



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 357 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Rebekah Warren
Committee: Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to allow a manufacturer that sold direct to a retailer as provided under Section 203(19) (which allows a qualified micro brewer, or a substantially equivalent out-of-State entity, to sell and deliver beer to a retailer in the State if certain conditions are met) or a wholesaler to refund to a retailer the amount the retailer paid for beer or wine, as applicable, or allow such a manufacturer or a wholesaler to replace that beer or wine for any of the following reasons:

- The beer or wine was outdated.
- The beer or wine was defective.
- There was an error in the beer or wine delivered.
- The beer or wine could no longer be lawfully sold.
- The retailer's business terminated.
- The formula, proof, label, or container of the beer or wine was changed.
- The beer or wine was discontinued.
- The retailer was open only a portion of the year and the beer or wine was likely to spoil during the off-season.

If the beer were within 30 days of its out-of-date code, a manufacturer that sold direct to a retailer or a wholesaler could refund to a retailer the amount it paid for the beer.

A manufacturer that sold direct to a retailer or a wholesaler could issue a refund or replacement under these provisions only for beer or wine that the manufacturer or wholesaler sold to the retailer.

Proposed MCL 436.1609c

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

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

Date Completed: 6-15-17

Fiscal Analyst: Josh Sefton