



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 357 (as introduced 5-2-17)  
Sponsor: Senator Rebekah Warren  
Committee: Regulatory Reform

Date Completed: 5-17-17

## **CONTENT**

**The bill would amend the Michigan Liquor Control Code to allow a manufacturer or retailer to give a refund or replacement to a retailer for beer or wine under certain circumstances.**

Specifically, a wholesaler or manufacturer could refund to a retailer the amount the retailer paid for beer or wine, as applicable, or a wholesaler or manufacturer could replace that beer or wine for any of the following reasons:

- The beer or wine was outdated.
- Seasonal closing of the retailer.
- The retailer went out of business or the Commission placed the retailer's license in escrow.
- Driver or salesperson delivery error.
- The retailer made an order error.
- The supplier discontinued the brand.
- The Commission suspended or revoked the retailer's license.
- A short fill.
- The beer or wine was off taste or off color; had sediment in it; or was adulterated, contaminated, or spoiled.
- Breakers or leakers at the time of delivery.
- Internal Revenue Service or Michigan Department of Treasury seizure.
- Salable product not used by a special licensee.

If the beer were within 30 days of its out-of-date code, a wholesaler could make an adjustment in the form of a refund on beer that was within 30 days of its out-of-date code.

(These provisions generally would codify the Michigan Liquor Control Commission's Administrative Order No. 2016-05.)

The bill would take effect 90 days after its enactment.

Proposed MCL 436.1609c

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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