

**SUBSTITUTE FOR
SENATE BILL NO. 934**

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
(MCL 436.1101 to 436.2303) by adding section 203b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 203b. Notwithstanding anything in this act to the
2 contrary, a small wine maker or an out-of-state entity that is the
3 substantial equivalent of a small wine maker may sell and deliver
4 wine as defined in section 113(9) (b) or 113a(9) (b) that it
5 manufactures to a retailer in this state only if all of the
6 following conditions are met:

7 (a) The retailer is not located in a sales territory for which
8 the small wine maker or out-of-state entity that is the substantial
9 equivalent of a small wine maker has granted exclusive sales rights



1 to a wholesaler under section 307 for the sale of any brand or
2 brands of wine as defined in section 113(9) (b) or 113a(9) (b)
3 produced by the small wine maker or out-of-state entity that is the
4 substantial equivalent of a small wine maker.

5 (b) The wine as defined in section 113(9) (b) or 113a(9) (b) is
6 sold and delivered by an employee of the small wine maker or out-
7 of-state entity that is the substantial equivalent of a small wine
8 maker, not an agent, and is transported and delivered using a
9 vehicle owned by the small wine maker or out-of-state entity that
10 is the substantial equivalent of a small wine maker.

11 (c) The small wine maker or out-of-state entity that is the
12 substantial equivalent of a small wine maker is in compliance with
13 applicable state and federal law and applicable regulatory
14 provisions of this act and rules promulgated by the commission
15 under this act related to each of the following:

16 (i) Employees that sell and deliver wine as defined in section
17 113(9) (b) or 113a(9) (b) to retailers.

18 (ii) Vehicles used to deliver wine as defined in section
19 113(9) (b) or 113a(9) (b) to retailers.

20 (iii) Price schedules and temporary price reductions.

21 (iv) 1976 IL 1, MCL 445.571 to 445.576.

22 (v) Labeling and registration of wine as defined in section
23 113(9) (b) or 113a(9) (b) .

24 (vi) Payment of taxes.

25 (d) The small wine maker sells not more than 31,000 gallons of
26 wine as defined under section 113(9) (b) or 113a(9) (b) total per
27 year. In determining the 31,000 gallon threshold under this
28 subdivision, all brands and labels of a small wine maker or out-of-
29 state equivalent of a small wine maker, whether sold to a



1 wholesaler or a retailer in this state or outside of this state,
2 must be combined. Sales to consumers on the licensed premises of
3 the small wine maker or out-of-state entity that is the substantial
4 equivalent of a small wine maker are not included in determining
5 the 31,000 gallon threshold under this subdivision.

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

9 (a) Senate Bill No. 1138.

10 (b) Senate Bill No. 1139.

11 (c) Senate Bill No. 1140.

