

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 5400**

A bill to amend 1998 PA 58, entitled  
"Michigan liquor control code of 1998,"  
by amending section 109 (MCL 436.1109), as amended by 2020 PA 80.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 109. (1) "Manufacture" means to distill, rectify,  
2       ferment, brew, make, produce, filter, mix, concoct, process, or  
3       blend an alcoholic liquor or to complete a portion of 1 or more of  
4       these activities. Manufacture does not include bottling or the  
5       mixing or other preparation of drinks for serving by those persons  
6       authorized under this act to serve alcoholic liquor for consumption  
7       on the licensed premises. In addition, manufacture does not include  
8       attaching a label to a shiner. All containers or packages of  
9       alcoholic liquor must state clearly the name, city, and state of



1 the bottler.

2 (2) "Manufacturer" means a person that manufactures alcoholic  
3 liquor, whether located in or out of this state, including, but not  
4 limited to, a distiller, a small distiller, a rectifier, a mixed  
5 spirit drink manufacturer, a mixed wine drink manufacturer, a wine  
6 maker, a small wine maker, a brewer, and a micro brewer.

7 (3) "Manufacturing premises" means the licensed premises of a  
8 manufacturer where the manufacturer manufactures alcoholic liquor  
9 or, for a small wine maker only, bottles wine.

10 (4) "Master distributor" means a wholesaler that acts in the  
11 same or similar capacity as a brewer, wine maker, outstate seller  
12 of wine, or outstate seller of beer for a brand or brands of beer  
13 or wine to other wholesalers on a regular basis in the normal  
14 course of business.

15 (5) "Micro brewer" means a brewer that manufactures in total  
16 less than 60,000 barrels of beer per year and that may sell the  
17 beer manufactured to consumers at the licensed brewery premises for  
18 consumption on or off the licensed brewery premises and to  
19 retailers as provided in section ~~203~~—203a. In determining the  
20 60,000-barrel threshold, all brands and labels of a brewer, whether  
21 manufactured in this state or outside this state, must be combined  
22 and all facilities for the manufacturing of beer that are owned or  
23 controlled by the same person must be treated as a single facility.

24 (6) "Minor" means an individual less than 21 years of age.

25 (7) "Mixed spirit drink" means a drink manufactured and  
26 packaged or sold by a mixed spirit drink manufacturer or sold by an  
27 outstate seller of mixed spirit drink to a wholesaler that contains  
28 10% or less alcohol by volume consisting of spirits mixed with  
29 nonalcoholic beverages or flavoring or coloring materials and that



1 may also contain 1 or more of the following:

- 2 (a) Water.
- 3 (b) Fruit juices.
- 4 (c) Fruit adjuncts.
- 5 (d) Sugar.
- 6 (e) Carbon dioxide.
- 7 (f) Preservatives.

8 (8) "Mixed spirit drink manufacturer" means a person licensed  
9 under this act to manufacture mixed spirit drink in this state and  
10 to sell mixed spirit drink at retail in accordance with section 537  
11 or to a wholesaler. For purposes of rules promulgated by the  
12 commission, a mixed spirit drink manufacturer is treated as a wine  
13 manufacturer but is subject to the rules applicable to spirits for  
14 manufacturing and labeling.

15 (9) "Mixed wine drink" means a drink or similar product  
16 marketed as a wine cooler that contains less than 7% alcohol by  
17 volume, consists of wine and plain, sparkling, or carbonated water,  
18 and contains any 1 or more of the following:

- 19 (a) Nonalcoholic beverages.
- 20 (b) Flavoring.
- 21 (c) Coloring materials.
- 22 (d) Fruit juices.
- 23 (e) Fruit adjuncts.
- 24 (f) Sugar.
- 25 (g) Carbon dioxide.
- 26 (h) Preservatives.

27 (10) "Outstate seller of beer" means a person licensed by the  
28 commission to sell beer that has not been manufactured in this  
29 state, or beer that the person purchased from a limited production



1 manufacturer, to a wholesaler in this state in accordance with  
2 rules promulgated by the commission. As used in this subsection,  
3 "limited production manufacturer" means a person licensed under  
4 section 504.

5 (11) "Outstate seller of mixed spirit drink" means a person  
6 licensed by the commission to sell mixed spirit drink that has not  
7 been manufactured in this state to a wholesaler in this state in  
8 accordance with rules promulgated by the commission. For purposes  
9 of rules promulgated by the commission, an outstate seller of mixed  
10 spirit drink is treated as an outstate seller of wine but is  
11 subject to the rules applicable to spirits for manufacturing and  
12 labeling.

13 (12) "Outstate seller of wine" means a person licensed by the  
14 commission to sell wine that has not been manufactured in this  
15 state to a wholesaler in this state in accordance with rules  
16 promulgated by the commission and to sell sacramental wine as  
17 provided in section 301.

18 Enacting section 1. This amendatory act does not take effect  
19 unless all of the following bills of the 100th Legislature are  
20 enacted into law:

- 21 (a) House Bill No. 5341.
- 22 (b) House Bill No. 5342.
- 23 (c) House Bill No. 5343.
- 24 (d) House Bill No. 5344.
- 25 (e) House Bill No. 5345.
- 26 (f) House Bill No. 5346.
- 27 (g) House Bill No. 5347.
- 28 (h) House Bill No. 5348.
- 29 (i) House Bill No. 5349.



- 1 (j) House Bill No. 5350.
- 2 (k) House Bill No. 5351.
- 3 (l) House Bill No. 5352.
- 4 (m) House Bill No. 5353.
- 5 (n) House Bill No. 5354.
- 6 (o) House Bill No. 5355.

