

## LIQUOR SALESPERSON LICENSE

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**Senate Bill 356 as passed by the Senate**  
**Sponsor: Sen. Joe Hune**  
**House Committee: Regulatory Reform**  
**Senate Committee: Regulatory Reform**  
**Complete to 9-5-17**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

Senate Bill 356 would require a person employed by certain licensed liquor vendors to hold a salesperson license before selling, delivering, promoting, or otherwise assisting in the sale of alcoholic liquor in any manner to a Michigan retailer and would require completion of a salesperson accreditation program before licensure, provide exemptions from licensure, and specify criteria for a salesperson accreditation program.

The bill would add a new section to the Michigan Liquor Control Code that would prohibit an individual from selling, delivering, promoting, or otherwise assisting in the sale of liquor to a Michigan retailer unless licensed under the bill. (Though the bill would not create a specific penalty for engaging in the prohibited acts without a license, Section 909 of the Code makes it a felony punishable by imprisonment for up to one year and/or a fine of not more than \$1,000 for performing any act for which a license is required without first obtaining that license.)

#### Salesperson license

Under the bill, an individual who sells, delivers, promotes, or otherwise assists in the sale of alcoholic liquor in any manner to a Michigan retailer must obtain a salesperson license before engaging in such activities. The Michigan Liquor Control Commission (LCC) would be required to issue a salesperson license to an individual who has successfully completed a salesperson accreditation program and who is a designated employee (meaning an individual who sells, delivers, promotes, or otherwise assists in the sale of alcoholic liquor) of any of the following:

- A manufacturer of beer or of wine, or an outstate seller of beer or of wine.
- A wholesaler.

A salesperson license issued after the bill's effective date but before April 30, 2020, would expire on April 30, 2020. A license issued on or after April 30, 2020, will expire April 30 of every third year after the license was issued. A license could not be issued unless the applicant submitted documentation with the application verifying successful completion of a salesperson accreditation program. Similarly, a salesperson license would not be renewed unless the licensee submits—along with the application—proof acceptable to the LCC that he or she has successfully completed a salesperson accreditation program no more than 120 days before submission of the renewal application.

### Exemptions from licensure as a salesperson

An individual at least 18 years of age and who only does any of the following would not be required to be licensed as a salesperson:

- For brands that are represented or sold by the individual's employer for an off-premises retailer:
  - Builds a display of the brands;
  - Marks the price on those brands;
  - Rotates the brands; or,
  - Places the brands on shelves.
- Transports, in a vehicle licensed by the LCC under Section 525 of the code, and delivers alcoholic liquor to a retailer (the person must hold a Michigan commercial driver license).

### Accreditation program

An accreditation program must be approved by the commission if it determines that the program's curriculum includes an understanding of specific provisions within the code and the Michigan Administrative Code, the commission's order for on-premises brand promotions issued October 27, 1999, and the commission's Administrative Order 2016-05 for product adjustments. "Salesperson accreditation program" would mean a program approved by the LCC and that is offered by an administrator.

A person (i.e., manufacturer of beer or wine, outstate seller of beer or wine, or a wholesaler), or a qualified trade association, could apply to the LCC for qualification as an administrator to offer a salesperson accreditation program. On approval of a program, the commission must appoint the person or qualified trade association sponsoring the program as administrator of that program. "*Qualified trade association*" would be defined to mean a trade association representing a manufacturer of beer or wine, outstate seller of beer or wine, or a wholesaler that employs individuals to act as salespersons.

The bill will take effect 90 days after enactment.

MCL 436.1502, proposed

### **FISCAL IMPACT:**

Senate Bill 356 would not likely have a significant fiscal impact on the Department of Licensing and Regulatory Affairs, as the Department already issues salesperson licenses. The bill is not expected to have a significant fiscal impact on any other units of state or local government.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.