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3 HOUSE ECONOMIC DEVELOPMENT AND TOURISM COMMITTEE SUBSTITUTE  
4 FOR HB407  
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9 SYNOPSIS: Under existing law, delivery of beer and  
10 wine to a residence is prohibited.

11 This bill would provide for a delivery  
12 service license issued by the Alcoholic Beverage  
13 Control Board that would allow the licensee to  
14 deliver sealed beer and wine from certain licensed  
15 retail establishments directly to individuals in  
16 Alabama who are at least 21 years of age for their  
17 personal use.

18 This bill would provide for the licensing  
19 process and establish certain restrictions and  
20 requirements for delivery service licensees.

21 This bill would also authorize certain  
22 employees of a delivery service licensee and  
23 independent contractors of a delivery service  
24 licensee to deliver beer and wine to individuals in  
25 Alabama.  
26

27 A BILL

1 TO BE ENTITLED

2 AN ACT

3  
4 Relating to alcoholic beverages; to amend Section  
5 28-1-4, Code of Alabama 1975; to provide for a delivery  
6 service license from the Alcoholic Beverage Control Board that  
7 authorizes the licensee, using its employees or independent  
8 contractors, to deliver beer and wine directly to Alabama  
9 residents who are at least 21 years of age for their personal  
10 use; to provide for the licensing procedure; to provide  
11 restrictions and requirements on the delivery of beer or wine;  
12 and to provide for issuance and renewal fees for a delivery  
13 service license.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. Section 28-1-4, Code of Alabama 1975, is  
16 amended to read as follows:

17 "§28-1-4.

18 "(a) The words and phrases used in this section  
19 shall have the meanings ascribed to them in Section 28-3-1 ~~and~~  
20 ~~any acts amendatory thereof, supplementary thereto or~~  
21 ~~substituted therefor.~~

22 "(b) ~~It~~ Except as provided in subsection (c), it  
23 shall be unlawful for any common ~~or permit carriers, operators~~  
24 carrier, operator of trucks, buses, or other conveyances or  
25 ~~out-of-state manufacturers or suppliers~~ a manufacturer or  
26 supplier to make delivery of any alcoholic beverage ~~from~~  
27 ~~without the State of Alabama to any person, association or~~

1 ~~corporation~~ within the state, except to the Alabama Alcoholic  
2 Beverage Control Board and to manufacturers, importers,  
3 wholesalers, and warehouses licensed by the Alabama Alcoholic  
4 Beverage Control Board to receive the alcoholic beverages so  
5 delivered.

6 "(c) Notwithstanding subsection (b), a delivery  
7 service licensee, or an employee or independent contractor of  
8 a delivery service licensee in compliance with Section 2 of  
9 the act adding this amendatory language may transport and  
10 deliver beer and wine to an individual in the state who is at  
11 least 21 years of age.

12 "(d) Any beer or wine delivered to an individual  
13 pursuant to this section shall not exceed, by volume, the  
14 equivalent of 48 12-ounce containers of beer and six  
15 750-milliliter bottles of wine in any single 24-hour period.

16 ~~"(c) Any (e) A violation of subsection (a) of this~~  
17 ~~section shall be a misdemeanor, punishable as provided in~~  
18 ~~paragraph subdivision (1) of subsection (b) of Section~~  
19 ~~28-3A-25.~~

20 ~~"(d) All laws or parts of law which conflict or are~~  
21 ~~inconsistent with this section are hereby repealed, provided,~~  
22 ~~however, the provisions of Section 28-1-3 are excluded."~~

23 Section 2. (a) Any person, limited liability  
24 company, retail premises licensed to sell beer or wine for  
25 off-premises consumption, or partnership that is registered to  
26 do business in this state, regardless of whether the ownership  
27 of the business entity is based in the State of Alabama or

1 outside the State of Alabama, may apply for and be issued a  
2 delivery service license that authorizes the licensee to  
3 deliver beer and wine from a retail premises licensed to sell  
4 beer or wine for off-premises consumption to an individual in  
5 this state who is at least 21 years of age for personal use  
6 and not for resale.

7 (b) In order to receive a license, an applicant  
8 shall do all of the following:

9 (1) File an application with the Alcoholic Beverage  
10 Control Board.

11 (2) Pay a non-refundable filing fee of one hundred  
12 dollars (\$100), and a license fee of one thousand dollars  
13 (\$1,000).

14 (3) Provide to the board a sample contract that the  
15 applicant intends to enter into with a retailer for the  
16 delivery of beer or wine, unless the applicant is the  
17 retailer.

18 (4) Provide an attestation that the applicant is 21  
19 years of age or older and has not been convicted of a felony  
20 or a misdemeanor for a violation of Section 28-3A-25(a) (3),  
21 Code of Alabama 1975.

22 (5) An applicant with four or more delivery drivers,  
23 whether those delivery drivers are employees or independent  
24 contractors, shall provide proof of a general liability  
25 insurance policy in an amount no less than five million  
26 dollars (\$5,000,000) per occurrence. An applicant with three  
27 or fewer delivery drivers, whether those delivery drivers are

1 employees or independent contractors, shall provide proof of a  
2 general liability insurance policy in an amount no less than  
3 two million dollars (\$2,000,000) per occurrence.

4 (6) Provide an outline for an internal or external  
5 training and certification program for delivery personnel that  
6 addresses topics such as identifying underage individuals,  
7 intoxicated individuals, and fake or altered identification.

8 (c) A delivery service licensee:

9 (1) May contract with any retailer licensed to sell  
10 beer or wine for off-premises consumption for the purpose of  
11 delivering beer or wine.

12 (2) May use its own employees or independent  
13 contractors who are at least 21 years of age to deliver beer  
14 and wine under this section, provided all delivery agents are  
15 trained and certified consistent with the training program  
16 submitted to the board as required by subdivision (6) of  
17 subsection (b).

18 (3) May facilitate orders by telephone, Internet, or  
19 by other electronic means for the sale and delivery of beer or  
20 wine under this section.

21 (4) May deliver only sealed containers of beer or  
22 wine.

23 (5) Shall obtain from the customer a confirmation  
24 that he or she is at least 21 years of age at the time the  
25 order is placed.

26 (6) For any delivery in a sealed package, there  
27 shall be a stamp, print, or label on the outside of the sealed

1 package to indicate in readily apparent font or type that the  
2 package contains alcohol and that the signature of an  
3 individual at least 21 years of age is required for delivery.

4 (7) Shall require the recipient, at the time of  
5 delivery, to provide valid photo identification that conforms  
6 to Alcoholic Beverage Control Board rules and that verifies  
7 that he or she is at least 21 years of age and sign for the  
8 delivery.

9 (8) Shall possess identification scanning software  
10 technology or a state-of-the-art alternative available at the  
11 point of delivery that verifies the recipient is at least 21  
12 years of age and retains the recipient's name, date of birth,  
13 and signature.

14 (9) Upon request, shall provide each delivery  
15 service agent either a printed copy of the delivery service  
16 license or an electronic copy indicating the delivery service  
17 licensee's name and number which shall be available for  
18 inspection.

19 (10) Shall return all beer and wine to the retailer  
20 if the recipient is under the age of 21 years, appears  
21 intoxicated, fails to provide proof of identification, fails  
22 or refuses to sign for delivery, fails to complete the  
23 identification scanning software process or state-of-the-art  
24 alternative, declines to accept the delivery of beer or wine,  
25 or if any circumstances in the delivery environment indicate  
26 illegal conduct, overconsumption, or an otherwise unsafe  
27 environment for the consumption of alcohol.

1           (11) May deliver through a dry county but may not  
2 deliver to an individual residing in a dry municipality.

3           (12) May not deliver any alcoholic beverage to any  
4 residence hall within the boundaries of any institution of  
5 higher learning, including any college, university, community  
6 college, technical college, or junior college.

7           (13) Shall report, at the direction of the board,  
8 the total amount of beer and wine directly delivered to  
9 residents in the state during the preceding calendar year.

10          (14) Shall permit the board or the Department of  
11 Revenue to perform an audit of the licensee's records upon  
12 request.

13          (15) Shall be deemed to have consented to the  
14 jurisdiction of the board or any law enforcement agency and  
15 the Alabama courts concerning enforcement of this section and  
16 any related laws or rules.

17          (d) A delivery service licensee may renew its  
18 license with the board by paying annually a renewal fee of one  
19 thousand dollars (\$1,000) and otherwise complying with the  
20 renewal process set forth in Section 28-3A-5, Code of Alabama  
21 1975.

22          (e) Nothing in this section shall be construed to  
23 require a technology services company to obtain a delivery  
24 service license if the company does not employ or contract  
25 with delivery agents, but merely provides software or a  
26 digital network application that connects consumers and

1 licensed retailers for the delivery of alcoholic beverages  
2 from a licensed retailer.

3 (f) The board may enforce the requirements of this  
4 section to suspend or revoke a delivery service license by the  
5 same administrative proceedings that apply to alcoholic  
6 beverage licenses, and the board may accept payment of a fine  
7 in lieu of suspension or revocation. The payments shall be  
8 determined by rule adopted by the board.

9 (g) The board may adopt rules pursuant to the  
10 Alabama Administrative Procedure Act to implement this  
11 section.

12 Section 3. This act shall become effective on the  
13 first day of the third month following its passage and  
14 approval by the Governor, or its otherwise becoming law.