

# SENATE BILL No. 1378

June 18, 2002, Introduced by Senator JOHNSON and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

A bill to amend 1998 PA 58, entitled  
"Michigan liquor control code of 1998,"  
by amending sections 537 and 1025 (MCL 436.1537 and 436.2025),  
section 537 as amended by 2001 PA 223.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 537. (1) The following classes of vendors may sell  
2 alcoholic liquors at retail as provided in this section:

3       (a) Taverns where beer and wine may be sold for consumption  
4 on the premises only.

5       (b) Class C license where beer, wine, mixed spirit drink,  
6 and spirits may be sold for consumption on the premises.

7       (c) Clubs where beer, wine, mixed spirit drink, and spirits  
8 may be sold for consumption on the premises only to bona fide  
9 members where consumption is limited to these members and their  
10 bona fide guests, who have attained the age of 21 years.

1 (d) Hotels of class A where beer and wine may be sold for  
2 consumption on the premises and in the rooms of bona fide regis-  
3 tered guests. Hotels of class B where beer, wine, mixed spirit  
4 drink, and spirits may be sold for consumption on the premises  
5 and in the rooms of bona fide registered guests.

6 (e) Specially designated merchants, where beer and wine may  
7 be sold for consumption off the premises only.

8 (f) Specially designated distributors where spirits and  
9 mixed spirit drink may be sold for consumption off the premises  
10 only.

11 (g) Special licenses where beer and wine or beer, wine,  
12 mixed spirit drink, and spirits may be sold for consumption on  
13 the premises only.

14 (h) Dining cars or other railroad or Pullman cars, water-  
15 craft, or aircraft, where alcoholic liquor may be sold for con-  
16 sumption on the premises only, subject to rules promulgated by  
17 the commission.

18 (i) Brewpubs where beer manufactured on the premises by the  
19 licensee may be sold for consumption on or off the premises by  
20 any of the following licensees:

21 (i) Class C.

22 (ii) Tavern.

23 (iii) Class A hotel.

24 (iv) Class B hotel.

25 (j) Micro brewers where beer produced by the micro brewer  
26 may be sold to a consumer for consumption on or off the brewery  
27 premises.

1 (k) Class G-1 license where beer, wine, mixed spirit drink,  
2 and spirits may be sold for consumption on the premises only to  
3 members required to pay an annual membership fee and consumption  
4 is limited to these members and their bona fide guests.

5 (l) Class G-2 license where beer and wine may be sold for  
6 consumption on the premises only to members required to pay an  
7 annual membership fee and consumption is limited to these members  
8 and their bona fide guests.

9 (2) A wine maker may sell wine made by that wine maker in a  
10 restaurant for consumption on or off the premises if the restau-  
11 rant is owned by the wine maker or operated by another person  
12 under an agreement approved by the commission and located on the  
13 premises where the wine maker is licensed.

14 (3) A wine maker, with the prior written approval of the  
15 commission, may conduct wine tastings of wines made by that wine  
16 maker and may sell the wine made by that wine maker for consump-  
17 tion off the premises at a location other than the premises where  
18 the wine maker is licensed to manufacture wine, under the follow-  
19 ing conditions:

20 (a) The premises upon which the wine tasting occurs conforms  
21 to local and state sanitation requirements.

22 (b) Payment of a \$100.00 fee per location is made to the  
23 commission.

24 (c) The wine tasting locations ~~shall be~~ ARE considered  
25 licensed premises.

1 (d) Wine tasting does not take place between the hours of 2  
2 a.m. and 7 a.m. Monday through Saturday, or between 2 a.m. and  
3 12 noon on Sunday.

4 (e) The premises and the licensee comply with and are  
5 subject to all applicable rules promulgated by the commission.

6 (4) NOTWITHSTANDING THE PROVISIONS OF SECTION 1025(1), A  
7 SPECIALLY DESIGNATED MERCHANT, WHO DOES NOT HOLD A LICENSE ALLOW-  
8 ING THE CONSUMPTION OF ALCOHOLIC LIQUOR ON THE PREMISES AT THE  
9 SAME LICENSED ADDRESS, MAY CONDUCT WINE TASTINGS ON THE LICENSED  
10 PREMISES UNDER THE FOLLOWING CONDITIONS:

11 (A) A CUSTOMER IS NOT CHARGED FOR THE TASTING OF WINE.

12 (B) THE TASTING SAMPLES PROVIDED TO A CUSTOMER DO NOT EXCEED  
13 1 OUNCE PER SERVING AND NOT MORE THAN 6 SERVINGS FOR A TOTAL OF 6  
14 OUNCES ARE PROVIDED TO A CUSTOMER WITHIN A 24-HOUR PERIOD.

15 (C) THE LICENSEE HAS FIRST OBTAINED A WINE TASTING PERMIT  
16 APPROVED BY THE COMMISSION AND PAID A \$50.00 ANNUAL FEE PER  
17 LOCATION.

18 (5) DURING THE TIME THE WINE TASTING IS CONDUCTED, THE  
19 LICENSEE, AN AGENT, OR AN EMPLOYEE OF THE LICENSEE WHO HAS SUC-  
20 CESSFULLY COMPLETED A SERVER TRAINING PROGRAM AS PROVIDED FOR IN  
21 SECTION 906 SHALL DEVOTE FULL TIME TO THE WINE TASTING ACTIVITY  
22 AND SHALL PERFORM NO OTHER DUTIES, INCLUDING THE SALE OF ALCO-  
23 HOLIC LIQUOR FOR CONSUMPTION OFF THE LICENSED PREMISES. WINE  
24 USED FOR THE TASTING MUST COME FROM THE SPECIALLY DESIGNATED  
25 MERCHANT'S INVENTORY, AND ALL OPEN BOTTLES MUST BE REMOVED FROM  
26 THE PREMISES ON THE SAME BUSINESS DAY OR RESEALED AND STORED IN A

1 LOCKED, SEPARATE STORAGE COMPARTMENT ON THE LICENSED PREMISES  
2 WHEN NOT BEING USED FOR THE ACTIVITIES ALLOWED BY THE PERMIT.

3 (6) A MANUFACTURER, WHOLESALER, OUTSTATE SELLER OF WINE,  
4 WINE MAKER, OR SALESPERSON IS PROHIBITED FROM CONDUCTING OR PAR-  
5 TICIPATING IN WINE TASTINGS ALLOWED BY THE PERMIT CREATED IN SUB-  
6 SECTION (4).

7 (7) WINE TASTING UNDER SUBSECTION (4) MAY ONLY BE CONDUCTED  
8 DURING THE LEGAL HOURS FOR SALE OF ALCOHOLIC LIQUOR BY THE  
9 LICENSEE.

10 Sec. 1025. (1) A vendor shall not give away any alcoholic  
11 liquor of any kind or description at any time in connection with  
12 his or her business, except manufacturers for consumption on the  
13 premises only.

14 (2) Subsection (1) does not prevent either of the  
15 following:

16 (a) A vendor of spirits, brewer, mixed spirit drink manufac-  
17 turer, wine maker, small wine maker, outstate seller of beer,  
18 outstate seller of wine, or outstate seller of mixed spirit  
19 drink, or a bona fide market research organization retained by 1  
20 of the persons named in this subsection, from conducting sam-  
21 plings or tastings of an alcoholic liquor product before it is  
22 approved for sale in this state, if the sampling or tasting is  
23 conducted pursuant to prior written approval of the commission.

24 (b) A person from conducting of any sampling or tasting  
25 authorized by SECTION 537 OR rule of the commission.

26 (3) A vendor shall not sell an alcoholic liquor to a person  
27 in an intoxicated condition.