

SUBSTITUTE FOR
HOUSE BILL NO. 4061

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 1027 (MCL 436.2027), as amended by 2010 PA 213.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1027. (1) Unless otherwise provided by rule of the
2 commission, a person shall not conduct samplings or tastings of any
3 alcoholic liquor for a commercial purpose except at premises that
4 are licensed by the commission for the sale and consumption of
5 alcoholic liquor on the premises.

6 (2) Notwithstanding section 1025(1) **OR (2)**, a retailer
7 licensed by the commission for consumption on the premises may
8 allow customers to sample beer, wine, and ~~distilled spirits so long~~
9 as ~~as~~ **IF** the retailer does not charge for the samples provided to

1 customers. Sample serving sizes shall not exceed 3 ounces for beer,
2 2 ounces for wine, and 1/2 ounce for ~~distilled~~ spirits. A customer
3 shall not be provided more than 2 samples within a 24-hour period
4 per licensed premises.

5 (3) This section does not ~~prevent either~~ **PROHIBIT ANY** of the
6 following:

7 (a) A vendor of spirits, brewer, wine maker, mixed spirit
8 drink manufacturer, small wine maker, outstate seller of beer,
9 outstate seller of wine, or outstate seller of mixed spirit drink,
10 or a bona fide market research organization retained by 1 of the
11 persons named in this subsection, from conducting samplings or
12 tastings of an alcoholic liquor product before it is approved for
13 sale in this state if the sampling or tasting is conducted pursuant
14 to prior written approval of the commission.

15 (b) An on-premises licensee from giving a sampling or tasting
16 of alcoholic liquor to an employee of the licensee during the legal
17 hours for consumption for the purpose of educating the employee
18 regarding 1 or more types of alcoholic liquor ~~so long as~~ **IF** the
19 employee is at least 21 years of age.

20 (c) A small distiller licensee from giving a sampling or
21 tasting of brands it manufactures on the licensed premises or an
22 off-site tasting facility operated by that small distiller.

23 **(D) A MICRO BREWER, BREWPUB, OR ON-PREMISES LICENSEE FROM**
24 **ALLOWING THE SAMPLING AND CONSUMPTION ON THE LICENSED PREMISES OF**
25 **BEER, WINE, MEAD, HONEY-BASED BEER, OR CIDER PRODUCED BY 1 OR MORE**
26 **HOME BREWERS AT A MEETING OF HOME BREWERS, OR A CLUB COMPOSED**
27 **PRIMARILY OF HOME BREWERS, UNDER THE FOLLOWING CIRCUMSTANCES:**

1 (i) THE SAMPLING OR CONSUMPTION IS FOR THE PURPOSE OF
2 EXHIBITIONS OR COMPETITIONS INVOLVING HOME BREWERS.

3 (ii) THE BEER, HONEY-BASED BEER, OR CIDER IS SERVED IN PORTIONS
4 THAT DO NOT EXCEED 3 OUNCES. THE WINE OR MEAD IS SERVED IN PORTIONS
5 THAT DO NOT EXCEED 2 OUNCES.

6 (iii) THE BEER, WINE, MEAD, HONEY-BASED BEER, OR CIDER PRODUCED
7 BY THE HOME BREWER IS ONLY CONSUMED BY THE HOME BREWER, THE HOME
8 BREWER'S FAMILY, A CLUB MEMBER, A JUDGE, OR A GUEST SPEAKER AND IS
9 NOT SOLD TO MEMBERS OF THE GENERAL PUBLIC.

10 (iv) THE PARTICIPANTS IN THE SAMPLING OR CONSUMPTION OTHERWISE
11 COMPLY WITH APPLICABLE STATE AND FEDERAL LAW AND APPLICABLE
12 REGULATORY PROVISIONS OF THIS ACT AND RULES ADOPTED BY THE
13 COMMISSION UNDER THIS ACT.

14 (v) THE PARTICIPANTS IN THE SAMPLING OR CONSUMPTION ARE NOT
15 CHARGED FOR THE SAMPLING OR CONSUMPTION OF THE BEER, WINE, MEAD,
16 HONEY-BASED BEER, OR CIDER.

17 (4) A vendor of spirits or a manufacturer may conduct a
18 consumer sampling event on the premises of a holder of a specially
19 designated distributor license upon submission of a completed
20 application to the commission.

21 (5) The holder of ~~the~~**A** consumer sampling event license shall
22 comply with the following:

23 (a) The commission must be notified in writing a minimum of 10
24 working days ~~prior to~~**BEFORE** the event with the date, time, and
25 location of the event.

26 (b) The consumer sampling event is limited to 3 events per
27 vendor of spirits or manufacturer per specially designated

1 distributor license per month.

2 (c) The vendor of spirits or manufacturer conducting the
3 consumer sampling event must have a licensed representative present
4 at the specially designated distributor's establishment.

5 (d) Licensed representatives or an authorized representative
6 may distribute merchandise, not to exceed \$100.00 in value, to
7 consumers 21 years of age or older during the event.

8 (e) Participating specially designated distributor licensees
9 do not receive any fee or other valuable consideration for
10 participating in the event.

11 (f) Each consumer is limited to 3 samples, which total no more
12 than 1/3 ounce of ~~distilled~~ spirits per serving.

13 (g) The consumer is not charged for and does not purchase any
14 sample.

15 (h) The alcoholic liquor used in the consumer sampling event
16 is provided by the vendor of spirits or manufacturer, and purchased
17 at the minimum retail selling price fixed by the commission from
18 the specially designated distributor on whose premises the event is
19 located. The vendor of spirits or manufacturer shall remove any
20 unfinished product from the premises at which the event is held
21 upon completion of the event.

22 (i) A consumer sampling event shall not be allowed ~~when~~ **IF** the
23 sale of alcoholic liquor is otherwise prohibited on the premises at
24 which the event is conducted.

25 (j) Samples are not to be offered to, or allowed to be
26 consumed by, any person under the legal age for consuming alcoholic
27 liquor.

1 (k) A consumer sampling event may be advertised in any type of
2 media and the advertisements may include the date, time, location,
3 and other information regarding the event.

4 (l) The participating vendor of spirits or manufacturer and
5 specially designated distributor licensees must comply with this
6 act and commission rules.

7 (m) The vendor of spirits or manufacturer must demonstrate
8 that the individual actually conducting the sampling has
9 successfully completed the server training program in the manner
10 provided for in section 906 and rules promulgated by the
11 commission.

12 (6) Violation of this section subjects the vendor of spirits
13 or manufacturer to the sanctions and penalties as provided for
14 under this act.

15 (7) The commission, by rule or issuance of an order, may
16 further define eligibility for licensure and processes for
17 conducting consumer sampling events.

18 (8) A sampling or tasting of any alcoholic liquor in a home or
19 domicile for other than a commercial purpose is not subject to this
20 section.

21 (9) ~~For purposes of~~ **AS USED IN** this section: ~~,"commercial~~

22 (A) **"COMMERCIAL** purpose" means a purpose for which monetary
23 gain or other remuneration could reasonably be expected.

24 (B) **"HOME BREWER" MEANS AN INDIVIDUAL WHO MANUFACTURES BEER,**
25 **WINE, MEAD, HONEY-BASED BEER, OR CIDER AT HIS OR HER DWELLING.**