LEGISTAR 49691 – Alternate Body

DRAFTER'S ANALYSIS: This ordinance is created in response to the trend in retail grocery and general merchandise stores of customers ordering their merchandise online and then picking the items up at the store. Customers pre-select the items they wish to purchase and the items are gathered and bagged by the retailer and delivered to the customer's vehicle. These transactions are commonly referred to as "Click and Collect". Retailers wanting to engage in this practice must file a Change of Premises application and appear before the Alcohol License Review Committee, which will make a recommendation to the Common Council, in order to expand their licensed premises to include a designated area outside the store in which a customer can park their vehicle for purposes of picking up their online order. Retailers are not authorized to offer "Click and Collect" transactions unless their general merchandise sales exceed their alcohol beverage sales on a weekly basis. State law requires licensing of any portion of a premise on which alcohol beverages will be sold, consumed, stored or delivered. This ordinance will provide regulations designed to prevent underage purchase of alcohol beverages either directly or through a straw party and to ensure that individuals who are intoxicated are not allowed to pick up a "Click and Collect" order.

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The Common Council of the City of Madison do hereby ordain as follows:

1. New Subsection (4) entitled "Online Ordering and Curbside Pickup of Alcohol Beverages" of Section 38.07 entitled "General Restrictions" of the Madison General Ordinances is created to read as follows:

"(4) Online Ordering and Curbside Pickup of Alcohol Beverages.

(a) No establishment shall allow online purchase of alcohol beverages and curbside delivery of such purchases ("Click and Collect"), without first obtaining a "Change of Premises" from the Madison Common Council, upon recommendation of the Alcohol License Review Committee (ALRC) to license that portion of the establishment's parking lot that will allow vehicles to park for purposes of picking up their online order.

1. Any establishment offering "click and collect" transactions must have general merchandise sales that exceed alcohol beverage sales on a weekly basis. The establishment must provide proof of eligibility under this subsection to the City Clerk's office at the time they submit their Change of Premises application.
2. The licensed establishment shall file a detailed operation plan with their "Change of Premises" form that clearly details how their "Click and Collect" operation will function. The operation plan shall include the licensee's protocol for assuring that underage persons and intoxicated persons do not pick up alcohol via the "Click and Collect" program.
3. Failure of licensee to provide a detailed operation plan with their "Change of Premises" application shall result in the City of Madison Clerk's Office not forwarding the "Change of Premises" form to the ALRC for consideration.

(b) No establishment holding an alcohol beverage license shall allow online purchase and pick-up of alcohol beverages unless the sale is consummated on the licensed premises.

1. Payment for the purchase must be completed on premises and may not be completed until the purchaser is at the licensed premises and has presented valid photo identification that has been verified by a licensed operator employed by the premises.
2. The licensed operator must verify that the person placing the "Click and Collect" order is the same person picking up the order.
3. The sale and delivery of "Click and Collect" purchases shall be made only by a licensed operator.
4. No alcohol sales are permitted if the purchaser fails to present valid photo identification.
5. The "Click and Collect" system must allow the purchase of alcohol to be denied without affecting the remainder of the purchase.

(c) Each "Click and Collect" transaction must capture and retain an image of the vehicle into which the order is being loaded for thirty (30) days.

(d) Each "Click and Collect" transaction must record and retain the following information for thirty (30) days:
1. The name of the purchaser.
2. The type of identification card presented and the number and expiration date of that identification card.
3. The purchaser's date of birth.
4. The license plate of the vehicle into which the order is being loaded.

(e) Pick-up of "Click and Collect" orders shall be between the hours of 8:00 a.m. and 8:00 p.m.

(f) There shall be a minimum four- (4) hour waiting period between order time and pick-up time.

(g) Orders placed after 2:00 p.m. cannot be picked up until the following day.

(h) If the "Click and Collect" purchaser is not the driver of the vehicle into which the order is being loaded, the licensed operator must verify that the driver is 21 years of age or older.

(i) The licensed operator shall report to his or her manager any purchaser who shows signs of alcohol consumption, and in conjunction with the manager, shall assess sobriety for purposes of approving or denying the sale.

(j) The pick- up area for "Click and Collect" purchases shall be clearly defined with visible markings, signs, and/or barriers.

(k) No events other than the delivery of "Click and Collect" orders shall be allowed on the expanded premises.

(l) Penalty. Any licensee or person who violates any provision of this subsection shall be subject to a forfeiture of not less than $250, nor more than $1000 plus court costs and fees. Licensees are also subject to demerit point assessment for violations of this subjection."

2. Current Subsections (4) through (21) of Section 38.07 entitled "General Restrictions" of the Madison General Ordinances are hereby renumbered Subsections (5) through (22), respectively.

3. Subdivision (c) entitled "Demerit Point System" of Subsection (4) entitled "Alcohol Beverage License Demerit Point System" of Section 38.10 entitled "Revocation, Suspension or Nonrenewal of License" of the Madison General Ordinances is amended by amending therein the following:

"(c) Demerit Point System. Use of the following demerit point schedule by the City is not an exclusive remedy and does not preclude the City from seeking other remedies, including immediate suspension, revocation or nonrenewal of a license pursuant to Chapter 38, MGO. The City may seek such suspension, revocation or nonrenewal notwithstanding the fact that the licensee has accumulated less than one hundred (100) demerit points.

Ordinance Section Number	Type of Violation	Point Value
38.10(4)(c)	Click and Collect regulations	25"