

Act No. 414
Public Acts of 2018
Approved by the Governor
December 19, 2018
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December 19, 2018
EFFECTIVE DATE: December 19, 2018

**STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2018**

Introduced by Senator Warren

ENROLLED SENATE BILL No. 1165

AN ACT to amend 1998 PA 58, entitled “An act to create a commission for the control of the alcoholic beverage traffic within this state, and to prescribe its powers, duties, and limitations; to provide for powers and duties for certain state departments and agencies; to impose certain taxes for certain purposes; to provide for the control of the alcoholic liquor traffic within this state and to provide for the power to establish state liquor stores; to prohibit the use of certain devices for the dispensing of alcoholic vapor; to provide for the care and treatment of alcoholics; to provide for the incorporation of farmer cooperative wineries and the granting of certain rights and privileges to those cooperatives; to provide for the licensing and taxation of activities regulated under this act and the disposition of the money received under this act; to prescribe liability for retail licensees under certain circumstances and to require security for that liability; to provide procedures, defenses, and remedies regarding violations of this act; to provide for the enforcement and to prescribe penalties for violations of this act; to provide for allocation of certain funds for certain purposes; to provide for the confiscation and disposition of property seized under this act; to provide referenda under certain circumstances; and to repeal acts and parts of acts,” by amending section 105 (MCL 436.1105), as amended by 2014 PA 353.

The People of the State of Michigan enact:

Sec. 105. (1) “Alcohol” means the product of distillation of fermented liquid, whether or not rectified or diluted with water, but does not mean ethyl or industrial alcohol, diluted or not, that has been denatured or otherwise rendered unfit for beverage purposes.

(2) “Alcohol vapor device” means any device that provides for the use of air or oxygen bubbled through alcoholic liquor to produce a vapor or mist that allows the user to inhale this alcoholic vapor through the mouth or nose.

(3) “Alcoholic liquor” means any spirituous, vinous, malt, or fermented liquor, powder, liquids, and compounds, whether or not medicated, proprietary, patented, and by whatever name called, containing 1/2 of 1% or more of alcohol

by volume that are fit for use for food purposes or beverage purposes as defined and classified by the commission according to alcoholic content as belonging to 1 of the varieties defined in this chapter.

(4) “Alternating proprietorship” means 1 of the following:

(a) An arrangement in which 2 or more wine makers or small wine makers take turns using the same space and equipment to manufacture wine pursuant to section 603(9)(a) and in accordance with 27 CFR 24.136.

(b) An arrangement in which 2 or more brewers or micro brewers take turns using the same space and equipment to manufacture beer pursuant to section 603(9)(b) and in accordance with 27 CFR 25.52.

(5) “Approved tasting room” means a tasting room that is approved by the commission.

(6) “Authorized distribution agent” means a person approved by the commission to do 1 or more of the following:

(a) To store spirits owned by a supplier of spirits or the commission.

(b) To deliver spirits sold by the commission to retail licensees.

(c) To perform any function needed to store spirits owned by a supplier of spirits or by the commission or to deliver spirits sold by the commission to retail licensees.

(7) “Bar” means a barrier or counter at which alcoholic liquor is sold to, served to, or consumed by customers.

(8) “Beer” means any beverage obtained by alcoholic fermentation of an infusion or decoction of barley, malt, hops, or other cereal in potable water.

(9) “Bottle” or “bottling” means a process, separate from manufacturing, using owned or leased equipment to fill and seal a container, including a keg, with alcoholic liquor for sale at wholesale or retail in accordance with this act. Bottle or bottling does not include filling a growler for sale at retail.

(10) “Brand” means any word, name, group of letters, symbol, trademark, or combination thereof adopted and used by a supplier to identify a specific beer, malt beverage, wine, mixed wine drink, or mixed spirit drink product and to distinguish that product from another beer, malt beverage, wine, mixed wine drink, or mixed spirit drink product that is produced or marketed by that or another supplier. As used in this subsection, “supplier” means a brewer, micro brewer, an outstate seller of beer, a wine maker, a small wine maker, an outstate seller of wine, a manufacturer of mixed wine drink, an outstate seller of a mixed wine drink, a mixed spirit drink manufacturer, or an outstate seller of mixed spirit drink.

(11) “Brand extension” means any brand that incorporates all or a substantial part of the unique features of a preexisting brand of the same supplier. As used in this subsection, “supplier” means a brewer, micro brewer, an outstate seller of beer, a wine maker, a small wine maker, an outstate seller of wine, a manufacturer of mixed wine drink, an outstate seller of a mixed wine drink, a mixed spirit drink manufacturer, or an outstate seller of mixed spirit drink.

(12) “Brandy” means an alcoholic liquor as defined in 27 CFR 5.22(d).

(13) “Brandy manufacturer” means a wine maker or a small wine maker licensed under this act to manufacture brandy. A wine maker or small wine maker authorized to manufacture brandy shall not manufacture any other spirits. The commission may approve a brandy manufacturer to sell brandy that it manufactures at retail in accordance with section 537.

(14) “Brewer” means a person located in this state that is licensed to manufacture beer and sell at retail in accordance with section 537 and to licensed wholesalers beer manufactured by it.

(15) “Brewpub” means a license issued in conjunction with a class C, tavern, class A hotel, or class B hotel license that authorizes the person licensed with the class C, tavern, class A hotel, or class B hotel to manufacture and brew not more than 18,000 barrels of beer per calendar year in this state and sell at its licensed premises the beer produced for consumption on or off the licensed brewery premises in the manner provided for in sections 405, 407, and 537.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 99th Legislature are enacted into law:

(a) Senate Bill No. 1154.

(b) Senate Bill No. 1164.

(c) Senate Bill No. 1160.

(d) Senate Bill No. 1159.

(e) Senate Bill No. 1166.

(f) Senate Bill No. 1155.

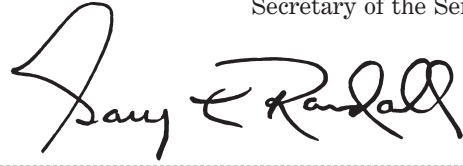
(g) Senate Bill No. 1161.

(h) Senate Bill No. 1156.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor