

HOUSE BILL No. 5627

February 1, 2006, Introduced by Reps. Rocca, Jones, Wojno, Bieda, Gaffney and Palmer and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending sections 111 and 913 (MCL 436.1111 and 436.1913).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 111. (1) "Person" means an individual, firm, partnership,
2 limited partnership, association, limited liability company, or
3 corporation.

4 (2) "Primary source of supply" means, in the case of domestic
5 spirits, the distiller, producer, owner of the commodity at the
6 time it becomes a marketable product, or bottler, or the exclusive
7 agent of any such person and, in the case of spirits imported into
8 the United States, either the foreign distiller, producer, owner of
9 the bottler, or the prime importer for, or the exclusive agent in
10 the United States of, the foreign distiller, producer, owner, or

1 the bottler.

2 (3) "Professional account" means an account established for a
3 person by a class C licensee or tavern licensee whose major
4 business is the sale of food, by which the licensee extends credit
5 to the person for not more than 30 days.

6 (4) "Residence" means the premises in which a person resides
7 permanently.

8 (5) "Retailer" means a person licensed by the commission who
9 sells to the consumer in accordance with rules promulgated by the
10 commission.

11 (6) "Sacramental wine" means wine containing not more than 24%
12 of alcohol by volume which is used for sacramental purposes.

13 (7) "Sale" includes the exchange, barter, traffic, furnishing,
14 or giving away of alcoholic liquor. In the case of a sale in which
15 a shipment or delivery of alcoholic liquor is made by a common or
16 other carrier, the sale of the alcoholic liquor is considered to be
17 made in the county within which the delivery of the alcoholic
18 liquor is made by that carrier to the consignee or his or her agent
19 or employee, and venue for the prosecution for that sale may be in
20 the county or city where the seller resides or from which the
21 shipment is made or at the place of delivery.

22 (8) "School" includes buildings used for school purposes to
23 provide instruction to children in grades kindergarten through 12,
24 when that instruction is provided by a public, private,
25 denominational, or parochial school, except those buildings used
26 primarily for adult education or college extension courses. School
27 does not include a proprietary trade or occupational school.

1 (9) "Small wine maker" means a wine maker manufacturing or
2 bottling not more than 50,000 gallons of wine in 1 calendar year.

3 (10) "Special license" means a contract between the commission
4 and the special licensee granting authority to that licensee to
5 sell beer, wine, mixed spirit drink, or spirits. The license shall
6 be granted only to such persons and such organization and for such
7 period of time as the commission shall determine so long as the
8 person or organization is able to demonstrate an existence separate
9 from an affiliated umbrella **OR PARENT** organization **AND OTHERWISE IN**
10 **COMPLIANCE WITH R 436.572 THROUGH R 436.582 OF THE MICHIGAN**
11 **ADMINISTRATIVE CODE**. If such an existence is demonstrated, the
12 commission shall not deny a special license solely by the
13 applicant's affiliation with an organization that is also eligible
14 for a special license.

15 (11) "Specially designated distributor" means a person engaged
16 in an established business licensed by the commission to distribute
17 spirits and mixed spirit drink in the original package for the
18 commission for consumption off the premises.

19 (12) "Specially designated merchant" means a person to whom
20 the commission grants a license to sell beer or wine, or both, at
21 retail for consumption off the licensed premises.

22 (13) "Spirits" means a beverage that contains alcohol obtained
23 by distillation, mixed with potable water or other substances, or
24 both, in solution, and includes wine containing an alcoholic
25 content of more than 21% by volume, except sacramental wine and
26 mixed spirit drink.

27 (14) "State liquor store" means a store established by the

1 commission under this act for the sale of spirits in the original
2 package for consumption off the premises.

3 (15) "Supplier of spirits" means a vendor of spirits, a
4 manufacturer of spirits, or a primary source of supply.

5 Sec. 913. (1) A person shall not ~~maintain~~ **DO ANY OF THE**
6 **FOLLOWING:**

7 (A) **MAINTAIN**, operate, **OR** lease, or otherwise furnish to any
8 person, any premises ~~—~~ or place ~~which~~ **THAT** is not licensed
9 under this act within which the other person may engage in the
10 drinking of alcoholic liquor for consideration.

11 (B) **OBTAIN BY WAY OF LEASE OR RENTAL AGREEMENT, AND FURNISH OR**
12 **PROVIDE TO ANY OTHER PERSON, ANY PREMISES OR PLACE THAT IS NOT**
13 **LICENSED UNDER THIS ACT WITHIN WHICH ANY OTHER PERSON MAY ENGAGE IN**
14 **THE DRINKING OF ALCOHOLIC LIQUOR FOR CONSIDERATION.**

15 (C) **MAINTAIN, OPERATE, OR LEASE, OR OTHERWISE FURNISH TO ANY**
16 **PERSON, FOR CONSIDERATION, ANY PREMISES OR PLACE THAT IS NOT**
17 **LICENSED UNDER THIS ACT WITHIN WHICH THE OTHER PERSON MAY ENGAGE IN**
18 **THE DRINKING OF ALCOHOLIC LIQUOR.**

19 (D) **OBTAIN BY WAY OF LEASE OR RENTAL AGREEMENT, AND FURNISH OR**
20 **PROVIDE TO ANY OTHER PERSON, FOR CONSIDERATION, ANY PREMISES OR**
21 **PLACE THAT IS NOT LICENSED UNDER THIS ACT WITHIN WHICH ANY OTHER**
22 **PERSON MAY ENGAGE IN THE DRINKING OF ALCOHOLIC LIQUOR.**

23 (2) A person shall not consume alcoholic liquor in a
24 commercial establishment selling food if the commercial
25 establishment is not licensed under this act. A person owning,
26 operating, or leasing a commercial establishment selling food which
27 is not licensed under this act shall not allow the consumption of

1 alcoholic liquor on its premises.

2 (3) This section shall not apply to any hotel or any licensee
3 under this act.

4 (4) This section shall not be construed to repeal or amend
5 section 1019.

6 (5) As used in this section, "consideration" includes any fee,
7 cover charge, **TICKET PURCHASE**, the storage of alcoholic liquor, the
8 sale of food, ice, mixers, or other liquids used with alcoholic
9 liquor drinks, **THE PROVIDING OF ANY SERVICE OR ITEM, OR COMBINATION**
10 **OF SERVICE AND ITEM, THE PURCHASING OF ANY SERVICE OR ITEM, OR**
11 **COMBINATION OF SERVICE AND ITEM**, or the furnishing of glassware or
12 other containers for use in the consumption of alcoholic liquor in
13 conjunction with the sale of food.