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Senate Bill 730 (Substitute S-2 as reported)  
Sponsor: Senator Dayna Polehanki  
Committee: Regulatory Affairs

### **CONTENT**

The bill would prohibit an off-premises retailer with a retail sales floor that exceeded 2,500 square feet from displaying co-branded alcoholic beverages that abutted or otherwise had a common border with soft drinks, fruit juices, bottled water, candy, toys, or snack foods if the snack foods portrayed cartoons or youth-oriented images. "Co-branded alcoholic beverage" would mean any alcoholic liquor that had the same or similar brand name, logo, or packaging as a nonalcoholic beverage.

The bill also would prohibit an off-premises retailer with a retail sales floor that was 2,500 square feet or less from displaying co-branded alcoholic beverages that abutted or otherwise had a common border with the drinks and snack foods described above unless the retailer posted signage on any display that the bill would otherwise prohibit. The signage would have to be clearly visible to consumers, be at least 8.5 by 11 inches, and state the following:

"THIS PRODUCT IS AN ALCOHOLIC BEVERAGE AVAILABLE ONLY TO PERSONS WHO ARE 21 YEARS OF AGE OR OLDER."

The Liquor Control Commission could order fines for a violation of the requirements of the bill. The fines would have to be deposited into the Liquor Control Enforcement and License Investigation Revolving Fund.

Proposed MCL 436.1609k

### **BRIEF RATIONALE**

According to testimony, incidents have been reported of alcoholic products being displayed for sale in the same general area as non-alcoholic products with similar packaging and branding. There is concern that this could confuse consumers and even contribute to underage drinking. Some have argued that retailers should be required to keep alcoholic and non-alcoholic products displayed separately.

### **FISCAL IMPACT**

The bill would have an indeterminate positive fiscal impact on State government and no fiscal impact on local units of government. The impact would depend on the number of violations of the bill. Fines paid for violations of the bill would be deposited into the Liquor Control Enforcement and License Investigation Revolving Fund, which is expended for enforcement of the Code.

Date Completed: 6-13-24

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