SUBSTITUTE FOR HOUSE BILL NO. 6105

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998,"

(MCL 436.1101 to 436.2303) by adding sections 609g, 609h, and 609i.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 609g. (1) If a wholesaler sells nonalcoholic products to
- 2 a retailer, this act does not apply to the sale, marketing,
- 3 merchandising, or distribution of the nonalcoholic products except
- 4 the following:
- 5 (a) The wholesaler shall comply with section 609.
- 6 (b) The wholesaler shall not do either of the following:
- 7 (i) Provide free nonalcoholic products to a retailer.
- 8 (ii) Provide credit to a retailer.
- 9 (2) If a wholesaler separately owns or has a direct or





- 1 indirect financial interest in a company that sells nonalcoholic
- 2 products, this act does not apply to the company that sells
- 3 nonalcoholic products if all of the following conditions are met:
- 4 (a) The company that sells nonalcoholic products is not a 5 wholesaler.
- 6 (b) The company that sells nonalcoholic products and the 7 wholesaler have separate sales and delivery employees.
- 8 (c) The company that sells nonalcoholic products and the 9 wholesaler use separate delivery vehicles.
- 10 (d) The company that sells nonalcoholic products and the 11 wholesaler keep separate finances.
- 12 (e) The company that sells nonalcoholic products does not 13 engage in an activity on behalf of the wholesaler that would 14 violate section 609.
- 15 (3) If a wholesaler separately owns or has a direct or 16 indirect financial interest in a company that sells nonalcoholic 17 products, the wholesaler and the company that sells nonalcoholic 18 products may do all of the following:
- 19 (a) Share human resources departments.
- 20 (b) Have a joint payroll.
- 21 (c) Lease warehouse space to each other.
- 22 (d) Have joint vehicle maintenance.
- 23 (e) Jointly recycle beverage containers.
- 24 (f) Share warehouse employees and equipment.
- Sec. 609h. A manufacturer or supplier may offer electronic rebate coupons directly to a retail customer after the retail
- 27 customer purchases alcoholic liquor from a retailer. An electronic
- 28 rebate coupon issued under this section must comply with all the
- 29 following:



- 1 (a) A manufacturer or supplier shall only issue coupons that
 2 state a specific expiration date and specific cash refund value on
 3 the coupons. The refund may be paid by cash, by check, by debit
 4 card, through electronic funds transfer to a bank account, or
 5 through an internet or mobile payment account.
- 6 (b) A manufacturer or supplier shall not issue coupons that
 7 result in the retail customer's purchase of alcoholic liquor being
 8 below the retailer's cost.
- 9 (c) A manufacturer or supplier may issue coupons that can be
 10 applied to more than 1 specific product sold by that manufacturer
 11 or supplier but must state the manufacturer or supplier to which
 12 they apply.
 - (d) A manufacturer or supplier shall issue coupons that require the retail customer to purchase at least 1 product of alcoholic liquor to redeem a coupon. A manufacturer or supplier may issue coupons that require the retail customer to purchase 2 or more alcoholic liquor products from the same manufacturer or supplier to redeem the coupon.
- 19 (e) A manufacturer or supplier shall not issue coupons that 20 require the purchase of a product other than alcoholic liquor.
 - (f) A wholesaler shall not pay for or participate in the offering of coupons except for providing signs that promote the electronic rebate coupon in accordance with section 610a.
- 24 (g) A manufacturer shall only issue coupons that may be 25 redeemable after a purchase of alcoholic liquor at all retail 26 locations where that alcoholic liquor is sold.
- Sec. 609i. If demands exceed supply for a beer, wine, mixed wine drink, or mixed spirit drink product, a manufacturer, supplier, or wholesaler must do both of the following:



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- 1 (a) Engage in commercially reasonable efforts to make the 2 beer, wine, mixed wine drink, or mixed spirit drink product 3 available to purchase by a wholesaler that places an order.
- 4 (b) Engage in commercially reasonable efforts to make the 5 beer, wine, mixed wine drink, or mixed spirit drink product 6 available to purchase by a retailer that places the order.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 101st Legislature are enacted into law:

10 (a) House Bill No. 6106.

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11 (b) House Bill No. 6107.

