

# HOUSE BILL No. 5426

March 25, 2014, Introduced by Reps. Hovey-Wright, Daley, Lauwers, Kowall, Graves, Potvin, Bumstead, Yonker, Jacobsen, Denby, Pscholka, Haveman, Haines, Slavens, Haugh, LaFontaine, Pettalia, Rogers, Singh, Irwin, Lipton, Abed, Knezek, Darany, Roberts, Lamonte, Cochran, LaVoy, Geiss, Segal, Faris, Lane, Brinks, Schor, Kivela, Dianda, Driskell, Switalski, Hobbs, Dillon, Brown, Kosowski, Lund, Kelly, Victory, Pagel and MacGregor 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 415 (MCL 436.1415), as added by 2013 PA 100.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 415. (1) Subject to the limitations provided under this  
2 section, the commission may issue a farmer's market permit to a  
3 qualified small wine maker **OR A MICRO BREWER**. Regardless of the  
4 location of the qualified small wine maker **OR MICRO BREWER**, the  
5 commission shall only issue 1 farmer's market permit **FOR A**  
6 **QUALIFIED SMALL WINE MAKER AND 1 FARMER'S MARKET PERMIT FOR A MICRO**  
7 **BREWER** in a county where the farmer's market is located for each  
8 1,500 of population or fraction of 1,500 in that county as  
9 determined by the last federal decennial census, by a special  
10 census pursuant to section 6 of the home rule city act, 1909 PA

1 279, MCL 117.6, or section 7 of the Glenn Steil state revenue  
2 sharing act of 1971, 1971 PA 140, MCL 141.907, or by the latest  
3 census and corrections published by the United States department of  
4 commerce, bureau of the census, whichever is later. The holder of a  
5 farmer's market permit may conduct tastings and sell, at retail at  
6 a farmer's market, the wine produced by that qualified small wine  
7 maker **OR THE BEER PRODUCED BY THAT MICRO BREWER.**

8 (2) The commission shall charge a fee for a farmer's market  
9 permit of \$25.00 for each farmer's market location. A farmer's  
10 market permit issued under this section is nontransferable.  
11 Notwithstanding the quota provision under subsection (1), the  
12 commission shall not limit the number of permits a qualified small  
13 wine maker **OR A MICRO BREWER** obtains under this section, but an  
14 application for a farmer's market permit shall only contain up to 5  
15 separate locations at 1 time. Section 503 does not apply to the  
16 application or issuance of a permit under this section or to the  
17 location of a farmer's market where the holder of a farmer's market  
18 permit intends to participate under this section.

19 (3) The commission shall not issue a farmer's market permit  
20 under this section unless the applicant provides documentation, in  
21 a manner prescribed by the commission, that the local police agency  
22 where the farmer's market is located and the farmer's market  
23 manager at that location have approved the proposed activity.

24 (4) The tastings and sales performed under a farmer's market  
25 permit shall be limited to an exclusive area that is well defined  
26 and clearly marked, in a manner prescribed by the commission, that  
27 is under the control of the holder of the farmer's market permit,

1 as verified by the farmer's market manager.

2 (5) The tastings and sales performed under a farmer's market  
3 permit shall be conducted by employees of the holder of the  
4 farmer's market permit who have completed a server training program  
5 as provided for in section 906 and the rules promulgated by the  
6 commission.

7 (6) The wine **OR BEER** sold or used for tastings shall be  
8 furnished from the stock of the holder of the farmer's market  
9 permit and removed from the farmer's market premises immediately  
10 after the farmer's market has concluded.

11 (7) Tasting samples provided to a customer shall not exceed 3  
12 servings of not more than 2 ounces of wine **OR 3 OUNCES OF BEER** in a  
13 24-hour period of time.

14 (8) The commission shall develop an application for an annual  
15 farmer's market permit allowing for licensed activities under this  
16 section. A farmer's market manager shall verify on the application  
17 that the location listed on the application qualifies as a farmer's  
18 market under this section.

19 (9) A wholesaler shall not conduct or participate in any event  
20 allowed by this section.

21 (10) A holder of a farmer's market permit is considered a  
22 manufacturer as provided under section 603(15)(a).

23 ~~(11) Two years after the enactment date of the amendatory act~~  
24 ~~that added this section, BY JULY 2, 2015,~~ the commission shall  
25 submit a report to the standing committees of the senate and house  
26 of representatives concerned with issues involving liquor control  
27 and the house and senate fiscal agencies assessing the continued

1 issuance of farmer's market permits to qualified small wine makers  
2 **AND MICRO BREWERS.** The report shall include, at a minimum, all of  
3 the following:

4 (a) The number of applications received each year for a  
5 farmer's market permit.

6 (b) The number of farmer's market permit applications approved  
7 each year.

8 (c) The number of farmer's market permit applications approved  
9 in each county.

10 (12) As used in this section:

11 (a) "Farmer's market" means a group of farmers or their  
12 designees or a variety of vendors, as determined by the farmer's  
13 market manager or his or her designee, who assembles on a recurring  
14 basis at a defined community sponsored or municipally sponsored  
15 location for the purposes of selling, directly to a consumer, food  
16 and products produced by those farmers or their representatives.

17 (b) "Farmer's market manager" means the person responsible for  
18 enforcing the market policy and for the daily operation and  
19 management of the farmer's market.

20 (c) "Farmer's market permit" means an annual permit issued as  
21 part of an approved license to a qualified small wine maker **OR A**  
22 **MICRO BREWER** allowing that person to conduct tastings and sell at  
23 retail, for consumption off the licensed premises, at a farmer's  
24 market, wine produced by the qualified small wine maker **OR BEER**  
25 **PRODUCED BY THE MICRO BREWER.**

26 (d) "Qualified small wine maker" means a small wine maker, or  
27 an out-of-state entity that is the substantial equivalent of a

1 small wine maker, that manufactures or bottles not more than 5,000  
2 gallons of wine in 1 calendar year.

3 Enacting section 1. This amendatory act does not take effect  
4 unless Senate Bill No.\_\_\_\_ or House Bill No. 5427 (request no.  
5 05055'14 \*) of the 97th Legislature is enacted into law.