



## LIQUOR SIGNS

Senate Bill 8 as passed by the Senate  
First Analysis (4-22-93)

Sponsor: Senator Gilbert J. DiNello  
Senate Committee: State Affairs and  
Military/Veterans' Affairs  
House Committee: Liquor Control

### ***THE APPARENT PROBLEM:***

Liquor Control Commission rules limit the size and type of advertising signs that can be used inside the premises of a retail licensee. Specifically, a sign for beer or wine must be unilluminated and cannot exceed a total area of 1,000 square inches (R 436.1313). Although there are no rules that address the size of advertising signs for spirits, one rule (R 436.1321) does state that spirits cannot be advertised on the premises of a retail licensee, except as provided in the rules. The commission has interpreted this rule to mean that the 1,000-square-inch rule for beer and wine signs also applies to spirit signs. The 1,000-square-inch sign rule has proven problematic for both beer and wine licensees and spirit licensees. Apparently, some national advertising campaigns include signs and other promotional materials that exceed the rule's limit. Reportedly, many liquor licensees would like to participate fully in the campaigns, but cannot do so unless the size limit on signs is eased.

### ***THE CONTENT OF THE BILL:***

The bill would amend the Liquor Control Act to allow signs inside the licensed premises of an on-premises or off-premises liquor licensee to be up to 3,500 square inches in size. As with the current rule, signs would have to be unilluminated.

MCL 436.24a

### ***FISCAL IMPLICATIONS:***

With regard to a substantially similar version of the bill, the Senate Fiscal Agency said that the bill would have no fiscal impact on state or local government. (3-9-93)

### ***ARGUMENTS:***

#### ***For:***

Allowing liquor licensees to use larger signs to advertise liquor on their premises would enable them to take full advantage of the national promotional campaigns sponsored by brewers, vintners, and distilleries. Easing size restrictions as proposed by the bill also would make Michigan more consistent with other states that have similar regulatory structures.

#### ***Against:***

To allow larger and presumably more effective on-premises advertisements for alcoholic beverages would be to encourage consumption. With increased consumption would come increases in alcohol-related health problems, traffic accidents, and deaths. It would be more responsible for the state to continue with current restrictions on signs.

### ***POSITIONS:***

The Liquor Control Commission supports the bill. (4-21-93)

The Distilled Spirits Council of the United States supports the bill. (4-21-93)

The Miller Brewing Company supports the bill. (4-21-93)

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