

HOUSE BILL NO. 5696

January 26, 2022, Introduced by Reps. Young 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 502 (MCL 436.1502), as amended by 2020 PA 112.

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.

1 (d) An outstate seller of beer.

2 (e) An outstate seller of wine.

3 (f) An outstate seller of mixed spirit drink.

4 (g) A wholesaler.

5 (h) A broker that represents 1 or more persons described in

6 subdivisions (a) to (g).

7 (i) A broker described in subdivision (h) that also represents

8 1 or more of the following persons:

9 (i) A vendor of spirits.

10 (ii) A manufacturer of spirits.

11 (j) A vendor of spirits.

12 (k) A manufacturer of spirits.

13 (l) A broker that represents only 1 or more of the following:

14 (i) A vendor of spirits.

15 (ii) A manufacturer of spirits.

16 (2) A salesperson license issued under this section after
17 April 15, 2018 but before April 30, 2020 expires on April 30, 2020.

18 A salesperson license issued under this section is renewable every
19 3 years with the first triennial renewal cycle beginning May 1,
20 2020. The commission may charge a reasonable initial license fee
21 and triennial renewal fee. The commission shall establish a fee
22 under this section by written order. The nonrefundable inspection
23 fee under section 529(4) is not required for an application for a
24 new salesperson license or transfer of a salesperson license. A
25 salesperson license issued or renewed under R 436.1853 of the
26 Michigan Administrative Code expires on the earlier of the
27 following dates:

28 (a) Three years after the date of the issuance or renewal.

29 (b) April 30, 2020.

(3) The commission shall not impose any other requirement or consider any other factor beyond the accreditation required in this section for issuance or renewal of a salesperson license. Except as otherwise provided in this subsection, the commission shall not issue a salesperson license under this section unless the applicant submits with his or her application written documentation that the applicant has successfully completed a salesperson accreditation program. Except as otherwise provided in this subsection, the commission shall not renew a salesperson license issued under this section or under R 436.1853 of the Michigan Administrative Code unless the licensee submits with his or her application proof acceptable to the commission that the licensee has successfully completed a salesperson accreditation program no more than 120 days before the date the licensee submits his or her renewal application. An applicant's completion of a salesperson accreditation program is not a condition for issuance or renewal of a salesperson license for any of the following applicants:

(a) A designated employee of a manufacturer of spirits.

(b) A designated employee of a vendor of spirits.

(c) A designated employee of a broker described in subsection (1) (l) .

(4) Except as provided in subsection (5), an individual shall not sell, deliver, promote, or otherwise assist in the sale of alcoholic liquor in any manner to a retailer in this state unless licensed under this section or under R 436.1853 of the Michigan Administrative Code. An individual licensed as a salesperson under R 436.1853 of the Michigan Administrative Code before April 15, 2018 shall comply with the requirements of this section on renewal of his or her salesperson license, application for a subsequent

1 salesperson license under a different employer, or a request to
2 transfer his or her salesperson license to a different employer.

3 (5) This section does not require an individual who is at
4 least ~~18~~**16** years of age and who only does any of the following to
5 be licensed as a salesperson:

6 (a) Builds a display of those brands that are represented or
7 sold by the individual's employer for an off-premises retailer.

8 (b) Marks the price on those brands that are represented or
9 sold by the individual's employer for an off-premises retailer.

10 (c) Rotates brands that are represented or sold by the
11 individual's employer for an off-premises retailer.

12 (d) Places brands that are represented or sold by the
13 individual's employer on shelves for an off-premises retailer.

14 (e) For an individual who holds a Michigan commercial driver
15 license or chauffeur's license, transports, in a vehicle licensed
16 by the commission under section 525, and delivers alcoholic liquor
17 to a retailer.

18 (6) The commission shall approve a salesperson license
19 accreditation program designed for salesperson licensees if the
20 commission determines that the program's curriculum includes an
21 understanding of all of the following:

22 (a) Section 609.

23 (b) Section 609a.

24 (c) Section 609b.

25 (d) Section 610d.

26 (e) The provisions of section 1013 that require the sale or
27 purchase of alcoholic liquor by a licensee for cash only.

28 (f) R 436.1315 of the Michigan Administrative Code.

29 (g) R 436.1726 of the Michigan Administrative Code.

1 (h) The commission's order for on-premises brand promotions
2 issued October 27, 1999.

3 (i) Product adjustments as provided for in this act.

4 (7) A person described in subsection (1)(a) to (g) or a
5 qualified trade association may apply to the commission for
6 qualification as an administrator for the offering of a salesperson
7 accreditation program.

8 (8) On approval of a salesperson accreditation program under
9 subsection (6), the commission shall appoint the person or
10 qualified trade association sponsoring the salesperson
11 accreditation program as administrator of that program.

12 (9) As used in this section:

13 (a) "Administrator" means a person described in subsection
14 (1)(a) to (g) or a qualified trade association authorized by the
15 commission to offer salesperson accreditation programs.

16 (b) "Broker" means that term as defined in R 436.1001 of the
17 Michigan Administrative Code.

18 (c) "Designated employee" means an individual who sells,
19 delivers, promotes, or otherwise assists in the sale of alcoholic
20 liquor.

21 (d) "Qualified trade association" means a trade association
22 that represents a person described in subsection (1)(a) to (g) that
23 employs individuals to act as salespersons.

24 (e) "Salesperson accreditation program" means a program that
25 the commission approves under subsection (6) and that is offered by
26 an administrator.