

**SUBSTITUTE FOR
SENATE BILL NO. 142**

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
(MCL 436.1101 to 436.2303) by adding section 203b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 203b. Notwithstanding anything in this act to the
2 contrary, a mixed spirit drink manufacturer or an out-of-state
3 entity that is the substantial equivalent of a mixed spirit drink
4 manufacturer may sell and deliver mixed spirit drink that it
5 manufactures to a retailer in this state only if all of the
6 following conditions are met:

7 (a) The retailer is not located in a sales territory for which
8 the mixed spirit drink manufacturer or out-of-state entity that is
9 the substantial equivalent of a mixed spirit drink manufacturer has



1 granted exclusive sales rights to a wholesaler under section 307
2 for the sale of any brand or brands of mixed spirit drink produced
3 by the mixed spirit drink manufacturer or out-of-state entity that
4 is the substantial equivalent of a mixed spirit drink manufacturer.

5 (b) The mixed spirit drink is sold and delivered by an
6 employee of the mixed spirit drink manufacturer or out-of-state
7 entity that is the substantial equivalent of a mixed spirit drink
8 manufacturer, not an agent, and is transported and delivered using
9 a vehicle owned by the mixed spirit drink manufacturer or out-of-
10 state entity that is the substantial equivalent of a mixed spirit
11 drink manufacturer.

12 (c) The mixed spirit drink manufacturer or out-of-state entity
13 that is the substantial equivalent of a mixed spirit drink
14 manufacturer is in compliance with applicable state and federal law
15 and applicable regulatory provisions of this act and rules
16 promulgated by the commission under this act related to each of the
17 following:

18 (i) Employees that sell and deliver mixed spirit drink to
19 retailers.

20 (ii) Vehicles used to deliver mixed spirit drink to retailers.

21 (iii) Price schedules and temporary price reductions.

22 (iv) 1976 IL 1, MCL 445.571 to 445.576.

23 (v) Labeling and registration of mixed spirit drink.

24 (vi) Payment of taxes.

25 (d) The mixed spirit drink manufacturer or out-of-state entity
26 that is the substantial equivalent of a mixed spirit drink
27 manufacturer sells not more than 31,000 gallons of mixed spirit
28 drink total per year. In determining the 31,000-gallon threshold
29 under this subdivision, all brands and labels of a mixed spirit



1 drink manufacturer or out-of-state entity that is the substantial
2 equivalent of a mixed spirit drink manufacturer, whether sold to a
3 wholesaler or a retailer in this state or outside of this state,
4 must be combined. Sales to consumers on the licensed premises of
5 the mixed spirit drink manufacturer or out-of-state entity that is
6 the substantial equivalent of a mixed spirit drink manufacturer are
7 not included in determining the 31,000-gallon threshold under this
8 subdivision.

9 Enacting section 1. This amendatory act takes effect 90 days
10 after the date it is enacted into law.

11 Enacting section 2. This amendatory act does not take effect
12 unless all of the following bills of the 101st Legislature are
13 enacted into law:

14 (a) Senate Bill No. 141.

15 (b) Senate Bill No. 143.

16 (c) Senate Bill No. 144.

