



**Senate Fiscal Agency**  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

**Telephone: (517) 373-5383**  
**Fax: (517) 373-1986**

House Bill 5257 (as reported without amendment)  
Sponsor: Representative Klint Kesto  
House Committee: Regulatory Reform  
Senate Committee: Regulatory Reform

**CONTENT**

The bill would add Section 610 to the Michigan Liquor Control Code to allow a wholesaler, outstate seller of beer, outstate seller of wine, outstate seller of mixed spirit drink, vendor of spirits, broker, or retailer to use unpaid social media to advertise any of the following in accordance with all applicable laws and regulations:

- An on-premises brand promotion.
- Beer, wine, or spirits tastings.
- A product location communication.

Section 610 would apply notwithstanding Section 609, which contains requirements regarding branding and advertising, among other provisions.

The bill would define "on-premises brand promotion" as a promotion in the manner provided by the order of the Liquor Control Commission issued on October 27, 1999. The bill states that the order's prohibition against advertising an on-premises promotion by a party off the licensed premises would not apply to Section 610. (The order issued on October 27, 1999, permits licensed suppliers and wholesalers to conduct on-premises brand promotion events under the provisions of an administrative rule that governs advertising (R 436.1321) and in compliance with a number of conditions.)

"Product location communication" would mean a listing or program that allows an individual to determine the availability of a specific product at licensed retailers in a certain geographic area.

"Social media" would mean a service, platform, or website where users communicate with one another and share media, such as pictures, videos, music, and blogs, with other users free of charge. The term would include the website of a wholesaler, manufacturer, outstate seller of beer, outstate seller of wine, outstate seller of mixed spirit drink, vendor of spirits, broker, or retailer.

Proposed MCL 436.1610

Legislative Analyst: Drew Krogulecki

**FISCAL IMPACT**

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

Date Completed: 3-28-16

Fiscal Analyst: Josh Sefton

[floor\hb5257](#)

Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.