

**SUBSTITUTE FOR
SENATE BILL NO. 505**

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 609 (MCL 436.1609), as amended by 2010 PA 175.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 609. (1) Except as provided in **THIS SECTION AND** sections
2 605 and 1029, a manufacturer, mixed spirit drink manufacturer,
3 warehouser, wholesaler, outstate seller of beer, outstate seller of
4 wine, outstate seller of mixed spirit drink, or vendor of spirits
5 shall not aid or assist any other vendor by gift, loan of money or
6 property of any description, or other valuable thing, or by the
7 giving of premiums or rebates, and a vendor shall not accept the
8 same. However, if manufacturers of spirits reduce the price of
9 their products, the manufacturer of spirits may refund the amount

1 of the price reductions to specially designated distributor
2 licensees in a manner prescribed by the commission.

3 (2) A MANUFACTURER, MIXED SPIRIT DRINK MANUFACTURER,
4 WAREHOUSER, WHOLESALER, OUTSTATE SELLER OF BEER, OUTSTATE SELLER OF
5 WINE, OUTSTATE SELLER OF MIXED SPIRIT DRINK, OR VENDOR OF SPIRITS
6 MAY, IN A MANNER CONSISTENT WITH RULES, REGULATIONS, AND ORDERS
7 MADE BY THE COMMISSION, PROVIDE ANOTHER LICENSEE WITH ADVERTISING
8 ITEMS THAT PROMOTE THE BRANDS AND PRICES OF ALCOHOLIC LIQUOR
9 PRODUCED BY THE MANUFACTURER, SOLD BY THE OUTSTATE SELLER OF BEER,
10 THE OUTSTATE SELLER OF WINE, OR THE OUTSTATE SELLER OF MIXED SPIRIT
11 DRINK, OR DISTRIBUTED BY THE WHOLESALER. EXCEPT AS OTHERWISE
12 PROVIDED UNDER SUBSECTION (3), THE ADVERTISING ITEMS SHALL NOT HAVE
13 ANY USE OR VALUE BEYOND THE ACTUAL ADVERTISING OF BRANDS AND PRICES
14 OF THE ALCOHOLIC LIQUOR.

15 (3) A MANUFACTURER, MIXED SPIRIT DRINK MANUFACTURER,
16 WAREHOUSER, WHOLESALER, OUTSTATE SELLER OF BEER, OUTSTATE SELLER OF
17 WINE, OUTSTATE SELLER OF MIXED SPIRIT DRINK, OR VENDOR OF SPIRITS
18 MAY PROVIDE GOODS AND SERVICES TO ANOTHER LICENSEE THAT WERE
19 APPROVED BY THE COMMISSION PURSUANT TO RULES OR ORDERS ADOPTED
20 PRIOR TO JANUARY 1, 2013, BUT NOT INCLUDING THOSE ORDERS THAT WERE
21 APPROVED FOR SPECIFIC SPONSORSHIPS OR FESTIVALS. A RULE,
22 REGULATION, OR ORDER ADOPTED AFTER THE EFFECTIVE DATE OF THE
23 AMENDATORY ACT THAT ADDED THIS SUBSECTION THAT IS NOT CONSISTENT
24 WITH THIS SECTION OR IS IN CONFLICT WITH THIS SECTION IS VOID AND
25 UNENFORCEABLE.

26 (4) A RETAILER SHALL NOT USE OR POSSESS, AT ITS LICENSED
27 PREMISES, ADVERTISING ITEMS THAT HAVE A USE OR VALUE BEYOND THE

1 ACTUAL ADVERTISING OF BRANDS AND PRICES OF ALCOHOLIC LIQUOR EXCEPT
2 FOR THOSE ALLOWED IN SUBSECTION (3). A RETAILER MAY POSSESS AND USE
3 BRAND LOGOED GLASSWARE BUT ONLY IF THE BRAND LOGOED GLASSWARE IS
4 PURCHASED FROM A GLASSWARE RETAILER AS PROVIDED IN THIS SECTION. A
5 RETAILER SHALL SUBMIT A PURCHASE ORDER FOR BRAND LOGOED GLASSWARE
6 TO THE COMMISSION FOR APPROVAL. THE COMMISSION SHALL APPROVE THE
7 PURCHASE ORDER WITHIN 7 BUSINESS DAYS AFTER RECEIPT OF THE PURCHASE
8 ORDER AND IN A MANNER AS DETERMINED BY THE COMMISSION. A RETAILER
9 SHALL KEEP THE RECEIPT FOR THE PURCHASED BRAND LOGOED GLASSWARE FOR
10 A PERIOD OF 3 YEARS AND SHALL SUBMIT A COPY OF THE RECEIPT TO THE
11 COMMISSION WITHIN 7 DAYS AFTER THE PURCHASE.

12 (5) AS USED IN THIS SECTION:

13 (A) "GLASSWARE RETAILER" MEANS A PERSON THAT OFFERS BRAND
14 LOGOED GLASSWARE FOR SALE TO RETAILERS AND THAT IS NOT LICENSED AS,
15 OR DIRECTLY OR INDIRECTLY AFFILIATED WITH, A MANUFACTURER, MIXED
16 SPIRIT DRINK MANUFACTURER, WAREHOUSER, WHOLESALER, OUTSTATE SELLER
17 OF BEER, OUTSTATE SELLER OF WINE, OUTSTATE SELLER OF MIXED SPIRIT
18 DRINK, OR VENDOR OF SPIRITS.

19 (B) "OTHER VALUABLE THING" MEANS ANY GOODS, SERVICES, OR
20 INTANGIBLE GOODS THAT ARE GIVEN, LOANED, LEASED, OR SOLD TO ANOTHER
21 LICENSEE THAT HAVE VALUE REGARDLESS OF WHETHER THE VALUE IS NOMINAL
22 AND INCLUDES, BUT IS NOT LIMITED TO, GOODS, SERVICES, OR INTANGIBLE
23 GOODS THAT PROVIDE ANY BENEFIT, REGARDLESS OF HOW NOMINAL, TO THE
24 LICENSEE OTHER THAN ADVERTISING THE BRANDS AND PRICES OF ALCOHOLIC
25 LIQUOR PRODUCED BY THE MANUFACTURER, SOLD BY THE OUTSTATE SELLER OF
26 BEER, THE OUTSTATE SELLER OF WINE, OR THE OUTSTATE SELLER OF MIXED
27 SPIRIT DRINK, OR DISTRIBUTED BY THE WHOLESALER.

1 Enacting section 1. This amendatory act does not take effect
2 unless all of the following bills of the 97th Legislature are
3 enacted into law:

- 4 (a) Senate Bill No. 504.
- 5 (b) Senate Bill No. 506.
- 6 (c) Senate Bill No. 507.
- 7 (d) Senate Bill No. 650.
- 8 (e) Senate Bill No. 651.
- 9 (f) House Bill No. 4277.
- 10 (g) House Bill No. 4709.
- 11 (h) House Bill No. 4710.
- 12 (i) House Bill No. 4711.