

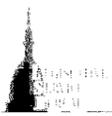
HOUSE BILL NO. 5349

January 16, 2020, Introduced by Reps. Hall, Garza, Cambensy and Wendzel and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 401 (MCL 436.1401).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 401. (1) A manufacturer and outstate seller of beer and
2 malt beverages shall grant to each of its wholesalers an exclusive
3 sales territory, as agreed ~~upon~~**on** between the wholesaler and
4 manufacturer or outstate seller of beer, within which the
5 wholesaler ~~shall be~~**is** the exclusive distributor of the specified
6 brand or brands of the manufacturer or outstate seller of beer.



1 (2) If the manufacturer or outstate seller manufactures or
2 supplies more than 1 brand of beer or malt beverage, the
3 manufacturer or outstate seller may grant exclusive sales
4 territories to different wholesalers for the sale of the different
5 brand or brands.

6 (3) Notwithstanding subsection (2), a brand extension is not
7 considered a new or different brand. A manufacturer or outstate
8 seller of beer or malt beverages shall assign a brand extension to
9 the wholesaler that was granted the exclusive sales territory to
10 the brand from which the brand extension resulted.

11 (4) Subsection (3) does not apply ~~where,~~**if**, before January 1,
12 1994, a manufacturer or outstate seller of beer or malt beverages
13 had assigned a brand extension to a wholesaler that was not the
14 appointed wholesaler for the brand from which the brand extension
15 was made.

16 ~~(5) Until July 1, 1995, a manufacturer or outstate seller of~~
17 ~~beer or malt beverages who acquired or otherwise obtained the right~~
18 ~~to assign brands of another manufacturer or outstate seller of beer~~
19 ~~or malt beverages between January 1, 1994 and July 1, 1995 shall~~
20 ~~assign a brand extension to the wholesaler that was granted the~~
21 ~~exclusive sales territory to the brand from which the brand~~
22 ~~extension resulted. Beginning July 1, 1995, a manufacturer or~~
23 ~~outstate seller of beer or malt beverages who acquires or otherwise~~
24 ~~obtains the right to assign brands of another manufacturer or~~
25 ~~outstate seller of beer or malt beverages is not required to assign~~
26 ~~a new brand extension to the wholesaler that is granted the~~
27 ~~exclusive sales territory to the brand from which the new brand~~
28 ~~extension results. Any brand extension assigned between January 1,~~
29 ~~1994 and July 1, 1995 shall remain assigned to the assigned~~



1 ~~wholesaler.~~ Subsection (3) does not apply if, before October 1,
 2 2019, a successor manufacturer or successor outstate seller of beer
 3 or malt beverages had assigned a brand extension to a wholesaler
 4 that was not the appointed wholesaler for the brand from which the
 5 brand extension was made.

6 (6) The sales territory ~~shall be~~ **under this section is** the
 7 territory agreed ~~upon~~ **on** between the wholesaler and manufacturer or
 8 outstate seller **of beer**.

9 Enacting section 1. This amendatory act does not take effect
 10 unless all of the following bills of the 100th Legislature are
 11 enacted into law:

12 (a) Senate Bill No. ____ or House Bill No. 5342 (request no.
 13 04270'19).

14 (b) Senate Bill No. ____ or House Bill No. 5344 (request no.
 15 04270'19 a).

16 (c) Senate Bill No. ____ or House Bill No. 5348 (request no.
 17 04540'19).

18 (d) Senate Bill No. ____ or House Bill No. 5354 (request no.
 19 04747'19).

20 (e) Senate Bill No. ____ or House Bill No. 5350 (request no.
 21 05038'19).

22 (f) Senate Bill No. ____ or House Bill No. 5346 (request no.
 23 05040'19).

24 (g) Senate Bill No. ____ or House Bill No. 5345 (request no.
 25 05041'19).

26 (h) Senate Bill No. ____ or House Bill No. 5352 (request no.
 27 05042'19).

28 (i) Senate Bill No. ____ or House Bill No. 5343 (request no.
 29 05074'19).



1 (j) Senate Bill No. _____ or House Bill No. 5355 (request no.
2 05075'19).

3 (k) Senate Bill No. _____ or House Bill No. 5341 (request no.
4 05076'19).

5 (l) Senate Bill No. _____ or House Bill No. 5347 (request no.
6 05077'19).

7 (m) Senate Bill No. _____ or House Bill No. 5353 (request no.
8 05078'19).

9 (n) Senate Bill No. _____ or House Bill No. _____ (request no.
10 05122'19).

11 (o) Senate Bill No. _____ or House Bill No. 5351 (request no.
12 05151'19).

