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## **HOUSE BILL No. 5768**

April 10, 2018, Introduced by Reps. Iden, McCready, Hauck, Durhal, Bellino, Faris, Sheppard, Webber, Inman, Roberts, Sneller, Wentworth, Lilly, Peterson, Miller, Leutheuser, Crawford, VanderWall, Vaupel, Barrett, Sabo, Griffin, VanSingel, Hertel, Singh, Lucido, Frederick, Chirkun, Yanez, Elder, Marino, Gay-Dagnogo, Ellison, Camilleri, Clemente, Sowerby, Kahle, Moss, Guerra, Neeley, Phelps, Greig, Dianda, Lower, Jones, Greimel, Howell, Byrd, Yancey, Kosowski, Love, Liberati, Allor, Hoitenga, LaSata, Kesto, Brann, Green, Hornberger, Afendoulis, Garcia, Calley, Wittenberg, Cambensy, Pagel, Hernandez, Cochran, Cox, Whiteford, Rendon, Tedder, Lasinski, LaFave, Cole, Victory, Alexander, Zemke and Chang and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998,"

(MCL 436.1101 to 436.2303) by adding section 204.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- SEC. 204. (1) EXCEPT FOR AN INDIVIDUAL WHO BRINGS ALCOHOLIC
  LIQUOR INTO THIS STATE FOR PERSONAL OR HOUSEHOLD USE UNDER SECTION
  3 203(8), A PERSON SHALL NOT SELL, DELIVER, OR IMPORT BEER, WINE, OR
  4 MIXED SPIRIT DRINK IN THIS STATE UNLESS THE PERSON IS 1 OF THE
  5 FOLLOWING:
  - (A) A SUPPLIER AS THAT TERM IS DEFINED IN SECTION 603.
  - (B) A LICENSED DIRECT SHIPPER DESCRIBED IN SECTION 203(10)(B).
  - (2) EXCEPT FOR AN INDIVIDUAL WHO BRINGS ALCOHOLIC LIQUOR INTO THIS STATE FOR PERSONAL OR HOUSEHOLD USE UNDER SECTION 203(8), A

    PERSON DESCRIBED IN SUBSECTION (1) MAY ONLY SELL, DELIVER, OR
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- 1 IMPORT BEER, WINE, OR MIXED SPIRIT DRINK IN THIS STATE IN 1 OF THE
- 2 FOLLOWING WAYS:
- 3 (A) A LICENSED DIRECT SHIPPER MAY SELL TO A CONSUMER UNDER
- 4 SECTION 203.
- 5 (B) AN OUTSTATE SELLER OF BEER, OUTSTATE SELLER OF WINE, OR
- 6 OUTSTATE SELLER OF MIXED SPIRIT DRINK, MAY DELIVER THE BEER, WINE,
- 7 OR MIXED SPIRIT DRINK TO THE LICENSED PREMISES OF THE WHOLESALERS
- 8 DESIGNATED TO SELL AND DELIVER THE BEER, WINE, OR MIXED SPIRIT
- 9 DRINK TO THE INDIVIDUAL LICENSED LOCATION OF THE RETAILER IN THE
- 10 WHOLESALER'S SALES TERRITORY UNDER SECTION 305 OR 403, AS
- 11 APPLICABLE.
- 12 (C) A WHOLESALER THAT PICKS UP THE BEER, WINE, OR MIXED SPIRIT
- 13 DRINK FROM THE PREMISES OF AN OUTSTATE SELLER OF BEER, OUTSTATE
- 14 SELLER OF WINE, OR OUTSTATE SELLER OF MIXED SPIRIT DRINK, MAY
- 15 DELIVER THE BEER, WINE, OR MIXED SPIRIT DRINK TO THE LICENSED
- 16 PREMISES OF THE WHOLESALER DESIGNATED TO SELL AND DELIVER THE BEER,
- 17 WINE, OR MIXED SPIRIT DRINK TO THE INDIVIDUAL LICENSED LOCATION OF
- 18 THE RETAILER IN THE WHOLESALER'S SALES TERRITORY UNDER SECTION 305
- 19 OR 403, AS APPLICABLE.
- 20 (D) AN OUTSTATE SELLER OF BEER, OUTSTATE SELLER OF WINE, OR
- 21 OUTSTATE SELLER OF MIXED SPIRIT DRINK MAY DELIVER THE BEER, WINE,
- 22 OR MIXED SPIRIT DRINK TO ITS LICENSED PREMISES IN THIS STATE.
- 23 HOWEVER, THE BEER, WINE, OR MIXED SPIRIT DRINK MUST BE DELIVERED TO
- 24 THE LICENSED PREMISES OF THE WHOLESALER DESIGNATED TO SELL AND
- 25 DELIVER THE BEER, WINE, OR MIXED SPIRIT DRINK TO THE INDIVIDUAL
- 26 LICENSED LOCATION OF THE RETAILER IN THE WHOLESALER'S SALES
- 27 TERRITORY UNDER SECTION 305 OR 403, AS APPLICABLE.

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- 1 (E) A BREWER, WINE MAKER, OR MIXED SPIRIT MANUFACTURER THAT
- 2 HAS A MANUFACTURING PLANT LOCATED OUTSIDE OF THIS STATE MAY DELIVER
- 3 THE BEER, WINE, OR MIXED SPIRIT DRINK MANUFACTURED IN THE
- 4 MANUFACTURING PLANT TO ITS LICENSED PREMISES IN THIS STATE.
- 5 HOWEVER, THE BEER, WINE, OR MIXED SPIRIT DRINK MUST BE DELIVERED TO
- 6 THE LICENSED PREMISES OF THE WHOLESALER DESIGNATED TO SELL AND
- 7 DELIVER THE BEER, WINE, OR MIXED SPIRIT DRINK TO THE INDIVIDUAL
- 8 LICENSED LOCATION OF THE RETAILER IN THE WHOLESALER'S SALES
- 9 TERRITORY UNDER SECTION 305 OR 403, AS APPLICABLE.
- 10 (F) EXCEPT AS OTHERWISE PROVIDED IN SUBDIVISION (G) OR (H), A
- 11 BREWER, WINE MAKER, OR MIXED SPIRIT MANUFACTURER MAY DELIVER THE
- 12 BEER, WINE, OR MIXED SPIRIT DRINK TO THE LICENSED PREMISES OF THE
- 13 WHOLESALER DESIGNATED TO SELL AND DELIVER THE BEER, WINE, OR MIXED
- 14 SPIRIT DRINK TO THE INDIVIDUAL LICENSED LOCATION OF THE RETAILER IN
- 15 THE WHOLESALER'S SALES TERRITORY UNDER SECTION 305 OR 403, AS
- 16 APPLICABLE.
- 17 (G) A QUALIFIED MICRO BREWER MAY SELL AND DELIVER THE BEER TO
- 18 A RETAILER UNDER SECTION 203(19).
- 19 (H) A WINE MAKER MAY SELL WINE IT MANUFACTURES AT RETAIL ON
- 20 THE WINE MAKER'S LICENSED PREMISES UNDER SECTION 537.
- 21 (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4), BOTH OF
- 22 THE FOLLOWING APPLY TO BEER, WINE, OR MIXED SPIRIT DRINK THAT IS
- 23 DELIVERED TO A WHOLESALER UNDER THIS ACT:
- 24 (A) THE WHOLESALER SHALL MAINTAIN THE BEER, WINE, OR MIXED
- 25 SPIRIT DRINK ON THE WHOLESALER'S LICENSED PREMISES.
- 26 (B) THE WHOLESALER SHALL MAKE THE BEER, WINE, OR MIXED SPIRIT
- 27 DRINK MAINTAINED ON THE WHOLESALER'S LICENSED PREMISES AS REQUIRED

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- 1 UNDER SUBDIVISION (A) AVAILABLE FOR INSPECTION BY THE COMMISSION
- 2 FOR AT LEAST 24 HOURS BEFORE THE WHOLESALER DELIVERS THE BEER,
- 3 WINE, OR MIXED SPIRIT DRINK TO A RETAILER.
- 4 (4) FOR BEER, WINE, OR MIXED SPIRIT DRINK THAT HAS BEEN
- 5 DELIVERED TO A WHOLESALER UNDER THIS ACT, SUBSECTION (3) DOES NOT
- 6 APPLY AND THE WHOLESALER MAY DELIVER BEER, WINE, OR MIXED SPIRIT
- 7 DRINK TO A RETAILER IF ALL OF THE FOLLOWING APPLY:
- 8 (A) EITHER OF THE FOLLOWING APPLIES:
- 9 (i) THE WHOLESALER CANNOT FULFILL THE RETAILER'S ORDER FOR THE
- 10 BEER, WINE, OR MIXED SPIRIT DRINK FROM THE INVENTORY CURRENTLY
- 11 AVAILABLE ON THE WHOLESALER'S LICENSED PREMISES.
- 12 (ii) THE WHOLESALER INTENDS TO DELIVER THE BEER, WINE, OR
- 13 MIXED SPIRIT DRINK TO A SPECIAL LICENSEE BEFORE THE 24-HOUR PERIOD
- 14 UNDER SUBSECTION (3) (B) HAS EXPIRED.
- 15 (B) EITHER OF THE FOLLOWING APPLIES:
- 16 (i) THE BEER, WINE, OR MIXED SPIRIT DRINK HAS BEEN DELIVERED
- 17 TO THE ADDRESS OF THE WHOLESALER'S LICENSED PREMISES.
- 18 (ii) THE WHOLESALER PICKED UP THE BEER, WINE, OR MIXED SPIRIT
- 19 DRINK FROM THE LICENSED PREMISES OF ANY OF THE FOLLOWING:
- 20 (A) A BREWER.
- 21 (B) A WINE MAKER.
- 22 (C) A MIXED SPIRIT MANUFACTURER.
- 23 (D) AN OUTSTATE SELLER OF BEER.
- 24 (E) AN OUTSTATE SELLER OF WINE.
- 25 (F) AN OUTSTATE SELLER OF MIXED SPIRIT DRINK.
- 26 (G) A WHOLESALER.
- 27 (C) THE WHOLESALER MAINTAINS THE INVOICE OF THE DELIVERY AND

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- 1 ATTACHES DOCUMENTATION TO THE INVOICE THAT DETAILS EACH PRODUCT AND
- 2 THE AMOUNT OF EACH PRODUCT THAT WAS NOT PLACED ON THE WHOLESALER'S
- 3 FLOOR.