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House Bill 5811 (Substitute H-6 as passed by the House)

Sponsor: Representative Sarah Anthony House Committee: Regulatory Reform

Wavs and Means

Senate Committee: Committee of the Whole

Date Completed: 6-24-20

CONTENT

The bill would amend the Michigan Liquor Control Code to do the following:

- -- Allow a qualified licensee to fill and sell qualified containers of alcohol for consumption off premise if certain conditions were met.
- -- Allow a qualified licensee to deliver alcohol in a qualified container to a consumer if certain conditions were met.
- -- Prohibit a qualified licensee from selling alcohol in its original package.
- -- Specify that the bill's provisions would not apply after December 31, 2025.

The bill is tie-barred to House Bill 5781 and Senate Bill 942, which also would amend the Liquor Control Code.

Notwithstanding anything in the Code to the contrary, a qualified licensee could fill and sell qualified containers with alcoholic liquor for consumption off the premises under the following conditions:

- -- The licensee or his or her agent or employee did not fill the qualified container in advance of the sale.
- -- The licensee complied with all applicable rules promulgated by the Michigan Liquor Control Commission.
- -- The licensee or his or her agent sealed the qualified container.

"Qualified licensee" would mean any of the following:

- -- A retailer that holds a license, other than a special license, to sell alcoholic liquor for consumption on the licensed premises.
- -- A manufacturer with an on-premise tasting room permit.
- -- A manufacturer that holds an off-premises tasting room license or a joint off-premises tasting room license.

"Qualified container" would mean a clean, sealable container that is for the sale of alcoholic liquor for consumption off the premises, that has a liquid capacity that does not exceed one gallon, and that, after it is filled, is sealed with a device or material that is used to fully close off the container securely with no perforations or straw holes.

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Notwithstanding anything in the Code to the contrary, a qualified licensee could deliver liquor to a consumer in Michigan if all the following conditions were met:

- -- The licensee complied with all Michigan laws, including the prohibition on sales to minors.
- -- The licensee stamped, printed, or labeled on the outside of the container "contained alcohol", and the recipient at the time of the delivery would have to provide identification verifying his or her age.
- -- The licensee or his or her agent sealed the qualified container.

Additionally, if the licensee was a retailer, the alcoholic liquor would be delivered by the qualified licensee's employee or a third-party facilitator service. If the licensee were a manufacturer, the alcoholic liquor would be delivered by the licensee's employee.

Generally, under the Code, "third party facilitator service" means a person licensed by the Commission to facilitate the sale of beer, wine, or spirits to a consumer on behalf of a retailer that holds a specially designated distributor license or specially designated merchant license in Michigan, as applicable.

Except as otherwise provided under the Code, a qualified licensee could not sell alcoholic liquor in its original package under the bill.

The bill would not apply after December 21, 2025.

MCL 436.1101 et al. Legislative Analyst: Dana Adams

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

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