



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 973 (as introduced 5-18-16)
Sponsor: Senator Dave Hildenbrand
Committee: Regulatory Reform

Date Completed: 11-9-16

CONTENT

The bill would amend the Michigan Liquor Control Code to allow a person holding a specially designated distributor license to fill and sell growlers with beer for off-premises consumption.

The Code allows eligible merchants to fill and sell growlers with beer for off-premises consumption under the following conditions:

- The premises where the filling of growlers takes place comply with the requirements for food service establishments under the Food Law.
- The growler is sealed and has a label affixed to it that includes at least the brand name and class of the beer, the net contents of the container, and the name of the retailer filling the growler.
- The eligible merchant or the merchant's agent or employee does not fill a growler in advance of the sale.
- The eligible merchant or the merchant's agent or employee uses only containers that have a capacity of five gallons or more to fill a growler.
- The beer to be dispensed has received a registration number from the Michigan Liquor Control Commission and has been approved for sale by the Commission.
- The eligible merchant complies with all applicable rules promulgated by the Commission.

For this purpose, the Code defines "eligible merchant" as a person that holds a specially designated merchant license and a Class C, tavern, Class A hotel, Class B hotel, club, Class G-1, or Class G-2 license. Under the bill, the term would mean a person that holds a specially designated distributor license or specially designated merchant license and one of the other licenses listed.

(A specially designated merchant may sell beer and wine at retail for consumption off the premises only. A specially designated distributor may sell packaged spirits and mixed spirit drinks at retail for off-premises consumption only. A Class C licensee may sell beer, wine, mixed spirit drinks, and spirits at retail for on-premises consumption. A tavern licensee may sell beer and wine for on-premises consumption. A Class A hotel licensee may sell beer and wine, and a Class B hotel licensee may sell beer, wine, mixed spirit drink, and spirits, for consumption on the premises and in the rooms of registered guests. A club licensee and a Class G-1 licensee may sell beer, wine, mixed spirit drink, and spirits, and a Class G-2 licensee may sell beer and wine, for on-premises consumption only to members. A club is a nonprofit association. A Class G-1 or G-2 licensee is a golf course facility.

The Code defines "growler" as any clean, refillable, resealable container that is exclusively intended, and used only, for the sale of beer for consumption off the premises and that has a liquid capacity that does not exceed one gallon.)

The bill would take effect 90 days after it was enacted.

MCL 436.1537

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

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

Fiscal Analyst: Josh Sefton

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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.