

OFF-PREMISES LIQUOR SALES AND DELIVERY BY RETAILERS LICENSED FOR ON-PREMISES CONSUMPTION

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House Bill 5811 (proposed substitute H-2)

Sponsor: Rep. Sarah Anthony
Committee: Regulatory Reform
Complete to 6-3-20

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5811 would amend the Michigan Liquor Control Code to allow a retailer licensed for on-premises consumption to fill and sell a container with alcoholic liquor for consumption off the licensed premises and to deliver the container to a consumer in Michigan under certain conditions.

Specifically, the bill would add a new section to the code to allow, notwithstanding anything in the code to the contrary, a retailer licensed for on-premises consumption to fill and sell *qualified containers* with *alcoholic liquor* for consumption off the premises under the following conditions:

- The premises where the qualified containers are filled comply with the requirements for food service establishments under the Food Law.
- The retailer or his or her agent or employee does not fill a qualified container in advance of the sale.
- The alcoholic liquor to be dispensed has received a registration number from the Michigan Liquor Control Commission (MLCC) and has been approved for sale by the MLCC.
- The retailer sells the types of alcoholic liquor under this provision that the licensee is authorized to sell for consumption on the premises.
- The qualified container is sealed and affixed with a label that includes at least the brand name of the alcoholic liquor, the net contents of the container, and the name of the retailer.
- The retailer complies with all applicable rules promulgated by the MLCC.

Qualified container would mean any clean, refillable, resealable container that is exclusively intended, and used only, for the sale of alcoholic liquor for consumption off the premises and that has a liquid capacity that does not exceed one gallon.

Alcoholic liquor means any spirituous, vinous, malt, or fermented liquor, powder, liquids, and compounds, whether or not medicated, proprietary, or patented, and by whatever name called, containing 1/2 of 1% or more of alcohol by volume that are fit for use as a food or a beverage as defined and classified by the MLCC according to alcoholic content as belonging to one of the varieties defined in chapter 1 of the code.

In addition, and also notwithstanding anything in the code to the contrary, a retailer licensed for on-premises consumption could deliver alcoholic liquor filled and sold as described above to a *consumer* in the state if all of the following conditions are met:

- The retailer pays any applicable taxes to the MLCC and also to the Department of Treasury as directed by that department. Upon the request of the Department of Treasury, the retailer would have to furnish an affidavit to verify payment.

- The retailer complies with all laws of the state, including the prohibition on sales to minors.
- The retailer delivers the types of alcoholic liquor under this provision that the licensee is authorized to sell for consumption on the premises.
- The alcoholic liquor is delivered by an employee of the retailer or by a ***third party facilitator service***.
- The person delivering the alcoholic liquor verifies that the person accepting the delivery it is at least 21 years old.
- The retailer does not allow a straw hole on the shipping container.

Consumer would mean an individual who purchases beer, wine, or spirits for personal consumption and not for resale.

Third party facilitator service means a person licensed by the commission to deliver or facilitate the sale of beer or wine, or spirits, to a consumer on behalf of a retailer that holds a specially designated merchant license (for beer or wine) or a specially designated distributor license (for spirits) located in this state.

Proposed MCL 436.1537a

FISCAL IMPACT:

House Bill 5811 would not have a significant fiscal impact on the Department of Licensing and Regulatory Affairs.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.