

HOUSE BILL NO. 5351

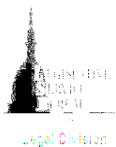
January 16, 2020, Introduced by Reps. Filler, Hall, Cambensy, Garza and Wendzel and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 111 (MCL 436.1111), as amended by 2018 PA 415.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 111. (1) "Person" means an individual, firm, partnership,
2 limited partnership, association, limited liability company, or
3 corporation.

4 (2) "Primary source of supply" means, in the case of domestic
5 spirits, the distiller, producer, owner of the commodity at the



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time it becomes a marketable product, or bottler, or the exclusive agent of the distiller, producer, owner of the commodity at the time it becomes a marketable product, or bottler, and, ~~in the case of~~**for** spirits imported into the United States, either the foreign distiller, producer, owner, ~~of the~~**or** bottler, or the prime importer for, or the exclusive agent in the United States of, the foreign distiller, producer, owner, or ~~the~~ bottler.

(3) "Professional account" means an account established for a person by a class C licensee or tavern licensee whose major business is the sale of food, by which the licensee extends credit to the person for not more than 30 days.

(4) "Residence" means the premises in which a person resides permanently.

(5) "Restaurant" means a food service establishment defined and licensed under the food law, 2000 PA 92, MCL 289.1101 to 289.8111. A restaurant that does not hold a license issued by the commission under this act shall not manufacture, market, deliver, or sell alcoholic liquor in this state.

(6) "Retailer" means a person licensed by the commission ~~who~~**that** sells to the consumer in accordance with rules promulgated by the commission. Retailer includes a brewpub but does not include a manufacturer or supplier, as defined in section 603, that is allowed as a condition of its license to sell to consumers in this state.

(7) "Sacramental wine" means wine containing not more than 24% of alcohol by volume that is used for sacramental purposes.

(8) "Sale" includes the exchange, barter, traffic, furnishing, delivery, or giving away of alcoholic liquor. ~~In the case of~~**For** a sale in which a shipment or delivery of alcoholic liquor is made by



1 a common or other carrier, the sale of the alcoholic liquor is
2 considered to be made in the county within which the delivery of
3 the alcoholic liquor is made by that carrier to the consignee or
4 his or her agent or employee, and venue for the prosecution for
5 that sale may be in the county or city where the seller resides or
6 from which the shipment is made or at the place of delivery.

7 (9) "School" includes buildings used for school purposes to
8 provide instruction to children in grades kindergarten through 12,
9 if that instruction is provided by a public, private,
10 denominational, or parochial school, except those buildings used
11 primarily for adult education or college extension courses. School
12 does not include a proprietary trade or occupational school.

13 (10) "Shiner" means an unlabeled, sealed container of wine,
14 including a keg, that is sold by a wine maker, small wine maker, or
15 out-of-state entity that is the substantial equivalent of a wine
16 maker or small wine maker to another wine maker, small wine maker,
17 or out-of-state entity that is the substantial equivalent of a wine
18 maker or small wine maker. The purchasing wine maker or small wine
19 maker must attach a label to the container using equipment owned or
20 leased by the purchasing wine maker or small wine maker, register
21 the wine label with the commission, and sell it as provided for in
22 this act.

23 (11) "Small distiller" means a manufacturer of spirits
24 annually manufacturing in this state not more than 60,000 gallons
25 of spirits, of all brands combined.

26 (12) "Small wine maker" means a wine maker manufacturing or
27 bottling not more than 50,000 gallons of wine in 1 calendar year. A
28 small wine maker is not required to bottle wine it manufactures.

29 (13) "Special license" means a contract between the commission



1 and the special licensee granting authority to that licensee to
2 sell beer, wine, mixed spirit drink, or spirits. The license must
3 be granted only to ~~such-the~~ persons and ~~such-the~~ organization and
4 for ~~such-the~~ period of time ~~as-that~~ the commission determines if
5 the person or organization is able to demonstrate an existence
6 separate from an affiliated umbrella organization. If such an
7 existence is demonstrated, the commission shall not deny a special
8 license solely by the applicant's affiliation with an organization
9 that is also eligible for a special license.

10 (14) "Specially designated distributor" means, subject to
11 section 534, a person engaged in an established business licensed
12 by the commission to distribute spirits and mixed spirit drink in
13 the original package for the commission for consumption off the
14 premises.

15 (15) "Specially designated merchant" means a person to whom
16 the commission grants a license to sell beer or wine, or both, at
17 retail for consumption off the licensed premises.

18 (16) "Spirits" means a beverage that contains alcohol obtained
19 by distillation, mixed with potable water or other substances, or
20 both, in solution, and includes wine containing an alcoholic
21 content of more than 21% by volume, except sacramental wine and
22 mixed spirit drink.

23 (17) "State liquor store" means a store established by the
24 commission under this act for the sale of spirits in the original
25 package for consumption off the premises.

26 (18) **"Successor to a supplier that continues in business"**
27 **means a supplier that acquires a brand or brands from another**
28 **supplier and remains in business after it acquires that brand or**
29 **brands. As used in this subsection, "supplier" means any of the**



1 following:

2 (a) Brewer.

3 (b) Outstate seller of beer.

4 (c) Master distributor.

5 (d) Wine maker.

6 (e) Outstate seller of wine.

7 (19) ~~(18)~~—"Supplier of spirits" means a vendor of spirits, a
8 manufacturer of spirits, or a primary source of supply.

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

12 (a) Senate Bill No. ____ or House Bill No. 5342 (request no.
13 04270'19).

14 (b) Senate Bill No. ____ or House Bill No. 5344 (request no.
15 04270'19 a).

16 (c) Senate Bill No. ____ or House Bill No. 5348 (request no.
17 04540'19).

18 (d) Senate Bill No. ____ or House Bill No. 5354 (request no.
19 04747'19).

20 (e) Senate Bill No. ____ or House Bill No. 5350 (request no.
21 05038'19).

22 (f) Senate Bill No. ____ or House Bill No. 5349 (request no.
23 05039'19).

24 (g) Senate Bill No. ____ or House Bill No. 5346 (request no.
25 05040'19).

26 (h) Senate Bill No. ____ or House Bill No. 5345 (request no.
27 05041'19).

28 (i) Senate Bill No. ____ or House Bill No. 5352 (request no.
29 05042'19).



1 (j) Senate Bill No.____ or House Bill No. 5343 (request no.
2 05074'19).

3 (k) Senate Bill No.____ or House Bill No. 5355 (request no.
4 05075'19).

5 (l) Senate Bill No.____ or House Bill No. 5341 (request no.
6 05076'19).

7 (m) Senate Bill No.____ or House Bill No. 5347 (request no.
8 05077'19).

9 (n) Senate Bill No.____ or House Bill No. 5353 (request no.
10 05078'19).

11 (o) Senate Bill No.____ or House Bill No.____ (request no.
12 05122'19).

