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House Bill 4752 (Substitute H-3 as passed by the House)

Sponsor: Representative Nancy Cassis

House Committee: Regulatory Reform

Senate Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 5-23-00

CONTENT

The bill would amend the Michigan Liquor Control Code to provide that the Code's restrictions on liquor sales would include transactions made by mail, Internet, telephone, computer, or other electronic means; require retailers making those kinds of transactions to comply with age verification, shipment labeling, and other requirements; and require delivery persons to verify the age of a purchaser or recipient.

Under the Code, alcoholic liquor may not be sold, delivered, or imported in this State unless the sale, delivery, or importation is made by the Liquor Control Commission, the Commission's authorized agent or distributor, an authorized distribution agent, or a person licensed by the Commission, or by prior written order of the Commission. The bill specifies that, for purposes of this provision, the sale, delivery, or importation of alcoholic liquor would include a sale, delivery, or importation transacted or caused to be transacted by means of any mail order, Internet, telephone, computer, device, or other electronic means. ("Device" would include an electronic, magnetic, electrochemical, biochemical, hydraulic, optical, or organic object that performed input, output, or storage functions by the manipulation of electronic, magnetic, or other impulses.)

If a retail sale, delivery, or importation of alcoholic liquor occurred by any of the means listed above, the retailer would have to comply with all of the following:

- Be appropriately licensed under the laws of this State.
- Pay any applicable taxes to the Commission.
- Verify the age of the individual purchasing the liquor by obtaining from the purchaser his or her driver license number, date of birth, state of issuance, telephone number, and address, or other valid documentation of age via facsimile machine, computer, device, or other method approved by the Commission, and retain the information for four years after the transaction was completed.
- Upon the Commission's request, make available to it any document used to verify the age of the purchaser.
- Stamp, print, or label on the outside of the shipping container, in letters at least one inch high: "Contains alcoholic liquor - must be delivered to purchaser or designated recipient only".
- Place a label on the top panel of the shipping container containing the name and address of the purchaser and the name of the designated recipient, if any.

A person taking the order on the retailer's behalf also would have to comply with these requirements (other than having to be licensed and pay applicable taxes).

The person who delivered the alcoholic liquor would have to verify that the person accepting delivery was the purchaser or a designated recipient residing at the same address, and was of legal age to purchase the liquor. If the delivery person, after a diligent inquiry, determined that the purchaser or designated recipient was not of legal age, the delivery person would have to return the liquor to the retailer. A delivery person who returned liquor to the retailer due to the inability to obtain the purchaser's or recipient's legal age would not be liable for any damage suffered by the purchaser or retailer. ("Diligent inquiry" would mean a diligent good faith effort to determine the age of a person, which would include at least an examination of an official Michigan operator's or chauffeur's license, an official Michigan personal identification card, or any other bona fide picture identification that established the identity and age of the person.)

MCL 436.1203

Legislative Analyst: S. Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz