



SENATE BILL No. 1165

November 8, 2018, Introduced by Senator WARREN and referred to the Committee on
Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 105 (MCL 436.1105), as amended by 2014 PA 353.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 105. (1) "Alcohol" means the product of distillation of
2 fermented liquid, whether or not rectified or diluted with water,
3 but does not mean ethyl or industrial alcohol, diluted or not, that
4 has been denatured or otherwise rendered unfit for beverage
5 purposes.

6 (2) "Alcohol vapor device" means any device that provides for
7 the use of air or oxygen bubbled through alcoholic liquor to
8 produce a vapor or mist that allows the user to inhale this

1 alcoholic vapor through the mouth or nose.

2 (3) "Alcoholic liquor" means any spirituous, vinous, malt, or
3 fermented liquor, powder, liquids, and compounds, whether or not
4 medicated, proprietary, patented, and by whatever name called,
5 containing 1/2 of 1% or more of alcohol by volume that are fit for
6 use for food purposes or beverage purposes as defined and
7 classified by the commission according to alcoholic content as
8 belonging to 1 of the varieties defined in this chapter.

9 (4) **"ALTERNATING PROPRIETORSHIP" MEANS 1 OF THE FOLLOWING:**

10 (A) **AN ARRANGEMENT IN WHICH 2 OR MORE WINE MAKERS OR SMALL**
11 **WINE MAKERS TAKE TURNS USING THE SAME SPACE AND EQUIPMENT TO**
12 **MANUFACTURE WINE PURSUANT TO SECTION 603(9) (A) AND IN ACCORDANCE**
13 **WITH 27 CFR 24.136.**

14 (B) **AN ARRANGEMENT IN WHICH 2 OR MORE BREWERS OR MICRO BREWERS**
15 **TAKE TURNS USING THE SAME SPACE AND EQUIPMENT TO MANUFACTURE BEER**
16 **PURSUANT TO SECTION 603(9) (B) AND IN ACCORDANCE WITH 27 CFR 25.52.**

17 (5) **"APPROVED TASTING ROOM" MEANS A TASTING ROOM THAT IS**
18 **APPROVED BY THE COMMISSION.**

19 (6) ~~(4)~~—"Authorized distribution agent" means a person
20 approved by the commission to do 1 or more of the following:

21 (a) To store spirits owned by a supplier of spirits or the
22 commission.

23 (b) To deliver spirits sold by the commission to retail
24 licensees.

25 (c) To perform any function needed to store spirits owned by a
26 supplier of spirits or by the commission or to deliver spirits sold
27 by the commission to retail licensees.

1 (7) ~~(5)~~—"Bar" means a barrier or counter at which alcoholic
2 liquor is sold to, served to, or consumed by customers.

3 (8) ~~(6)~~—"Beer" means any beverage obtained by alcoholic
4 fermentation of an infusion or decoction of barley, malt, hops, or
5 other cereal in potable water.

6 (9) "BOTTLE" OR "BOTTLING" MEANS A PROCESS, SEPARATE FROM
7 MANUFACTURING, USING OWNED OR LEASED EQUIPMENT TO FILL AND SEAL A
8 CONTAINER, INCLUDING A KEG, WITH ALCOHOLIC LIQUOR FOR SALE AT
9 WHOLESALE OR RETAIL IN ACCORDANCE WITH THIS ACT. BOTTLE OR BOTTLING
10 DOES NOT INCLUDE FILLING A GROWLER FOR SALE AT RETAIL.

11 (10) ~~(7)~~—"Brand" means any word, name, group of letters,
12 symbol, trademark, or combination thereof adopted and used by a
13 supplier to identify a specific beer, malt beverage, wine, mixed
14 wine drink, or mixed spirit drink product and to distinguish that
15 product from another beer, malt beverage, wine, mixed wine drink,
16 or mixed spirit drink product that is produced or marketed by that
17 or another supplier. As used in this ~~section and notwithstanding~~
18 ~~sections 305(2)(j) and 403(2)(j)~~, **SUBSECTION**, "supplier" means a
19 brewer, **MICRO BREWER**, an outstate seller of beer, a wine maker, a
20 small wine maker, an outstate seller of wine, a manufacturer of
21 mixed wine drink, an outstate seller of a mixed wine drink, a mixed
22 spirit drink manufacturer, or an outstate seller of mixed spirit
23 drink.

24 (11) ~~(8)~~—"Brand extension" means any brand ~~which~~ **THAT**
25 incorporates all or a substantial part of the unique features of a
26 preexisting brand of the same supplier. As used in this ~~section and~~
27 ~~notwithstanding sections 305(2)(j) and 403(2)(j)~~, **SUBSECTION**,

1 "supplier" means a brewer, **MICRO BREWER**, an outstate seller of
 2 beer, a wine maker, a small wine maker, an outstate seller of wine,
 3 a manufacturer of mixed wine drink, an outstate seller of a mixed
 4 wine drink, a mixed spirit drink manufacturer, or an outstate
 5 seller of mixed spirit drink.

6 (12) ~~(9)~~ "Brandy" means an alcoholic liquor as defined in 27
 7 CFR 5.22(d). ~~(1980)~~.

8 (13) ~~(10)~~ "Brandy manufacturer" means a wine maker or a small
 9 wine maker licensed under this act to manufacture ~~, rectify, or~~
 10 ~~blend brandy. only and no other spirit. A WINE MAKER OR SMALL WINE~~
 11 **MAKER AUTHORIZED TO MANUFACTURE BRANDY SHALL NOT MANUFACTURE ANY**
 12 **OTHER SPIRITS.** The commission may approve a brandy manufacturer to
 13 sell brandy that it manufactures ~~, blends or rectifies, or both, at~~
 14 ~~its licensed premises or at other premises authorized in this~~
 15 ~~act.~~ **AT RETAIL IN ACCORDANCE WITH SECTION 537.**

16 (14) ~~(11)~~ "Brewer" means a person located in this state that
 17 is licensed to manufacture **BEER** and sell **AT RETAIL IN ACCORDANCE**
 18 **WITH SECTION 537 AND** to licensed wholesalers beer ~~produced~~
 19 **MANUFACTURED** by it.

20 (15) ~~(12)~~ "Brewpub" means a license issued in conjunction with
 21 a class C, tavern, class A hotel, or class B hotel license that
 22 authorizes the person licensed with the class C, tavern, class A
 23 hotel, or class B hotel to manufacture and brew not more than
 24 18,000 barrels of beer per calendar year in ~~Michigan~~ **THIS STATE** and
 25 sell at ~~those~~ **ITS** licensed premises the beer produced for
 26 consumption on or off the licensed brewery premises in the manner
 27 provided for in sections 405, ~~and 407,~~ **AND 537.**

1 Enacting section 1. This amendatory act does not take effect
2 unless all of the following bills of the 99th Legislature are
3 enacted into law:

4 (a) Senate Bill No. 1154.

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6 (b) Senate Bill No._1164.

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8 (c) Senate Bill No. 1160.

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10 (d) Senate Bill No. 1159.

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12 (e) Senate Bill No._1166.

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14 (f) Senate Bill No. 1155.

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16 (g) Senate Bill No. 1161.

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18 (h) Senate Bill No._1156.