

# HOUSE BILL No. 6402

September 5, 2006, Introduced by Rep. Hansen 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 525, 531, and 537 (MCL 436.1525, 436.1531, and  
436.1537), section 525 as amended by 2005 PA 166, section 531 as  
amended by 2005 PA 97, and section 537 as amended by 2005 PA 269.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 525. (1) Except as otherwise provided for in this  
2       section, the following license fees shall be paid at the time of  
3       filing applications or as otherwise provided in this act:

4       (a) Manufacturers of spirits, but not including makers,  
5       blenders, and rectifiers of wines containing 21% or less alcohol by  
6       volume, \$1,000.00.

7       (b) Manufacturers of beer, \$50.00 per 1,000 barrels, or

1 fraction of a barrel, production annually with a maximum fee of  
2 \$1,000.00, and in addition \$50.00 for each motor vehicle used in  
3 delivery to retail licensees. A fee increase does not apply to a  
4 manufacturer of less than 15,000 barrels production per year.

5 (c) Outstate seller of beer, delivering or selling beer in  
6 this state, \$1,000.00.

7 (d) Wine makers, blenders, and rectifiers of wine, including  
8 makers, blenders, and rectifiers of wines containing 21% or less  
9 alcohol by volume, \$100.00. The small wine maker license fee is  
10 \$25.00.

11 (e) Outstate seller of wine, delivering or selling wine in  
12 this state, \$300.00.

13 (f) Outstate seller of mixed spirit drink, delivering or  
14 selling mixed spirit drink in this state, \$300.00.

15 (g) Dining cars or other railroad or Pullman cars selling  
16 alcoholic liquor, \$100.00 per train.

17 (h) Wholesale vendors other than manufacturers of beer,  
18 \$300.00 for the first motor vehicle used in delivery to retail  
19 licensees and \$50.00 for each additional motor vehicle used in  
20 delivery to retail licensees.

21 (i) Watercraft, licensed to carry passengers, selling  
22 alcoholic liquor, a minimum fee of \$100.00 and a maximum fee of  
23 \$500.00 per year computed on the basis of \$1.00 per person per  
24 passenger capacity.

25 (j) Specially designated merchants, for selling beer or wine  
26 for consumption off the premises only but not at wholesale, \$100.00  
27 for each location regardless of the fact that the location may be a

1 part of a system or chain of merchandising.

2 (k) Specially designated distributors licensed by the  
3 commission to distribute spirits and mixed spirit drink in the  
4 original package for the commission for consumption off the  
5 premises, \$150.00 per year, and an additional fee of \$3.00 for each  
6 \$1,000.00 or major fraction of that amount in excess of \$25,000.00  
7 of the total retail value of merchandise purchased under each  
8 license from the commission during the previous calendar year.

9 (l) Hotels of class A selling beer and wine, a minimum fee of  
10 \$250.00 and, for all bedrooms in excess of 20, \$1.00 for each  
11 additional bedroom, but not more than \$500.00.

12 (m) Hotels of class B selling beer, wine, mixed spirit drink,  
13 and spirits, a minimum fee of \$600.00 and, for all bedrooms in  
14 excess of 20, \$3.00 for each additional bedroom. If a hotel of  
15 class B sells beer, wine, mixed spirit drink, and spirits in more  
16 than 1 public bar, the fee entitles the hotel to sell in only 1  
17 public bar, other than a bedroom, and a license shall be secured  
18 for each additional public bar, other than a bedroom, the fee for  
19 which is \$350.00.

20 (n) Taverns, selling beer and wine, \$250.00.

21 (o) Class C license selling beer, wine, mixed spirit drink,  
22 and spirits, \$600.00. If a class C licensee sells beer, wine, mixed  
23 spirit drink, and spirits in more than 1 bar, a fee of \$350.00  
24 shall be paid for each additional bar. In municipally owned or  
25 supported facilities in which nonprofit organizations operate  
26 concession stands, a fee of \$100.00 shall be paid for each  
27 additional bar.

1 (p) Clubs selling beer, wine, mixed spirit drink, and spirits,  
2 \$300.00 for clubs having 150 or fewer duly accredited members and  
3 \$1.00 for each additional member. The membership list for the  
4 purpose only of determining the license fees to be paid under this  
5 subdivision shall be the accredited list of members as determined  
6 by a sworn affidavit 30 days before the closing of the license  
7 year. This subdivision does not prevent the commission from  
8 checking a membership list and making its own determination from  
9 the list or otherwise. The list of members and additional members  
10 is not required of a club paying the maximum fee. The maximum fee  
11 shall not exceed \$750.00 for any 1 club.

12 (q) Warehousemen, to be fixed by the commission with a minimum  
13 fee for each warehouse of \$50.00.

14 (r) Special licenses, a fee of \$50.00 per day, except that the  
15 fee for that license or permit issued to any bona fide nonprofit  
16 association, duly organized and in continuous existence for 1 year  
17 before the filing of its application, is \$25.00. Not more than ~~5~~  
18 **25** special licenses may be granted to any organization, including  
19 an auxiliary of the organization, in a calendar year.

20 (s) Airlines licensed to carry passengers in this state that  
21 sell, offer for sale, provide, or transport alcoholic liquor,  
22 \$600.00.

23 (t) Brandy manufacturer, \$100.00.

24 (u) Mixed spirit drink manufacturer, \$100.00.

25 (v) Brewpub, \$100.00.

26 (w) Class G-1, \$1,000.00.

27 (x) Class G-2, \$500.00.

1 (y) Motorsports event license, \$250.00.

2 (2) The fees provided in this act for the various types of  
3 licenses shall not be prorated for a portion of the effective  
4 period of the license. Notwithstanding subsection (1), the initial  
5 license fee for any licenses issued under section 531(3) and (4) is  
6 \$20,000.00. The renewal license fee shall be the amount described  
7 in subsection (1). However, the commission shall not impose the  
8 \$20,000.00 initial license fee for applicants whose license  
9 eligibility was already approved on July 20, 2005.

10 (3) Beginning July 23, 2004, and except in the case of any  
11 resort or resort economic development license issued under section  
12 531(2), (3), (4), and (5) and a license issued under section 521,  
13 the commission shall issue an initial or renewal license not later  
14 than 90 days after the applicant files a completed application.  
15 Receipt of the application is considered the date the application  
16 is received by any agency or department of the state of Michigan.  
17 If the application is considered incomplete by the commission, the  
18 commission shall notify the applicant in writing, or make the  
19 information electronically available, within 30 days after receipt  
20 of the incomplete application, describing the deficiency and  
21 requesting the additional information. The determination of the  
22 completeness of an application does not operate as an approval of  
23 the application for the license and does not confer eligibility  
24 upon an applicant determined otherwise ineligible for issuance of a  
25 license. The 90-day period is tolled under any of the following  
26 circumstances:

27 (a) Notice sent by the commission of a deficiency in the

1 application until the date all of the requested information is  
2 received by the commission.

3 (b) The time period during which actions required by a party  
4 other than the applicant or the commission are completed that  
5 include, but are not limited to, completion of construction or  
6 renovation of the licensed premises; mandated inspections by the  
7 commission or by any state, local, or federal agency; approval by  
8 the legislative body of a local unit of government; criminal  
9 history or criminal record checks; financial or court record  
10 checks; or other actions mandated by this act or rule or as  
11 otherwise mandated by law or local ordinance.

12 (4) If the commission fails to issue or deny a license within  
13 the time required by this section, the commission shall return the  
14 license fee and shall reduce the license fee for the applicant's  
15 next renewal application, if any, by 15%. The failure to issue a  
16 license within the time required under this section does not allow  
17 the commission to otherwise delay the processing of the  
18 application, and that application, upon completion, shall be placed  
19 in sequence with other completed applications received at that same  
20 time. The commission shall not discriminate against an applicant in  
21 the processing of the application based upon the fact that the  
22 license fee was refunded or discounted under this subsection.

23 (5) Beginning October 1, 2005, the chair of the commission  
24 shall submit a report by December 1 of each year to the standing  
25 committees and appropriations subcommittees of the senate and house  
26 of representatives concerned with liquor license issues. The chair  
27 of the commission shall include all of the following information in

1 the report concerning the preceding fiscal year:

2 (a) The number of initial and renewal applications the  
3 commission received and completed within the 90-day time period  
4 described in subsection (3).

5 (b) The number of applications denied.

6 (c) The number of applicants not issued a license within the  
7 90-day time period and the amount of money returned to licensees  
8 under subsection (4).

9 (6) As used in this section, "completed application" means an  
10 application complete on its face and submitted with any applicable  
11 licensing fees as well as any other information, records, approval,  
12 security, or similar item required by law or rule from a local unit  
13 of government, a federal agency, or a private entity but not from  
14 another department or agency of the state of Michigan.

15 Sec. 531. (1) A public license shall not be granted for the  
16 sale of alcoholic liquor for consumption on the premises in excess  
17 of 1 license for each 1,500 of population or major fraction  
18 thereof. On-premises escrowed licenses issued under this subsection  
19 may be transferred subject to local legislative approval under  
20 section 501(2) to an applicant whose proposed operation is located  
21 within any local governmental unit in a county in which the  
22 escrowed license was located. However, beginning July 8, 2004, and  
23 until July 1, 2009, if the on-premises escrowed license was issued  
24 to a location within a city with a population of over 190,000 but  
25 under 300,000, the on-premises escrowed license shall not be  
26 transferred to an applicant whose proposed operation is located  
27 within any other local governmental unit in the county in which

1 that city is located and, in addition, an escrowed license located  
2 within any local governmental unit in that county is not  
3 transferable into the city with a population of over 190,000 but  
4 under 300,000. If the local governmental unit within which the  
5 former licensee's premises were located spans more than 1 county,  
6 an escrowed license is available subject to local legislative  
7 approval under section 501(2) to an applicant whose proposed  
8 operation is located within any local governmental unit in either  
9 county. If an escrowed license is activated within a local  
10 governmental unit other than that local governmental unit within  
11 which the escrowed license was originally issued, the commission  
12 shall count that activated license against the local governmental  
13 unit originally issuing the license. This quota does not bar the  
14 right of an existing licensee to renew a license or transfer the  
15 license and does not bar the right of an on-premise licensee of any  
16 class to reclassify to another class of on-premises license in a  
17 manner not in violation of law or this act, subject to the consent  
18 of the commission. The upgrading of a license resulting from a  
19 request under this subsection shall be approved by the local  
20 governmental unit having jurisdiction.

21 (2) In a resort area, the commission may issue 1 or more  
22 licenses for a period not to exceed 12 months without regard to a  
23 limitation because of population, but not in excess of 550, and  
24 with respect to the resort license the commission, by rule, shall  
25 define and classify resort seasons by months and may issue 1 or  
26 more licenses for resort seasons without regard to the calendar  
27 year or licensing year.



1           (3) In addition to the resort licenses authorized in  
2 subsection (2), the commission may issue not more than 5 additional  
3 licenses per year to establishments whose business and operation,  
4 as determined by the commission, is designed to attract and  
5 accommodate tourists and visitors to the resort area, whose primary  
6 purpose is not for the sale of alcoholic liquor, and whose capital  
7 investment in real property, leasehold improvement, and fixtures  
8 for the premises to be licensed is \$75,000.00 or more. Further, the  
9 commission shall issue 1 license under this subsection per year to  
10 an applicant located in a rural area that has a poverty rate, as  
11 defined by the latest decennial census, greater than the statewide  
12 average, or that is located in a rural area that has an  
13 unemployment rate higher than the statewide average for 3 of the 5  
14 preceding years. In counties having a population of less than  
15 50,000, as determined by the last federal decennial census or as  
16 determined pursuant to subsection ~~—(11)—~~ (12) and subject to  
17 subsection ~~—(16)—~~ (17) in the case of a class A hotel or a class B  
18 hotel, the commission shall not require the establishments to have  
19 dining facilities to seat more than 50 persons. The commission may  
20 cancel the license if the resort is no longer active or no longer  
21 qualifies for the license. Before January 16 of each year the  
22 commission shall transmit to the legislature a report giving  
23 details as to the number of applications received under this  
24 subsection; the number of licenses granted and to whom; the number  
25 of applications rejected and the reasons; and the number of the  
26 licenses revoked, suspended, or other disciplinary action taken and  
27 against whom and the grounds for revocation, suspension, or

1 disciplinary action.

2 (4) In addition to any licenses for the sale of alcoholic  
3 liquor for consumption on the premises that may be available in the  
4 local governmental unit under subsection (1) and the resort  
5 licenses authorized in subsections (2) and (3), the commission may  
6 issue not more than 15 resort economic development licenses per  
7 year. A person is eligible to apply for a resort economic  
8 development license under this subsection upon submitting an  
9 application to the commission and demonstrating all of the  
10 following:

11 (a) The establishment's business and operation, as determined  
12 by the commission, is designed to attract and accommodate tourists  
13 and visitors to the resort area.

14 (b) The establishment's primary business is not the sale of  
15 alcoholic liquor.

16 (c) The capital investment in real property, leasehold  
17 improvement, fixtures, and inventory for the premises to be  
18 licensed is in excess of \$1,500,000.00.

19 (d) The establishment does not allow or permit casino gambling  
20 on the premises.

21 (5) In governmental units having a population of 50,000  
22 persons or less, as determined by the last federal decennial census  
23 or as determined pursuant to subsection ~~-(11)-~~ (12), in which the  
24 quota of specially designated distributor licenses, as provided by  
25 section 533, has been exhausted, the commission may issue not more  
26 than a total of 10 additional specially designated distributor  
27 licenses per year to established merchants whose business and

1 operation, as determined by the commission, is designed to attract  
2 and accommodate tourists and visitors to the resort area. A  
3 specially designated distributor license issued pursuant to this  
4 subsection may be issued at a location within 2,640 feet of  
5 existing specially designated distributor license locations. A  
6 specially designated distributor license issued pursuant to this  
7 subsection shall not bar another specially designated distributor  
8 licensee from transferring location to within 2,640 feet of said  
9 licensed location. A specially designated distributor license  
10 issued pursuant to section 533 may be located within 2,640 feet of  
11 a specially designated distributor license issued pursuant to this  
12 subsection.

13 (6) In addition to any licenses for the sale of alcoholic  
14 liquor for consumption on the premises that may be available in the  
15 local governmental unit under subsection (1), and the resort or  
16 resort economic development licenses authorized in subsections (2),  
17 (3), and (4), and notwithstanding section 519, the commission may  
18 issue not more than 5 additional special purpose licenses in any  
19 calendar year for the sale of beer and wine for consumption on the  
20 premises. A special purpose license issued pursuant to this  
21 subsection shall be issued only for events which are to be held  
22 from May 1 to September 30, are artistic in nature, and which are  
23 to be held on the campus of a public university with an enrollment  
24 of 30,000 or more students. A special purpose license shall be  
25 valid for 30 days or for the duration of the event for which it is  
26 issued, whichever is less. The fee for a special purpose license  
27 shall be \$50.00. A special purpose license may be issued only to a

1 corporation which is all of the following:

2 (a) Is a nonprofit corporation organized pursuant to the  
3 nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192.

4 (b) Has a board of directors constituted of members of whom  
5 half are elected by the public university at which the event is  
6 scheduled and half are elected by the local governmental unit.

7 (c) Has been in continuous existence for not less than 6  
8 years.

9 (7) IN ADDITION TO ANY LICENSES FOR THE SALE OF ALCOHOLIC  
10 LIQUOR ON THE PREMISES THAT MAY BE AVAILABLE IN THE LOCAL  
11 GOVERNMENTAL UNIT UNDER SUBSECTION (1), AND THE RESORT OR RESORT  
12 ECONOMIC DEVELOPMENT LICENSES AUTHORIZED UNDER SUBSECTIONS (2),  
13 (3), (4), AND (6), AND NOTWITHSTANDING SECTION 519, THE COMMISSION  
14 MAY ISSUE SPECIAL PURPOSE LICENSES TO WINEMAKERS AND QUALIFIED  
15 NONPROFIT ORGANIZATIONS OPERATING AS FARMER'S MARKETS FOR THE  
16 PURPOSES OF WINE TASTING AND THE SALE OF WINE FOR CONSUMPTION OFF  
17 THE LICENSED PREMISES. THE COMMISSION SHALL CHARGE A LICENSE FEE OF  
18 \$300.00. THE LICENSE IS VALID FOR NOT MORE THAN 5 2-DAY EVENTS.

19 (8) ~~-(7)-~~ Notwithstanding the local legislative body approval  
20 provision of section 501(2) and notwithstanding the provisions of  
21 section 519, the commission may issue, without regard to the quota  
22 provisions of subsection (1) and with the approval of the governing  
23 board of the university, either a tavern or class C license which  
24 may be used only for regularly scheduled events at a public  
25 university's established outdoor program or festival at a facility  
26 on the campus of a public university having a head count enrollment  
27 of 10,000 students or more. A license issued under this subsection

1 may only be issued to the governing board of a public university, a  
2 person that is the lessee or concessionaire of the governing board  
3 of the university, or both. A license issued under this subsection  
4 is not transferable as to ownership or location. A license issued  
5 under this subsection may not be issued at an outdoor stadium  
6 customarily used for intercollegiate athletic events.

7       (9) ~~—(8)—~~ In issuing a resort or resort economic development  
8 license under subsection (3), (4), or (5), the commission shall  
9 consider economic development factors of the area in the issuance  
10 of licenses to establishments designed to stimulate and promote the  
11 resort and tourist industry. The commission shall not transfer a  
12 resort or resort economic development license issued under  
13 subsection (3), (4), or (5) to another location. If the licensee  
14 goes out of business the license shall be surrendered to the  
15 commission.

16       (10) ~~—(9)—~~ The limitations and quotas of this section are not  
17 applicable to the issuance of a new license to a veteran of the  
18 armed forces of the United States who was honorably discharged or  
19 released under honorable conditions from the armed forces of the  
20 United States and who had by forced sale disposed of a similar  
21 license within 90 days before or after entering or while serving in  
22 the armed forces of the United States, as a part of the person's  
23 preparation for that service if the application for a new license  
24 is submitted for the same governmental unit in which the previous  
25 license was issued and within 60 days after the discharge of the  
26 applicant from the armed forces of the United States.

27       (11) ~~—(10)—~~ The limitations and quotas of this section shall

1 not be applicable to the issuance of a new license or the renewal  
2 of an existing license where the property or establishment to be  
3 licensed is situated in or on land on which an airport owned by a  
4 county or in which a county has an interest is situated.

5 (12) ~~—(11)—~~ For purposes of implementing this section a  
6 special state census of a local governmental unit may be taken at  
7 the expense of the local governmental unit by the federal bureau of  
8 census or the secretary of state under section 6 of the home rule  
9 city act, 1909 PA 279, MCL 117.6. The special census shall be  
10 initiated by resolution of the governing body of the local  
11 governmental unit involved. The secretary of state may promulgate  
12 additional rules necessary for implementing this section pursuant  
13 to the administrative procedures act of 1969, 1969 PA 306, MCL  
14 24.201 to 24.328.

15 (13) ~~—(12)—~~ Before granting an approval as required in section  
16 501(2) for a license to be issued under subsection (2), (3), or  
17 (4), a local legislative body shall disclose the availability of  
18 transferable licenses held in escrow for more than 1 licensing year  
19 within that respective local governmental unit. Public notice of  
20 the meeting to consider the granting of the license by the local  
21 governmental unit shall be made 2 weeks before the meeting.

22 (14) ~~—(13)—~~ The person signing the application for an on-  
23 premise resort or resort economic development license shall state  
24 and verify that he or she attempted to secure an on-premise  
25 escrowed license or quota license and that, to the best of his or  
26 her knowledge, an on-premise escrowed license or quota license is  
27 not readily available within the county in which the applicant for

1 the on-premise resort or resort economic development license  
2 proposes to operate, except that until July 1, 2009, and in the  
3 case involving a city with a population of over 190,000 but under  
4 300,000 that verification is not required.

5 (15) ~~-(14)-~~ The commission shall not issue an on-premise  
6 resort or resort economic development license if the county within  
7 which the resort or resort economic development license applicant  
8 proposes to operate has not issued all on-premise licenses  
9 available under subsection (1) or if an on-premise escrowed license  
10 exists and is readily available within the local governmental unit  
11 in which the applicant for the on-premise resort or resort economic  
12 development license proposes to operate, except until July 1, 2009,  
13 in the case involving a city with a population of over 190,000 but  
14 under 300,000. The commission may waive the provisions of this  
15 subsection upon a showing of good cause.

16 (16) ~~-(15)-~~ The commission shall annually report to the  
17 legislature the names of the businesses issued licenses under this  
18 section and their locations.

19 (17) ~~-(16)-~~ The commission shall not require a class A hotel  
20 or a class B hotel licensed pursuant to subsection (2), (3), or (4)  
21 to provide food service to registered guests or to the public.

22 (18) ~~-(17)-~~ Subject to the limitation and quotas of subsection  
23 (1) and to local legislative approval under section 501(2), the  
24 commission may approve the transfer of ownership and location of an  
25 on-premises escrowed license within the same county to a class G-1  
26 or class G-2 license or may approve the reclassification of an  
27 existing on-premises license at the location to be licensed to a

1 class G-1 license or to a class G-2 license, subject to subsection  
2 (1). Resort or economic development on-premises licenses created  
3 under subsection (3) or (4) may not be issued as, or reclassified  
4 to, a class G-1 or class G-2 license.

5 (19) ~~—(18)—~~ As used in this section:

6 (a) "Escrowed license" means a license in which the rights of  
7 the licensee in the license or to the renewal of the license are  
8 still in existence and are subject to renewal and activation in the  
9 manner provided for in R 436.1107 of the Michigan administrative  
10 code.

11 (b) "Readily available" means available under a standard of  
12 economic feasibility, as applied to the specific circumstances of  
13 the applicant, that includes, but is not limited to, the following:

14 (i) The fair market value of the license, if determinable.

15 (ii) The size and scope of the proposed operation.

16 (iii) The existence of mandatory contractual restrictions or  
17 inclusions attached to the sale of the license.

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

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

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

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



1 (d) Direct shippers where wine may be sold and shipped  
2 directly to the consumer.

3 (e) Hotels of class A where beer and wine may be sold for  
4 consumption on the premises and in the rooms of bona fide  
5 registered guests. Hotels of class B where beer, wine, mixed spirit  
6 drink, and spirits may be sold for consumption on the premises and  
7 in the rooms of bona fide registered guests.

8 (f) Specially designated merchants, where beer and wine may be  
9 sold for consumption off the premises only .

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

12 (h) Special licenses where beer and wine or beer, wine, mixed  
13 spirit drink, and spirits may be sold for consumption on the  
14 premises ~~only~~ **OFF THE LICENSED PREMISES IN THE CASE OF A SPECIAL**  
15 **LICENSE ISSUED UNDER SECTION 531(7).**

16 (i) Dining cars or other railroad or Pullman cars, watercraft,  
17 or aircraft, where alcoholic liquor may be sold for consumption on  
18 the premises only, subject to rules promulgated by the commission.

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

22 (i) Class C.

23 (ii) Tavern.

24 (iii) Class A hotel.

25 (iv) Class B hotel.

26 (k) Micro brewers and brewers selling less than 200,000  
27 barrels of beer per year where beer produced by the micro brewer or

1 brewer may be sold to a consumer for consumption on or off the  
2 brewery premises.

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

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

11 (n) Motorsports event license where beer and wine may be sold  
12 for consumption on the premises during sanctioned motorsports  
13 events only.

14 (o) Wine maker where wine may be sold by direct shipment, at  
15 retail on the licensed premises, and as provided for in subsections  
16 (2) and (3).

17 (2) A wine maker may sell wine made by that wine maker in a  
18 restaurant for consumption on or off the premises if the restaurant  
19 is owned by the wine maker or operated by another person under an  
20 agreement approved by the commission and located on the premises  
21 where the wine maker is licensed.

22 (3) A wine maker, with the prior written approval of the  
23 commission, may conduct wine tastings of wines made by that wine  
24 maker and may sell the wine made by that wine maker for consumption  
25 off the premises at a location other than the premises where the  
26 wine maker is licensed to manufacture wine, under the following  
27 conditions:

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

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

5           (c) The wine tasting locations shall be considered licensed  
6 premises.

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

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