

SENATE BILL No. 1071

June 12, 2018, Introduced by Senator 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 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. Regardless of the location of the
4 qualified small wine maker, the commission shall only issue 1
5 farmer's market permit in a county where the farmer's market is
6 located for each 1,500 of population or fraction of 1,500 in that
7 county as determined by the last federal decennial census, by a
8 special census ~~pursuant to~~ **UNDER** section 6 of the home rule city
9 act, 1909 PA 279, MCL 117.6, or section 7 of the Glenn Steil state

1 revenue sharing act of 1971, 1971 PA 140, MCL 141.907, or by the
2 latest census and corrections published by the United States
3 ~~department of commerce, bureau of the census,~~ **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.

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 obtains under this section, but an application for a
14 farmer's market permit shall only contain up to 5 separate
15 locations at 1 time. Section 503 does not apply to the application
16 or issuance of a permit under this section or to the location of a
17 farmer's market where the holder of a farmer's market permit
18 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~~ **MUST** be limited to an exclusive area that is well
26 defined and clearly marked, in a manner prescribed by the
27 commission, that is under the control of the holder of the farmer's

1 market permit, as verified by the farmer's market manager.

2 (5) The tastings and sales performed under a farmer's market
3 permit ~~shall~~**MUST** 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 sold or used for tastings ~~shall~~**MUST** be furnished
8 from the stock of the holder of the farmer's market permit and
9 removed from the farmer's market premises immediately after the
10 farmer's market has concluded.

11 (7) Tasting samples provided to a customer ~~shall~~**MUST** not
12 exceed 3 servings of not more than 2 ounces of wine in a 24-hour
13 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~~**AN**
20 event 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~~**EFFECTIVE** date of the 2018
24 amendatory act that ~~added this section,~~**AMENDED THIS SUBSECTION,**
25 the commission shall submit a report to the standing committees of
26 the senate and house of representatives concerned with issues
27 involving liquor control and the house and senate fiscal agencies

1 assessing the continued issuance of farmer's market permits to
2 qualified small wine makers. The report ~~shall~~**MUST** include, at a
3 minimum, all of 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
22 allowing that person to conduct tastings and sell at retail, for
23 consumption off the licensed premises, at a farmer's market, wine
24 produced by the qualified small wine maker.

25 (d) "Qualified small wine maker" means a small wine maker, or
26 an out-of-state entity that is the substantial equivalent of a
27 small wine maker, that manufactures or bottles not more than 5,000

1 15,000 gallons of wine in 1 calendar year.

2 Enacting section 1. This amendatory act takes effect 90 days
3 after the date it is enacted into law.