

Comments from the Louisiana Restaurant Association

Do you think delivery should be allowed?

The LRA will provide comments limited in scope to the delivery of beverage alcohol with prepared, ready to consume restaurant food. Any consideration for delivery from retailers, delivery providers, third-party app-based providers etc., is not contemplated in these comments.

In each of the discussions and testimony that we have provided to the proponents seeking to provide for the delivery of alcohol, we have consistently communicated the following language be included in any regulations or legislation as follows:

- *If a licensed restaurant seeks to deliver alcohol with prepared restaurant food by means of its own employees, it must provide notice or register with the ATC.*
- *If a licensed restaurant seeks to deliver alcohol with prepared restaurant food by means of a third-party app-based or other delivery provider, that provider would be required to obtain a license for delivery from ATC, remit the appropriate fee and agree to share in the legal liability that an on-premise retailer (restaurant) would have. This would require the third-party delivery provider to obtain appropriate liquor liability insurance.*

In the above license or notice requirements, this would allow ATC to provide its required oversight. The third-party delivery provider could not be an agent of the restaurant alcohol licensee.

The restaurant and delivery provider would share the liability for alcohol service as well as legal and regulatory compliance.

- *Any proposed delivery would align with the operating hours of the restaurant.*
- *Beverage alcohol delivered as contemplated above would be required to be in the original manufacturer sealed package. No individual mixed drinks, wine or beer by the glass or other container would be allowed to provide for product safety.*
- *If a third-party delivery provider is utilized, its personnel would be required to complete Responsible Vendor Program (RVP) training. This insures they understand their responsibilities in the sale of beverage alcohol. (Licensed restaurant personnel are also required to complete RVP training.)*
- *All deliveries must include restaurant food, not beverage alcohol alone.*
- *All deliveries would require the verification of the purchaser's age with an approved form of government issued identification.*
- *As to restrictions on delivery locations, these would be developed during a promulgation of rules or legislation. We would recommend careful review of potential delivery to schools, churches, college campus housing etc.*
- *For food safety consideration we have proposed a maximum delivery radius of 10 miles.*

As the Louisiana Department of Health is not part of this task force it is important to note they are responsible for development and oversight of food safety under Title 51, specifically Part 23 which covers Retail Food Establishments. We expect they will develop rules related to requirements for time, temperature and food handling, potential permitting and document or log retention in the future.

A cursory review of Chapter 45 under Title 23 which codifies Mobile Food Establishments etc. is silent as to any requirements for food delivery.

Conclusion

LRA members have diverse opinions regarding the delivery of beverage alcohol with prepared restaurant food. Some view it as having the potential to grow their top line revenue and meet the demand of their guests who would rather use digital or direct access to enjoy restaurant food at their home or office. Many utilize available options today and may grow revenue from adding the delivery of packaged alcohol.

While other members believe the additional expense in an already challenged net profit environment as well as concerns about delivering the desired guest experience as to food quality, temperature or presentation is not something they care to offer. Further, when using a third-party or app-based delivery provider there are noted concerns about the quality of their product when it arrives that could be impacted by distance, traffic or other factors. The risk to the restaurant is an unsatisfied guest if the product arrives and doesn't meet the guest's expectation.

But these are decisions that each restaurant will have to consider should they choose to offer delivery or not. The attraction of growing revenue through delivery of beverage alcohol with restaurant food can increase the guest transaction value. It will be up to the restaurant to determine if the risk they assume legally and to their reputation or presentation of its products is worth the potential dollars.

Our goal in providing these comments is to engage in a process whereby any restaurant that considers either direct or third-party delivery of beverage alcohol with restaurant food understands clearly

their responsibilities and exposure. This will allow them to make the most informed and effective decision for their individual business.