

SENATE BILL No. 1290

September 19, 2012, Introduced by Senator HILDENBRAND and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 537 (MCL 436.1537), as amended by 2011 PA 298.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

5 (b) Class C license where beer, wine, mixed spirit drink, and
6 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 are 21 years of age or older.

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

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

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

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

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

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

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

19 (i) Class C.

20 (ii) Tavern.

21 (iii) Class A hotel.

22 (iv) Class B hotel.

23 (k) Micro brewers and brewers where beer produced by the micro
24 brewer or brewer may be sold to a consumer for consumption on or
25 off the brewery premises.

26 (l) Class G-1 license where beer, wine, mixed spirit drink, and
27 spirits may be sold for consumption on the premises only to members

1 required to pay an annual membership fee and consumption is limited
2 to these members and their bona fide guests.

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

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

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

13 (p) Small distiller selling not more than 60,000 gallons of
14 spirits manufactured by that licensee to the consumer at retail for
15 consumption on or off the licensed premises in the manner provided
16 for in section 534.

17 (q) Nonpublic continuing care retirement center license, where
18 beer, wine, mixed spirit drink, mixed wine drink, and spirits may
19 be sold at retail and served on the licensed premises to residents
20 and bona fide guests accompanying the resident for consumption only
21 on the licensed premises.

22 (2) A wine maker may sell wine made by that wine maker in a
23 restaurant for consumption on or off the premises if the restaurant
24 is owned by the wine maker or operated by another person under an
25 agreement approved by the commission and located on the premises
26 where the wine maker is licensed.

27 (3) A wine maker, with the prior written approval of the

1 commission, may conduct wine tastings of wines made by that wine
2 maker on the premises where the wine maker is licensed to
3 manufacture wine. The wine maker may charge for the samples.

4 (4) A wine maker, with the prior written approval of the
5 commission, may conduct wine tastings of wines made by that wine
6 maker and may sell the wine made by that wine maker for consumption
7 off the premises at a location other than the premises where the
8 wine maker is licensed to manufacture wine, under the following
9 conditions:

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

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

14 (c) The wine tasting locations are considered licensed
15 premises, and the wine maker may include a charge for the samples.

16 (d) The wine tasting takes place during the legal hours for
17 the sale of alcoholic liquor by the licensee.

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

20 (5) Notwithstanding section 1025(1), an outstate seller of
21 beer, an outstate seller of wine, a wine maker, a brewer, a micro
22 brewer, or a specially designated merchant, or an agent of any of
23 those persons, who does not hold a license allowing the consumption
24 of alcoholic liquor on the premises at the same licensed address,
25 may conduct beer and wine tastings on the licensed premises of a
26 specially designated merchant under the following conditions:

27 (a) A customer is not charged for the tasting of beer or wine.

1 (b) The tasting samples provided to a customer do not exceed 3
2 servings at up to 3 ounces per serving of beer or 3 servings at up
3 to 2 ounces of wine. A customer shall not be provided more than a
4 total of 3 samples of beer or wine within a 24-hour period per
5 licensed premises.

6 (c) The specially designated merchant, outstate seller of
7 beer, outstate seller of wine, wine maker, micro brewer, or brewer
8 has first obtained an annual beer and wine tasting permit approved
9 by the commission.

10 (d) The commission is notified, in writing, a minimum of 10
11 working days before the event, regarding the date, time, and
12 location of the event.

13 (6) During the time a beer or wine tasting is conducted under
14 subsection (5), a specially designated merchant, outstate seller of
15 beer, outstate seller of wine, wine maker, micro brewer, or brewer,
16 or its agent or employee who has successfully completed a server
17 training program as provided for in section 906, shall devote full
18 time to the beer and wine tasting activity and shall perform no
19 other duties, including the sale of alcoholic liquor for
20 consumption off the licensed premises. Beer and wine used for the
21 tasting must come from the specially designated merchant's
22 inventory, and all open bottles must be removed from the premises
23 on the same business day or resealed and stored in a locked,
24 separate storage compartment on the licensed premises when not
25 being used for the activities allowed by the permit.

26 (7) A wholesaler shall not conduct or participate in beer and
27 wine tastings allowed under a permit issued under subsection (5).

1 (8) A beer and wine tasting under subsection (5) may only be
2 conducted during the legal hours for the sale of alcoholic liquor
3 by the licensee.

4 (9) A brandy manufacturer or small distiller, with the prior
5 written approval of the commission, may conduct tastings of brandy
6 and spirits made by that brandy manufacturer or small distiller and
7 may sell the brandy and spirits made by that brandy manufacturer or
8 small distiller for consumption off the licensed premises at a
9 location other than the licensed premises where the brandy
10 manufacturer or small distiller is licensed to manufacture brandy
11 or spirits under the following conditions:

12 (a) The premises upon which the brandy and spirits tastings
13 occur conform to local and state sanitation requirements.

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

16 (c) The brandy and spirits tasting locations are considered
17 licensed premises.

18 (d) The brandy and spirits tasting takes place during the
19 legal hours for the sale of alcoholic liquor by the licensee.

20 (e) The premises and the license comply with and are subject
21 to all applicable rules promulgated by the commission.

22 **(10) AN ELIGIBLE MERCHANT MAY REFILL GROWLERS WITH BEER FOR**
23 **CONSUMPTION OFF THE PREMISES UNDER THE FOLLOWING CONDITIONS:**

24 **(A) THE PREMISES WHERE THE REFILLING OF GROWLERS TAKES PLACE**
25 **COMPLY WITH THE REQUIREMENTS FOR FOOD SERVICE ESTABLISHMENTS UNDER**
26 **THE FOOD LAW OF 2000, 2000 PA 92, MCL 289.1101 TO 289.8111.**

27 **(B) THE GROWLER IS CLEARLY LABELED AND SEALED IN A MANNER THAT**

1 COMPLIES WITH EXISTING REQUIREMENTS FOR LABELING AND SALE FOR
2 CONSUMPTION OFF THE PREMISES.

3 (C) THE ELIGIBLE MERCHANT COMPLIES WITH ALL APPLICABLE RULES
4 PROMULGATED BY THE COMMISSION.

5 (11) AS USED IN THIS SECTION:

6 (A) "ELIGIBLE MERCHANT" MEANS A PERSON THAT HOLDS A SPECIALLY
7 DESIGNATED MERCHANT LICENSE AND A CLASS C LICENSE.

8 (B) "GROWLER" MEANS ANY CLEAN, REFILLABLE, RESEALABLE
9 CONTAINER WITH A LIQUID CAPACITY THAT DOES NOT EXCEED 1 GALLON.