

SENATE SUBSTITUTE FOR HOUSE SUBSTITUTE FOR
SENATE BILL NO. 356

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
(MCL 436.1101 to 436.2303) by adding section 502.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 502. (1) SUBJECT TO SUBSECTION (3), THE COMMISSION SHALL
2 ISSUE A SALESPERSON LICENSE TO AN INDIVIDUAL WHO IS A DESIGNATED
3 EMPLOYEE OF ANY OF THE FOLLOWING PERSONS:

- 4 (A) A MANUFACTURER OF BEER.
5 (B) A MANUFACTURER OF WINE.
6 (C) A MANUFACTURER OF MIXED SPIRIT DRINK.
7 (D) AN OUTSTATE SELLER OF BEER.
8 (E) AN OUTSTATE SELLER OF WINE.

1 (F) AN OUTSTATE SELLER OF MIXED SPIRIT DRINK.

2 (G) A WHOLESALER.

3 (H) A BROKER THAT REPRESENTS 1 OR MORE PERSONS DESCRIBED IN
4 SUBDIVISIONS (A) TO (G) .

5 (I) A BROKER DESCRIBED IN SUBDIVISION (H) THAT ALSO REPRESENTS
6 1 OR MORE OF THE FOLLOWING PERSONS:

7 (i) A VENDOR OF SPIRITS.

8 (ii) A MANUFACTURER OF SPIRITS.

9 (J) A VENDOR OF SPIRITS.

10 (K) A MANUFACTURER OF SPIRITS.

11 (l) A BROKER THAT REPRESENTS ONLY 1 OR MORE OF THE FOLLOWING:

12 (i) A VENDOR OF SPIRITS.

13 (ii) A MANUFACTURER OF SPIRITS.

14 (2) A SALESPERSON LICENSE ISSUED UNDER THIS SECTION AFTER THE
15 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION BUT
16 BEFORE APRIL 30, 2020 EXPIRES ON APRIL 30, 2020. A SALESPERSON
17 LICENSE ISSUED UNDER THIS SECTION IS RENEWABLE EVERY 3 YEARS WITH
18 THE FIRST TRIENNIAL RENEWAL CYCLE BEGINNING MAY 1, 2020. THE
19 COMMISSION MAY CHARGE A REASONABLE INITIAL LICENSE FEE AND
20 TRIENNIAL RENEWAL FEE. THE COMMISSION SHALL ESTABLISH A FEE UNDER
21 THIS SECTION BY WRITTEN ORDER. THE NONREFUNDABLE INSPECTION FEE
22 UNDER SECTION 529(4) IS NOT REQUIRED FOR AN APPLICATION FOR A NEW
23 SALESPERSON LICENSE OR TRANSFER OF A SALESPERSON LICENSE. A
24 SALESPERSON LICENSE ISSUED OR RENEWED UNDER R 436.1853 OF THE
25 MICHIGAN ADMINISTRATIVE CODE EXPIRES ON THE EARLIER OF THE
26 FOLLOWING DATES:

27 (A) THREE YEARS AFTER THE DATE OF THE ISSUANCE OR RENEWAL.

1 (B) APRIL 30, 2020.

2 (3) THE COMMISSION SHALL NOT IMPOSE ANY OTHER REQUIREMENT OR
3 CONSIDER ANY OTHER FACTOR BEYOND THE ACCREDITATION REQUIRED IN THIS
4 SECTION FOR ISSUANCE OR RENEWAL OF A SALESPERSON LICENSE. EXCEPT AS
5 OTHERWISE PROVIDED IN THIS SUBSECTION, THE COMMISSION SHALL NOT
6 ISSUE A SALESPERSON LICENSE UNDER THIS SECTION UNLESS THE APPLICANT
7 SUBMITS WITH HIS OR HER APPLICATION WRITTEN DOCUMENTATION THAT THE
8 APPLICANT HAS SUCCESSFULLY COMPLETED A SALESPERSON ACCREDITATION
9 PROGRAM. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
10 COMMISSION SHALL NOT RENEW A SALESPERSON LICENSE ISSUED UNDER THIS
11 SECTION OR UNDER R 436.1853 OF THE MICHIGAN ADMINISTRATIVE CODE
12 UNLESS THE LICENSEE SUBMITS WITH HIS OR HER APPLICATION PROOF
13 ACCEPTABLE TO THE COMMISSION THAT THE LICENSEE HAS SUCCESSFULLY
14 COMPLETED A SALESPERSON ACCREDITATION PROGRAM NO MORE THAN 120 DAYS
15 BEFORE THE DATE THE LICENSEE SUBMITS HIS OR HER RENEWAL
16 APPLICATION. AN APPLICANT'S COMPLETION OF A SALESPERSON
17 ACCREDITATION PROGRAM IS NOT A CONDITION FOR ISSUANCE OR RENEWAL OF
18 A SALESPERSON LICENSE FOR ANY OF THE FOLLOWING APPLICANTS:

19 (A) A DESIGNATED EMPLOYEE OF A MANUFACTURER OF SPIRITS.

20 (B) A DESIGNATED EMPLOYEE OF A VENDOR OF SPIRITS.

21 (C) A DESIGNATED EMPLOYEE OF A BROKER DESCRIBED IN SUBSECTION

22 (1) (I) .

23 (4) EXCEPT AS PROVIDED IN SUBSECTION (5), AN INDIVIDUAL SHALL
24 NOT SELL, DELIVER, PROMOTE, OR OTHERWISE ASSIST IN THE SALE OF
25 ALCOHOLIC LIQUOR IN ANY MANNER TO A RETAILER IN THIS STATE UNLESS
26 LICENSED UNDER THIS SECTION OR UNDER R 436.1853 OF THE MICHIGAN
27 ADMINISTRATIVE CODE. AN INDIVIDUAL LICENSED AS A SALESPERSON UNDER

1 R 436.1853 OF THE MICHIGAN ADMINISTRATIVE CODE BEFORE THE EFFECTIVE
2 DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION SHALL COMPLY
3 WITH THE REQUIREMENTS OF THIS SECTION ON RENEWAL OF HIS OR HER
4 SALESPERSON LICENSE, APPLICATION FOR A SUBSEQUENT SALESPERSON
5 LICENSE UNDER A DIFFERENT EMPLOYER, OR A REQUEST TO TRANSFER HIS OR
6 HER SALESPERSON LICENSE TO A DIFFERENT EMPLOYER.

7 (5) THIS SECTION DOES NOT REQUIRE AN INDIVIDUAL WHO IS AT
8 LEAST 18 YEARS OF AGE AND WHO ONLY DOES ANY OF THE FOLLOWING TO BE
9 LICENSED AS A SALESPERSON:

10 (A) BUILDS A DISPLAY OF THOSE BRANDS THAT ARE REPRESENTED OR
11 SOLD BY THE INDIVIDUAL'S EMPLOYER FOR AN OFF-PREMISES RETAILER.

12 (B) MARKS THE PRICE ON THOSE BRANDS THAT ARE REPRESENTED OR
13 SOLD BY THE INDIVIDUAL'S EMPLOYER FOR AN OFF-PREMISES RETAILER.

14 (C) ROTATES BRANDS THAT ARE REPRESENTED OR SOLD BY THE
15 INDIVIDUAL'S EMPLOYER FOR AN OFF-PREMISES RETAILER.

16 (D) PLACES BRANDS THAT ARE REPRESENTED OR SOLD BY THE
17 INDIVIDUAL'S EMPLOYER ON SHELVES FOR AN OFF-PREMISES RETAILER.

18 (E) FOR AN INDIVIDUAL WHO HOLDS A MICHIGAN COMMERCIAL DRIVER
19 LICENSE OR CHAUFFEUR'S LICENSE, TRANSPORTS, IN A VEHICLE LICENSED
20 BY THE COMMISSION UNDER SECTION 525, AND DELIVERS ALCOHOLIC LIQUOR
21 TO A RETAILER.

22 (6) THE COMMISSION SHALL APPROVE A SALESPERSON LICENSE
23 ACCREDITATION PROGRAM DESIGNED FOR SALESPERSON LICENSEES IF THE
24 COMMISSION DETERMINES THAT THE PROGRAM'S CURRICULUM INCLUDES AN
25 UNDERSTANDING OF ALL OF THE FOLLOWING:

26 (A) SECTION 609.

27 (B) SECTION 609A.

1 (C) SECTION 609B.

2 (D) THE PROVISIONS OF SECTION 1013 THAT REQUIRE THE SALE OR
3 PURCHASE OF ALCOHOLIC LIQUOR BY A LICENSEE FOR CASH ONLY.

4 (E) R 436.1315 OF THE MICHIGAN ADMINISTRATIVE CODE.

5 (F) R 436.1319 OF THE MICHIGAN ADMINISTRATIVE CODE.

6 (G) R 436.1726 OF THE MICHIGAN ADMINISTRATIVE CODE.

7 (H) THE COMMISSION'S ORDER FOR ON-PREMISES BRAND PROMOTIONS
8 ISSUED OCTOBER 27, 1999.

9 (I) PRODUCT ADJUSTMENTS AS PROVIDED FOR IN THIS ACT.

10 (7) A PERSON DESCRIBED IN SUBSECTION (1) (A) TO (G) OR A
11 QUALIFIED TRADE ASSOCIATION MAY APPLY TO THE COMMISSION FOR
12 QUALIFICATION AS AN ADMINISTRATOR FOR THE OFFERING OF A SALESPERSON
13 ACCREDITATION PROGRAM.

14 (8) ON APPROVAL OF A SALESPERSON ACCREDITATION PROGRAM UNDER
15 SUBSECTION (6), THE COMMISSION SHALL APPOINT THE PERSON OR
16 QUALIFIED TRADE ASSOCIATION SPONSORING THE SALESPERSON
17 ACCREDITATION PROGRAM AS ADMINISTRATOR OF THAT PROGRAM.

18 (9) AS USED IN THIS SECTION:

19 (A) "ADMINISTRATOR" MEANS A PERSON DESCRIBED IN SUBSECTION
20 (1) (A) TO (G) OR A QUALIFIED TRADE ASSOCIATION AUTHORIZED BY THE
21 COMMISSION TO OFFER SALESPERSON ACCREDITATION PROGRAMS.

22 (B) "BROKER" MEANS THAT TERM AS DEFINED IN R 436.1001 OF THE
23 MICHIGAN ADMINISTRATIVE CODE.

24 (C) "DESIGNATED EMPLOYEE" MEANS AN INDIVIDUAL WHO SELLS,
25 DELIVERS, PROMOTES, OR OTHERWISE ASSISTS IN THE SALE OF ALCOHOLIC
26 LIQUOR.

27 (D) "QUALIFIED TRADE ASSOCIATION" MEANS A TRADE ASSOCIATION

1 THAT REPRESENTS A PERSON DESCRIBED IN SUBSECTION (1) (A) TO (G) THAT
2 EMPLOYS INDIVIDUALS TO ACT AS SALESPERSONS.

3 (E) "SALESPERSON ACCREDITATION PROGRAM" MEANS A PROGRAM THAT
4 THE COMMISSION APPROVES UNDER SUBSECTION (6) AND THAT IS OFFERED BY
5 AN ADMINISTRATOR.

6 Enacting section 1. This amendatory act takes effect 180 days
7 after the date it is enacted into law.