**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61‑4‑942 SO AS TO PROHIBIT A MANUFACTURER, BREWER, OR IMPORTER OF BEER FROM REQUESTING CERTAIN INFORMATION OR UNDERTAKING CERTAIN ACTIONS IN RELATION TO A WHOLESALER.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Article 9, Chapter 4, Title 61 of the 1976 Code is amended by adding:

“Section 61‑4‑942. Notwithstanding an existing distribution agreement to the contrary, a manufacturer, brewer, or importer of beer may not:

(1) request or require a wholesaler to gather or submit sales records, retail placement, price, discount, rebate, or other details for beer brands not manufactured, brewed, or imported by the manufacturer, brewer, or importer;

(2) mandate wholesaler employee hiring decisions or payment rates including incentives;

(3) request or require a wholesaler to pay or contribute to beer brand marketing or advertising funds for control or expenditure by the manufacturer, brewer, or importer except a wholesaler may agree and spend funds directly with marketers and advertisers to market and advertise beer brands within the wholesaler’s territory;

(4) ship, invoice, or initiate electronic funds transfer payments for any quantity of beer exceeding an order or forecast submitted by a wholesaler or include in an invoice charge for any items other than beer, freight, cooperage, dunnage, pallets, and related deposits;

(5) invoice or initiate electronic funds transfer payments for point of sale advertising specialties or other items exceeding an order placed by a wholesaler;

(6) attribute risk of loss, ownership or other financial interest to a wholesaler for beer not in the wholesaler’s possession;

(7) request or require a wholesaler to pay for development, installation, or use of any software owned or mandated by the manufacturer, brewer, or importer, except a wholesaler may be required to maintain electronic information systems compatible with systems and standards adopted by a manufacturer, brewer, or importer; or

(8) request or require a wholesaler to pay a fee or penalty, of any description, for noncompliance with any requirement of the manufacturer, brewer, or importer, excluding fees or interest for untimely payment.”

SECTION 2. This act takes effect upon approval by the Governor.

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