicant must do to receive a delivery service license and what the licensee can do once they have a license. A delivery service licensee may annually renew their license for \$2,500. A delivery service licensee can charge a delivery fee but cannot college any portion of the amount of the retail sales price for the product and cannot deliver under any subscription delivery plan. Nothing in this act will require a technology services company to obtain a delivery license if the company does not employ or contract with a delivery service licensee or driver and just provides software or a network application. The ABLE Commission will enforce these requirements and promulgate rules as needed. Nothing in this act will authorize the direct of alcohol from any manufacturer. Nothing in this section will authorize a retail licensee to engage in central warehousing of products or allow a delivery to purchase from a wholesaler. Delivery drivers have 14 days to complete their training program after initial licensure. If ABLE denies a license, they will provide notice to places the driver serves. A delivery service licensee with training may purchase delivery driver licenses on behalf of the drivers.

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Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.