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BILL



ANALYSIS

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House Bill 4558 (as passed by the House)
Sponsor: Representative Jeremy Moss
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform

Date Completed: 6-7-17

CONTENT

The bill would amend the Michigan Liquor Control Code to allow the installation of a temporary bin display of beer, wine, or spirits on a retailer's premises under certain circumstances.

Specifically, the bill would do the following:

- Prohibit a manufacturer, vendor of spirits, outstate seller of beer or wine, or wholesaler from selling or in any manner furnishing or installing, and prohibit a retailer from accepting, a permanent display on the licensed premises of the retailer.
- Allow a manufacturer, vendor of spirits, or outstate seller of beer or wine to furnish and install a temporary bin display that had a capacity of up to 25 cases of 24 12-ounce or 0.375-liter containers or the equivalent in other sizes of beer, wine, or spirits on the premises of a retailer that was licensed for off-premises sales only.
- Allow a wholesaler to install, on the premises of a retailer that was licensed for off-premises sales only, a temporary bin display that had been provided without charge by the manufacturer or outstate seller of beer or wine, notwithstanding Section 609 of the Code.
- Require a retailer to ensure that a temporary bin display installed on the retailer's premises clearly indicated, by a tag, stamp, label, or other method that was securely affixed to the temporary bin display, the date on which the display was installed.

Section 609 regulates the provision of advertising items and brand-logoed merchandise to licensees and retailers by manufacturers, retailers, warehousemen, wholesalers, outstate sellers of beer, wine, or mixed spirit drink, or vendor of spirits. The conditions for providing brand-logoed merchandise include a requirement that the merchandise not be more than 3,500 square inches in dimension.

The bill specifies that the 3,500-square-inch limit on an inside retail advertising sign under Section 609 would not apply to advertising on a temporary bin display.

The bill would define "temporary bin display" as a freestanding device that is constructed of a material that is used for the exhibition of beer, wine, or spirits on the premises of a retailer that is licensed for off-premises sales only and that must be removed from the retail licensed premises not later than 120 days after installation.

(These provisions generally would codify rules under the Michigan Administrative Code.)

The bill would take effect 90 days after its enactment.

Proposed MCL 436.1610b

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

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

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.