

Act No. 17
Public Acts of 2021
Approved by the Governor
May 24, 2021
Filed with the Secretary of State
May 25, 2021
EFFECTIVE DATE: August 23, 2021

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2021**

Introduced by Senators Brinks, Moss, Ananich, Horn, Bayer, Chang, MacDonald, Zorn, Polehanki, LaSata, Bizon, VanderWall, McCann, Wojno, Irwin, Santana, Stamas, Daley, Geiss, Outman, Hollier and Schmidt

ENROLLED SENATE BILL No. 142

AN ACT to amend 1998 PA 58, entitled "An act to create a commission for the control of the alcoholic beverage traffic within this state, and to prescribe its powers, duties, and limitations; to provide for powers and duties for certain state departments and agencies; to impose certain taxes for certain purposes; to provide for the control of the alcoholic liquor traffic within this state and to provide for the power to establish state liquor stores; to prohibit the use of certain devices for the dispensing of alcoholic vapor; to provide for the care and treatment of alcoholics; to provide for the incorporation of farmer cooperative wineries and the granting of certain rights and privileges to those cooperatives; to provide for the licensing and taxation of activities regulated under this act and the disposition of the money received under this act; to prescribe liability for retail licensees under certain circumstances and to require security for that liability; to provide procedures, defenses, and remedies regarding violations of this act; to provide for the enforcement and to prescribe penalties for violations of this act; to provide for allocation of certain funds for certain purposes; to provide for the confiscation and disposition of property seized under this act; to provide referenda under certain circumstances; and to repeal acts and parts of acts," (MCL 436.1101 to 436.2303) by adding section 203b.

The People of the State of Michigan enact:

Sec. 203b. Notwithstanding anything in this act to the contrary, a mixed spirit drink manufacturer or an out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer may sell and deliver mixed spirit drink that it manufactures to a retailer in this state only if all of the following conditions are met:

(a) The retailer is not located in a sales territory for which the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer has granted exclusive sales rights to a wholesaler under section 307 for the sale of any brand or brands of mixed spirit drink produced by the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer.

(b) The mixed spirit drink is sold and delivered by an employee of the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer, not an agent, and is transported and delivered using a vehicle owned by the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer.

(c) The mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer is in compliance with applicable state and federal law and applicable regulatory provisions of this act and rules promulgated by the commission under this act related to each of the following:

- (i) Employees that sell and deliver mixed spirit drink to retailers.
- (ii) Vehicles used to deliver mixed spirit drink to retailers.
- (iii) Price schedules and temporary price reductions.
- (iv) 1976 IL 1, MCL 445.571 to 445.576.
- (v) Labeling and registration of mixed spirit drink.
- (vi) Payment of taxes.

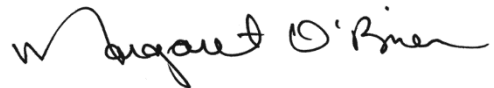
(d) The mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer sells not more than 31,000 gallons of mixed spirit drink total per year. In determining the 31,000-gallon threshold under this subdivision, all brands and labels of a mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer, whether sold to a wholesaler or a retailer in this state or outside of this state, must be combined. Sales to consumers on the licensed premises of the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer are not included in determining the 31,000-gallon threshold under this subdivision.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 101st Legislature are enacted into law:

- (a) Senate Bill No. 141.
- (b) Senate Bill No. 143.
- (c) Senate Bill No. 144.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:

Senate Bill No. 141 was filed with the Secretary of State May 25, 2021, and became 2021 PA 16, Eff. Aug. 23, 2021.

Senate Bill No. 143 was filed with the Secretary of State May 25, 2021, and became 2021 PA 18, Eff. Aug. 23, 2021.

Senate Bill No. 144 was filed with the Secretary of State May 25, 2021, and became 2021 PA 19, Eff. Aug. 23, 2021.