

## 102ND GENERAL ASSEMBLY State of Illinois 2021 and 2022 SB2020

Introduced 2/26/2021, 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.

LRB102 13322 RPS 18666 b

1 AN ACT concerning liquor.

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

- Section 5. The Liquor Control Act of 1934 is amended by 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 (a) In this Section:
- 10 <u>"Reset" means the large-scale rearrangement of the</u>
  11 alcoholic liquor products at a retailer's premises.
- "Rotation" means moving newer, fresher products from a

  storage area to a point-of-sale area and the replenishing of

  the point-of-sale area with fresh products.
- "Stocking" means the placing of alcoholic liquors where
  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

  20 other manufacturers, distributors, or importing distributors

  21 are not moved, altered, or disturbed. This stocking may be

  22 done one time either during the normal course of, 24 hours

  23 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. The stocking is considered service incidental to a sales call or delivery.
  - (c) 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. Rotation may be performed at any location within a retailer's premises.
  - (d) 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. During resets, manufacturers, distributors, or importing distributors may stock or restock entire sections of point-of-sale locations at the retailer's premises. No reset shall occur without at least 14 days' prior notice made by the retailer to all manufacturers, distributors, or importing distributors whose alcoholic liquor products are carried by the retailer. Manufacturers, distributors, or importing distributors may only move, alter, disturb, or displace their alcoholic liquor products and the products of properly notified, but nonattending, manufacturers, distributors, or importing distributors.
  - (e) Manufacturers, distributors, or importing distributors may provide to retailers recommended diagrams, shelf plans, or

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1 <u>shelf schematics that suggest beneficial display locations for</u>

their alcoholic liquor products at the retailer's premises.

Manufacturers, distributors, or importing distributors may not

condition pricing discounts, credits, rebates, access to

brands, or the provision of any other item or activity

permissible under this Act upon a retailer's choice to

implement or not implement diagrams, shelf plans, or shelf

schematics.

- (f) Manufacturers, distributors, or importing distributors may not affix prices to products on behalf of retailers. This prohibition includes the indirect affixing of prices to product, including entering prices into a retailer's computer system. This prohibition does not prohibit manufacturers, distributors, or importing distributors, after stocking a shelf, from affixing shelf tags that identify the product and price of the alcoholic liquor; however, at no time may manufacturers, distributors, or importing distributors delegate or contract this service to a third party. Shelf tags are considered point-of-sale advertising materials and are subject to Section 6-6 of this Act. If permitted stocking by manufacturers, distributors, or importing distributors involves movement and a change in the placement of its product on the retailer's shelf, shelf tags may be moved to the new position of the product.
- 25 Section 99. Effective date. This Act takes effect upon 26 becoming law.