101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3494

Introduced 2/14/2020, by Sen. Antonio Muñoz

SYNOPSIS AS INTRODUCED:

235 ILCS 5/6-6.1 new

Amends the Liquor Control Act of 1934. Provides that manufacturers, distributors, or importing distributors may stock at retail licensed establishments alcoholic liquors they sell, provided that the alcoholic liquor products of other manufacturers, distributors, or importing distributors are not moved, altered, or disturbed and other conditions are met. Provides that manufacturers, distributors, or importing distributors may rotate their own alcoholic liquor products at a retailer's premises one time either during the normal course of, 24 hours before, or within 24 hours after a regular sales call or one time either during the normal course of, 24 hours before, or within 24 hours after delivery to the retailer. Provides that manufacturers, distributors, or importing distributors may participate in or be present at merchandising resets conducted at a retailer's premises no more than 4 times per year. Provides that manufacturers, distributors, or importing distributors may provide to retailers recommended diagrams, shelf plans, or shelf schematics that suggest beneficial display locations for their alcoholic liquor products at the retailer's premises. Prohibits manufacturers, distributors, and importing distributors from conditioning pricing discounts, credits, rebates, access to brands, or the provision of any other item or activity permissible under the Act upon a retailer's choice to implement or not implement diagrams, shelf plans, or shelf schematics. Provides that manufacturers, distributors, or importing distributors may not affix prices to products on behalf of retailers. Defines "reset", "rotation", and "stocking". Makes other changes. Effective immediately.

LRB101 20201 RPS 69741 b

1 AN ACT concerning liquor.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

- 4 Section 5. The Liquor Control Act of 1934 is amended by 5 adding Section 6-6.1 as follows:
- 6 (235 ILCS 5/6-6.1 new)

Sec. 6-6.1. Stocking, rotation, resetting, and pricing
 services.

- 9 <u>(a) In this Section:</u>
- 10 <u>"Reset" means the large-scale rearrangement of the</u> 11 alcoholic liquor products at a retailer's premises.

12 <u>"Rotation" means moving newer, fresher products from a</u> 13 <u>storage area to a point-of-sale area and the replenishing of</u> 14 the point-of-sale area with fresh products.

15 <u>"Stocking" means the placing of alcoholic liquors where</u>
16 they are to be stored or where they are offered for sale.

17 (b) Manufacturers, distributors, or importing distributors 18 may stock at retail licensed establishments alcoholic liquors 19 they sell, provided that the alcoholic liquor products of other 20 manufacturers, distributors, or importing distributors are not 21 moved, altered, or disturbed. This stocking may be done one 22 time either during the normal course of, 24 hours before, or 23 within 24 hours after a regular sales call or one time either

1	during the normal course of, 24 hours before, or within 24
2	hours after delivery to the retailer. The stocking is
3	considered service incidental to a sales call or delivery.
4	(c) Manufacturers, distributors, or importing distributors
5	may rotate their own alcoholic liquor products at a retailer's
6	premises one time either during the normal course of, 24 hours
7	before, or within 24 hours after a regular sales call or one
8	time either during the normal course of, 24 hours before, or
9	within 24 hours after delivery to the retailer. Rotation may be
10	performed at any location within a retailer's premises.
11	(d) Manufacturers, distributors, or importing distributors
12	may participate in or be present at merchandising resets
13	conducted at a retailer's premises no more than 4 times per
14	year. During resets, manufacturers, distributors, or importing
15	distributors may stock or restock entire sections of
16	point-of-sale locations at the retailer's premises. No reset
17	shall occur without at least 14 days' prior notice made by the
18	retailer to all manufacturers, distributors, or importing
19	distributors whose alcoholic liquor products are carried by the
20	retailer. Manufacturers, distributors, or importing
21	distributors may only move, alter, disturb, or displace their
22	alcoholic liquor products and the products of properly

23 <u>notified</u>, <u>but</u> nonattending, <u>manufacturers</u>, <u>distributors</u>, <u>or</u> 24 <u>importing distributors</u>.

(e) Manufacturers, distributors, or importing distributors may provide to retailers recommended diagrams, shelf plans, or

shelf schematics that suggest beneficial display locations for 1 2 their alcoholic liquor products at the retailer's premises. Manufacturers, distributors, or importing distributors may not 3 4 condition pricing discounts, credits, rebates, access to brands, or the provision of any other item or activity 5 permissible under this Act upon a retailer's choice to 6 7 implement or not implement diagrams, shelf plans, or shelf 8 schematics.

9 (f) Manufacturers, distributors, or importing distributors may not affix prices to products on behalf of retailers. This 10 11 prohibition includes the indirect affixing of prices to 12 product, including entering prices into a retailer's computer 13 system. This prohibition does not prohibit manufacturers, 14 distributors, or importing distributors, after stocking a shelf, from affixing shelf tags that identify the product and 15 16 price of the alcoholic liquor; however, at no time may 17 manufacturers, distributors, or importing distributors delegate or contract this service to a third party. Shelf tags 18 19 are considered point-of-sale advertising materials and are 20 subject to Section 6-6 of this Act. If permitted stocking by 21 manufacturers, distributors, or importing distributors 22 involves movement and a change in the placement of its product on the retailer's shelf, shelf tags may be moved to the new 23 24 position of the product.

25 Section 99. Effective date. This Act takes effect upon 26 becoming law.