

DISPLAYING CO-BRANDED ALCOHOLIC BEVERAGES

Phone: (517) 373-8080
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Senate Bill 730 (S-2) as passed by the Senate
Sponsor: Sen. Dayna Polehanki
House Committee: Regulatory Reform
Senate Committee: Regulatory Affairs
Complete to 12-3-24

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 730 would amend the Michigan Liquor Control Code to prohibit off-premises retailers¹ that have a retail sales floor of over 2,500 square feet from displaying *co-branded alcoholic beverages* next to or otherwise in a location where they share a common border with snack foods that portray cartoons or youth-oriented images, soft drinks, fruit juices, bottled water, candy, or toys.

Co-branded alcoholic beverage would mean any alcoholic liquor that has the same or similar brand name, logo, or packaging as a nonalcoholic beverage.

Off-premises retailers with a retail sales floor of 2,500 square feet or less could display co-branded alcoholic beverages next to or sharing a border with the items described above if they post signage (at least 8.5 inches by 11 inches in size) that is clearly visible to consumers and states the following: "THIS PRODUCT IS AN ALCOHOLIC BEVERAGE AVAILABLE ONLY TO PERSONS WHO ARE 21 YEARS OF AGE OR OLDER." on any relevant display.

The bill would not specify any penalties, other than those otherwise provided for in the code, but would require any fines ordered by the Michigan Liquor Control Commission (MLCC) for violations of the bill to be deposited into the Liquor Control Enforcement and License Investigation Revolving Fund.

Proposed MCL 436.1609k

FISCAL IMPACT:

Senate Bill 730 would have an indeterminate fiscal impact on the Michigan Liquor Control Commission, housed with the Department of Licensing and Regulatory Affairs (LARA). The MLCC could receive increased revenue from collected violation fines, although the amount of this revenue would depend on the number of violations. Revenue from these fines would be deposited into the Liquor Control Enforcement and License Investigation Revolving Fund, which is used to support enforcement of the Liquor Control Code and license investigations. LARA may also experience modest additional administrative and

¹ According to MLCC, off-premises retailer licenses are granted to grocery stores, convenience stores, and liquor stores, among other retailers. (<https://www.michigan.gov/lara/bureau-list/lcc/faq/retailer-faq>)

enforcement costs. The bill would not have a fiscal impact on any other units of state or local government.

Legislative Analyst: Alex Stegbauer
Fiscal Analyst: Una Jakupovic

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.