

Proposed Alcohol Delivery Support Service Amendment

20-0156-TXT1 - TEXT AMENDMENT - APPLICANT/OWNER: CITY OF LAS VEGAS - Discussion and possible action to amend LVMC Chapter 6.50 to establish a new alcohol delivery support service alcoholic beverage license category, together with associated requirements and limitations, and expand the categories under which a business can exercise an ancillary alcoholic beverage license.

Contents:

- Summary of the proposed changes
- Draft of the proposed ordinance

Please note:

[abc] bracketed text reflects a deletion
abc underlined text reflects an addition

Where language indicates that a new Code section is to be added, all provisions in that section are new, although in some cases it is just a replacement for language repealed in a previous section of the ordinance amendment.

Summary: 20-0156-TXT1 Alcohol Delivery Support Service

LVMC	Subject	Existing Language	Proposed Language
6.50.095	Delivery Support Service	No existing language.	<p>Authorizes the delivery of alcoholic beverages by a third party in original sealed containers when purchased by a consumer from an establishment that offers off-premise alcohol sales, by means of a telephone, internet or other electronic means.</p> <p>The licensee must submit to the Director for approval a delivery plan that includes, at a minimum:</p> <ul style="list-style-type: none"> • Protocols to ensure drivers are 21 years or older • Alcohol awareness for drivers • Ensure the delivery address is in an area approved to receive delivered alcohol • Procedures to establish background checks for drivers • Procedures specifying how delivery information is gathered and maintained <p>Each licensee shall maintain a list of all stores or restaurants with whom they have contracts for delivery service.</p> <p>The third party vendor is administratively responsible for violations of the alcoholic beverages laws and regulations.</p>

Summary: 20-0156-TXT1 Alcohol Delivery Support Service

6.50.100(A)	Alcoholic beverage license – Ancillary specialty sales	Internet Sales – a person that offers alcoholic beverages for sale at a grocery store in excess of 5000 sq ft pursuant to a package liquor license may sell alcohol by delivery to a purchaser’s premises pursuant to internet order.	A person license for off-premise alcohol sales may offer alcoholic beverage sales through telephone, internet or other electronic means, and may facilitate the sale and delivery of such alcoholic beverages to a purchaser’s requested premises.
6.50.100(B)	Alcoholic beverage license – Ancillary specialty sales	Delivery Restrictions: delivery of alcoholic beverages must be in conjunction with the delivery of groceries in the same purchase order.	Removes the requirement to have groceries in the same order as alcoholic beverages.
6.50.360	License Fees	Table listing semiannual license fees by license category	Adds the following entry to the fee table: Alcohol Delivery Support Service: \$500 (semiannual)
6.50.380	Origination Charge	Table listing origination charge by license category	Adds the following entry to the fee table: Alcohol Delivery Support Service: \$4,000 (semiannual)

1 **BILL NO. 2020-**

2 **ORDINANCE NO. _____**

3 AN ORDINANCE TO AMEND LVMC CHAPTER 6.50 TO ESTABLISH A NEW ALCOHOL
4 DELIVERY SUPPORT SERVICE ALCOHOLIC BEVERAGE LICENSE CATEGORY, TOGETHER
5 WITH ASSOCIATED REQUIREMENTS AND LIMITATIONS; EXPAND THE CATEGORIES UNDER
6 WHICH A BUSINESS CAN EXERCISE AN ANCILLARY ALCOHOLIC BEVERAGE LICENSE; AND
7 PROVIDE FOR OTHER RELATED MATTERS.

8 Sponsored by: Councilman Stavros S. Anthony

9 Summary: Amends LVMC Chapter 6.50 to
10 establish a new alcohol delivery support service
11 alcoholic beverage license category, together with
12 associated requirements and limitations, and
13 expand the categories under which a business can
14 exercise an ancillary alcoholic beverage license.

15 THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN AS

16 FOLLOWS:

17 SECTION 1: Title 6, Chapter 50, of the Municipal Code of the City of Las Vegas, Nevada,
18 1983 Edition, is hereby amended by adding thereto a new section, designated as Section 95, reading as
19 follows:

20 **6.50.095:** (A) An alcohol delivery support service alcoholic beverage license authorizes a person
21 to deliver alcoholic beverages on behalf of an establishment that sells alcoholic beverages for off-premise
22 consumption. Each alcoholic beverage delivered pursuant to this license:

23 (1) Must be in the original manufacturer-sealed container or a sealed container
24 qualifying under LVMC 6.50.085(C);

25 (2) Must have been purchased from the establishment by a consumer for
26 delivery to the premises requested by the purchaser;

(3) Must have been purchased by telephone, internet or other electronic means;

and

(4) Is subject to the sales and delivery restrictions set forth in LVMC
6.50.100(B).

(B) Before a license described in this Section may be issued, the applicant must establish

1 and provide to the Department for Director approval a delivery policy designed to ensure that the
2 requirements of this Section and State law in relation to the delivery of alcoholic beverages are met.

3 The delivery policy must include at a minimum:

- 4 (1) Protocols to ensure that drivers are twenty-one years or older;
- 5 (2) Alcohol awareness training for drivers, which includes at a minimum:
 - 6 (a) Reviewing relevant State laws, including those that prohibit buying
7 for or selling to minors;
 - 8 (b) Reviewing possible criminal and civil penalties that might be
9 imposed for the violation of laws and ordinances governing the licensee's operation;
 - 10 (c) Checking for valid identification documents, recognizing false
11 identification documents, and refusing delivery in the case of suspicious or false identification documents;
 - 12 (d) Verifying and tracking the personal information of recipients and
13 recipient signatures; and
 - 14 (e) Identifying and refusing delivery to intoxicated recipients.
- 15 (3) Procedures to ensure that each delivery address is located within the
16 boundaries of the City;
- 17 (4) Procedures to document how delivery data is analyzed to ensure
18 compliance, with results of that analysis to be made available for audit when requested by the City;
- 19 (5) Procedures for conducting background checks regarding drivers; and
- 20 (6) Procedures documenting how certain delivery information is gathered and
21 maintained that includes at a minimum items described in LVMC 6.50.100(B)(2).

22 (C) Each holder of an alcohol delivery support service alcoholic beverage license shall
23 maintain a list of the establishments with which the holder has entered into contracts for delivery service
24 pursuant to this Section.

25 (D) The delivery policy referred to in Subsection (B) must be maintained in force and a
26 copy produced to the Department or Metro upon request.

1 (E) Each licensee is responsible for the conduct and violations of any driver it employs,
2 whether the driver is an employee or independent contractor and regardless of any contractual arrangement
3 between the selling establishment and the driver.

4 SECTION 2: Title 6, Chapter 50, Section 100, of the Municipal Code of the City of Las
5 Vegas, Nevada, 1983 Edition, is hereby amended to read as follows:

6 **6.50.100:** (A) An ancillary license authorizes the sale of alcoholic beverages for [specialty]
7 particularized sales, instruction or tasting as follows:

8 (1) Internet and Related Sales. A person [that offers alcoholic beverages for
9 sale at a grocery store in excess of five thousand square feet pursuant to a package liquor license may sell
10 alcoholic beverages by delivery to a purchaser's premises pursuant to an internet purchase order placed by
11 the purchaser subject to sales and delivery restrictions in LVMC 6.50.100(B), below.] licensed pursuant to
12 this Chapter to sell alcoholic beverages for off-premise consumption may offer and sell such beverages by
13 telephone, internet or other electronic means, and may provide for the delivery of such beverages to the
14 premises requested by the purchaser, either through direct delivery by the licensee or by means of an alcohol
15 delivery support service that is licensed pursuant to LVMC 6.50.095 and that meets the requirements of that
16 Section and Subsection (B) of this Section.

17 (2) Instructional Wine-Making. A person authorized to sell alcoholic beverages
18 pursuant to a package liquor license may instruct persons regarding the making of wine provided that such
19 licensee first acquires, and maintains in good standing, any required State license or permit.

20 (a) Wines made during the instructional process may be served by the
21 glass for consumption on the premises of the instructional establishment to those persons involved with the
22 instructional process.

23 (b) Notwithstanding the provisions of LVMC 6.50.430, persons who
24 have made wine during an instructional process pursuant to this Section may place such wine in bottles or
25 containers and remove them from the instructional establishment, but only for their personal use.

26 (3) Tasting. A person authorized to sell alcoholic beverages pursuant to a

1 package liquor, wholesale general or beer/wine/cooler off sale license may provide the tasting of wines and
2 beers, and cordials or liqueurs (if permitted pursuant to the person's license) pursuant to the following
3 conditions:

4 (a) The sample must not exceed one-half ounce per drink;

5 (b) The samples must be served on the premises of the licensee for
6 educational purposes or to promote the sale of packaged alcoholic beverages;

7 (c) The samples shall not be offered in conjunction with a meal at a
8 restaurant;

9 (d) Persons offering samples of alcoholic beverages must be employees
10 of the licensee and the person must possess a valid work card; and

11 (e) Bottles of wines, beers, cordials or liqueurs opened for tasting shall
12 not be sold, otherwise distributed or given away.

13 (4) Individual Access. An owner or beneficial owner of a hotel that is
14 authorized to sell alcoholic beverages pursuant to a hotel lounge bar license, or an owner or beneficial owner
15 of a sports arena or convention center that is authorized to sell alcoholic beverages pursuant to a general on-
16 sale or a tavern license may sell alcoholic beverages by individual access pursuant to the following
17 conditions:

18 (a) For individual access in a hotel room:

19 (i) The hotel must provide a full-service restaurant that serves
20 meals no less than twelve hours every day, room service of meals to all rooms no less than twelve hours
21 every day, and no less than one full-time security guard on duty at all times;

22 (ii) The hotel must provide a secure means by which an adult
23 transient guest may control the access to the secured cabinet or refrigerator from minors that occupy the hotel
24 room; and

25 (iii) The adult transient guest shall not permit any minors that
26 are occupying the hotel room to access the secured cabinet or refrigerator.

1 (b) For individual access in a booth or viewing suite at a convention
2 center or sports arena:

3 (i) The alcoholic beverages for the booths or viewing suites
4 shall be provided to the tenant by the licensee. Notwithstanding any other provision of this Chapter, a tenant
5 of the booth or viewing suite shall not bring any alcoholic beverages into the booth or viewing suite nor
6 consume any alcohol within the booth or suite that was not provided by the licensee;

7 (ii) The booth or viewing suite must be under the operational
8 control of the licensee;

9 (iii) The licensee shall possess ultimate control of the cabinet or
10 refrigerator inside the booth or viewing suite, and the lock of the refrigerator or cabinet shall be designed
11 such that the key may not be removed from the refrigerator or cabinet without locking the refrigerator or
12 cabinet;

13 (iv) The licensee shall only deliver the key to the refrigerator or
14 cabinet to an adult utilizing the booth or viewing area; and

15 (v) The adult in receipt of the key shall not permit any minors
16 that have access to the booth or viewing area access to the key or access to the open refrigerator or cabinet
17 containing the alcoholic beverages.

18 (B) Delivery Restrictions. Delivery of alcoholic beverages pursuant to LVMC 6.50.095
19 or 6.50.100(A)(1) above may only occur pursuant to the following conditions:

20 (1) [Delivery of alcoholic beverages must be in conjunction with the delivery
21 of groceries in the same purchase order;

22 (2)] The person placing an order and receiving the alcoholic beverages must be
23 of legal age to purchase alcoholic beverages;

24 [(3)] (2) Each sales transaction for delivery shall have written documentation of the
25 sale and delivery on forms acceptable by the Director, which shall include at a minimum:

26 (a) The business name and address of the [grocery or general retail

store;] selling establishment;

(b) A detailed list of alcoholic beverages and [groceries] other items purchased in each sales transaction;

(c) The name and address of the purchaser;

(d) The type of identification used to prove the age of the purchaser;

and

(e) The signature of the delivery person and purchaser involved in the sales transaction.

(3) If delivery is to be accomplished by someone other than the selling establishment, the delivery service provider must hold an alcohol delivery support service alcoholic beverage license pursuant to LVMC 6.50.095 and be in compliance with that Section.

(C) Alcoholic beverages sold pursuant to this ancillary license shall be stored in such a manner that prevents public access.

(D) Any ancillary license issued shall be approved on an individual basis indicating the specialty sale allowed and accounted for based upon the fees specified in LVMC 6.50.350.

(E) Notwithstanding [anything] any provision of this Title to the contrary, an ancillary license is nontransferable.

SECTION 3: Title 6, Chapter 50, Section 360, of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, is hereby amended to read as follows:

6.50.360: Each licensee shall pay to the Department in advance, the semiannual license fees set forth in the following schedule:

License Category	Semiannual License Fee (Dollars)
<u>Alcohol delivery support service</u>	<u>500.00</u>
Alcoholic beverage caterer	[\$]500.00
Ancillary	500.00 per category authorized or 1% of gross sales, whichever is greater
Ancillary brew pub	500.00 or 1% of sales to licensed wholesale dealers, whichever is greater
Ancillary craft distillery	500.00 or 1% of gross sales, whichever is greater

1	Ancillary gift basket	500.00
2	Ancillary lounge bar	1,200.00
3	Ancillary winery	500.00 or 1% of gross sales, whichever is greater
4	Banquet or event establishment	500.00
5	Beer and wine room	700.00
6	Plus: fee for each additional bar	400.00
7	Beer/wine/cooler on-sale	300.00
8	Beer/wine/cooler off-sale	300.00
9	General on-sale	1,200.00
10	Plus: fee for each additional bar	900.00
11	General on-sale (beer and wine)	500.00
12	Liquor manufacturer	1,000.00
13	Nonprofit club general on-sale	200.00
14	Package	750.00
15	Permanent trade show facility	2,400.00
16	Restaurant service bar	600.00
17	Restaurant with alcohol	800.00
18	Plus: fee for each additional bar	750.00
19	Tavern (one bar)	1,200.00
20	Plus: fee for each additional bar	900.00
21	Plus: fee for resort hotel owned gift shop	900.00
22	Tavern-limited (one bar)	800.00
23	Plus: fee for each additional bar	500.00
24	Tavern-restricted (one bar)	800.00
25	Plus: fee for each additional bar	500.00
26	Urban lounge (one bar)	1,000.00
	Plus: fee for each additional bar	750.00
	Wholesale general	1,000.00

Each time-limited special event general licensee shall pay the following license fee for each day (or for each event, in the case of a multi-day event): One hundred dollars, plus seventy-five dollars for each additional bar.

Each time-limited special event beer/wine/cooler licensee shall pay the following license fee for each day (or for each event, in the case of a multi-day event): Fifty dollars, plus twenty-five dollars for each additional bar.

SECTION 4: Title 6, Chapter 50, Section 380, of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, is hereby amended to read as follows:

1 **6.50.380:** (A) The origination charge listed in this Section is a one time charge which is due and
 2 payable at the time of filing an application for an alcoholic beverage license. Origination charges are as
 3 follows:

License Category	Origination Charge (Dollars)
<u>Alcohol delivery support service</u>	<u>4,000.00</u>
Alcoholic beverage caterer	4,000.00
Ancillary lounge bar	40,000.00
Banquet or event establishment	20,000.00
Beer and wine room	7,500.00
Beer/wine/cooler on-sale	2,500.00
Beer/wine/cooler off-sale	2,500.00
General on-sale	75,000.00
General on-sale (beer and wine)	20,000.00
Liquor manufacturer	10,000.00
Nonprofit club general on-sale	2,000.00
Package	40,000.00
Permanent trade show facility	60,000.00
Restaurant service bar	30,000.00
Restaurant with alcohol	40,000.00
Tavern	75,000.00
Tavern-limited	20,000.00
Tavern-restricted	20,000.00
Urban lounge	50,000.00
Wholesale general	10,000.00

17 (B) The transfer of an alcoholic beverage license from one licensee to another is exempt
 18 from the origination charge set forth in this Section.

19 (C) In connection with the issuance of an original new City alcoholic beverage license
 20 to an existing County alcoholic beverage licensee whose business premises have been annexed into the City,
 21 the Department shall waive the origination charge at the request of the applicant. However, a license
 22 concerning which such a waiver has been granted may not be sold, transferred to a third party, or transferred
 23 to a new location, notwithstanding any provision of this Title to the contrary.

24 SECTION 5: Title 6, Chapter 50, Section 450, of the Municipal Code of the City of Las
 25 Vegas, Nevada, 1983 Edition, is hereby amended to read as follows:

26 **6.50.450:** It is unlawful for any person to sell any alcoholic beverage:

1 (A) Without a valid unexpired license issued pursuant to this Chapter; provided,
2 however, that this prohibition does not apply to employees of persons licensed pursuant to this Chapter during
3 the course of such employment;

4 (B) To a person who is intoxicated;

5 (C) For delivery to a personal residence pursuant to a request for such delivery;
6 provided, however, that this prohibition does not apply to deliveries of beer in kegs having a capacity of not
7 less than one-quarter barrel or to deliveries authorized by LVMC 6.50.095 or 6.50.100;

8 (D) Except as otherwise specifically provided in LVMC 6.50.285, through or by means
9 of a drive-in or walk-up window, door or other opening;

10 (E) In any manner not authorized by the license under which authority the person
11 making such sale is authorized to do business; and

12 (F) At any place where persons under twenty-one years of age are present, unless they
13 are continuously accompanied by a parent or legal guardian.

14 SECTION 6: If any section, subsection, subdivision, paragraph, sentence, clause or phrase
15 in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by
16 any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the
17 remaining portions of this ordinance or any part thereof. The City Council of the City of Las Vegas hereby
18 declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase
19 thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs,
20 sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

21 SECTION 7: Whenever in this ordinance any act is prohibited or is made or declared to
22 be unlawful or an offense or a misdemeanor, or whenever in this ordinance the doing of any act is required
23 or the failure to do any act is made or declared to be unlawful or an offense or a misdemeanor, the doing of
24 such prohibited act or the failure to do any such required act shall constitute a misdemeanor and upon
25 conviction thereof, shall be punished by a fine of not more than \$1,000.00 or by imprisonment for a term of
26 not more than six months, or by any combination of such fine and imprisonment. Any day of any violation

1 of this ordinance shall constitute a separate offense.

2 SECTION 8: All ordinances or parts of ordinances or sections, subsections, phrases,
3 sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada, 1983
4 Edition, in conflict herewith are hereby repealed.

5 PASSED, ADOPTED and APPROVED this ____ day of _____, 2020.

6 APPROVED:

7
8 By _____
CAROLYN G. GOODMAN, Mayor

9 ATTEST:

10 _____
11 LUANN D. HOLMES, MMC
City Clerk

12 APPROVED AS TO FORM:

13 _____
14 Val Steed, Date
Deputy City Attorney

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1 The above and foregoing ordinance was first proposed and read by title to the City Council on the ____ day
2 of _____, 2020, and referred to a committee for recommendation, the committee being
3 composed of the following members _____;
4 thereafter the said committee reported favorably on said ordinance on the ____ day of
5 _____, 2020, which was a _____ meeting of said Council; that at said
6 _____ meeting, the proposed ordinance was read by title to the City Council as first
7 introduced and adopted by the following vote:

8 VOTING "AYE": _____

9 VOTING "NAY": _____

10 ABSENT: _____

11 APPROVED:

12
13 By _____
CAROLYN G. GOODMAN, Mayor

14 ATTEST:

15 _____
16 LUANN D. HOLMES, MMC
City Clerk