

HOUSE BILL No. 5025

October 27, 2015, Introduced by Rep. Iden and referred to the Committee on Agriculture.

A bill to amend 1998 PA 58, entitled
 "Michigan liquor control code of 1998,"
 by amending section 303 (MCL 436.1303).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 303. (1) The grape and wine industry council ~~is~~ created
 2 ~~in~~ **UNDER EXECUTIVE REORGANIZATION ORDER NO. 2014-2, MCL 333.26253,**
 3 **IS WITHIN** the department of agriculture **AND RURAL DEVELOPMENT.** ~~The~~
 4 **BEGINNING WITH THE EFFECTIVE DATE OF THE 2015 AMENDATORY ACT THAT**
 5 **AMENDED THIS SECTION, THE** council ~~shall consist~~ **CONSISTS** of all of
 6 the following **14 MEMBERS:**

7 ~~(a) Three wine makers.~~

8 ~~(b) A wine grape grower.~~

9 **(A) (c) The director of consumer and industry services** ~~CHIEF~~
 10 **EXECUTIVE OFFICER OF THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION**
 11 or his or her designee.

1 (B) ~~(d)~~—The director of the department of agriculture **AND**
2 **RURAL DEVELOPMENT** or his or her designee.

3 (C) ~~(e)~~—A staff member of Michigan ~~state university~~ **STATE**
4 **UNIVERSITY** appointed by, and serving at the pleasure of, the dean
5 of the college of agriculture and natural resources of Michigan
6 ~~state university~~. **STATE UNIVERSITY**.

7 (D) ~~(f)~~—The chairperson of the commission or his or her
8 designee, as an ex officio member.

9 **(E) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:**

10 (i) ~~(g)~~ ~~A person~~ **AN INDIVIDUAL** who operates a retail food
11 establishment that holds a specially designated merchant license
12 and sells Michigan wines or ~~a person~~ **AN INDIVIDUAL** who operates a
13 restaurant that holds a class C license and serves Michigan wines.

14 (ii) ~~(h)~~—A beer and wine wholesaler who markets Michigan wine.

15 (iii) ~~(i)~~ ~~Not more than 2 additional~~ **TWO** members appointed as
16 ~~prescribed in subsection (3)~~. **OF THE PUBLIC**.

17 (iv) **THREE WINE MAKERS.**

18 (v) **A WINE GRAPE GROWER.**

19 (vi) **ONE MEMBER REPRESENTING THE MICRO BREW INDUSTRY.**

20 (vii) **ONE MEMBER REPRESENTING THE INTERESTS OF THE AGRICULTURE**
21 **INDUSTRY WHO WORKS WITH MICRO BREWERS.**

22 (2) ~~The members of the council described in subsection (1) (a),~~
23 ~~(b), (g), and (h) shall be appointed by the governor. The council~~
24 ~~members appointed under subsection (1) (g) and (h) shall be~~
25 ~~appointed for 2 year terms beginning on October 1, 1991. Of the~~
26 ~~council members appointed for terms beginning October 1, 1991, 1~~
27 ~~shall be appointed for a 1 year term, and 3 shall be appointed for~~

1 ~~terms of 2 years each. All appointments for terms beginning on or~~
 2 ~~after October 1, 1992 shall be for 2 years each. A member shall~~
 3 ~~continue to serve until a qualified successor has been appointed.~~
 4 **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3), MEMBERS OF THE**
 5 **COUNCIL SHALL SERVE FOR TERMS OF 3 YEARS OR UNTIL A SUCCESSOR IS**
 6 **APPOINTED, WHICHEVER IS LATER.** A member shall not serve more than 2
 7 consecutive terms. A vacancy on the board shall ~~shall~~ **MUST** be filled in
 8 the same manner as the original appointment. The director of the
 9 department of agriculture shall ~~act as~~ **AND RURAL DEVELOPMENT IS THE**
 10 chairperson of the council.

11 ~~(3) The governor may appoint not more than 2 additional~~
 12 ~~members to the council who shall assist the council in performing~~
 13 ~~its duties, but who shall not have the power to vote. The persons~~
 14 ~~appointed under this subsection shall not be members of the~~
 15 ~~classified state civil service, shall serve at the pleasure of the~~
 16 ~~governor, and shall receive salaries and benefits determined and~~
 17 ~~paid by the department of agriculture.~~ **THE FOLLOWING APPLY TO**
 18 **MEMBERS DESCRIBED IN SUBSECTION (1) (E) (i) TO (v) WHO WERE FIRST**
 19 **APPOINTED UNDER EXECUTIVE REORGANIZATION ORDER NO. 2014-2, MCL**
 20 **333.26253:**

21 **(A) THE FOLLOWING MEMBERS SHALL SERVE UNTIL FEBRUARY 1, 2016:**

- 22 **(i) THE MEMBER DESCRIBED IN SUBSECTION (1) (E) (i) .**
 23 **(ii) ONE MEMBER DESCRIBED IN SUBSECTION (1) (E) (iii) .**
 24 **(iii) ONE MEMBER DESCRIBED IN SUBSECTION (1) (E) (iv) .**
 25 **(iv) THE MEMBER DESCRIBED IN SUBSECTION (1) (E) (v) .**

26 **(B) THE FOLLOWING MEMBERS SHALL SERVE UNTIL FEBRUARY 1, 2017:**

- 27 **(i) THE MEMBER DESCRIBED IN SUBSECTION (1) (E) (ii) .**

1 (ii) ONE MEMBER DESCRIBED IN SUBSECTION (1) (E) (iii) .

2 (iii) TWO MEMBERS DESCRIBED IN SUBSECTION (1) (E) (iv) .

3 (4) The council may employ personnel and incur ~~such~~ expenses
4 ~~as~~ **THAT** are necessary to carry out the purposes of the council
5 under this act. ~~All such~~ **THE** expenses ~~shall~~ **MUST** be paid from fees
6 credited to the ~~wine~~ industry council under section 543(2) . A
7 member of the council or an employee or agent of the council ~~shall~~
8 **IS** not ~~be~~ personally liable on the contracts of the council.

9 (5) A nongovernmental member of the council shall receive
10 \$50.00 per day for each day spent in actual attendance at meetings
11 of the council and traveling expenses while on council business in
12 accordance with standard travel regulations of the department of
13 **TECHNOLOGY**, management, and budget.

14 (6) The council shall maintain accurate books and records, and
15 all funds received by the council ~~shall~~ **MUST** be used to implement
16 and enforce this section.

17 (7) The council shall do all of the following:

18 (a) Provide for research on wine grapes and wines, including,
19 but not limited to, methods of planting, growing, controlling
20 insects and diseases, charting microclimates and locations for
21 growing desirable varieties of wine grapes, marketing, processing,
22 distribution, advertising, sales production, and product
23 development.

24 (b) Provide the wine industry, including growers, wineries,
25 distributors, and retailers, with information relative to proper
26 methods of handling and selling wine grapes and wines.

27 (c) Provide for market surveys and analyses for purposes of

1 expanding existing markets and creating new and larger markets for
2 wine grapes and wines.

3 (d) Provide for the promotion of the sale of Michigan wine
4 grapes and wines for the purpose of maintaining or expanding
5 present markets and creating new and larger domestic and foreign
6 markets.

7 (e) Develop and administer financial aid programs to wine
8 grape growers to encourage the increased planting in this state of
9 desirable grape varieties in microclimates determined to provide
10 the best conditions for producing quality wines.

11 (8) The council may promulgate rules ~~pursuant to~~ **UNDER** the
12 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
13 24.328, for the purposes of implementing and enforcing this
14 section. However, ~~a rule~~ **THE COUNCIL** shall not ~~be promulgated~~
15 **PROMULGATE A RULE** that conflicts with a rule promulgated by the
16 commission ~~pursuant to~~ **UNDER** section 215.

17 (9) As used in this section, "council" means the grape and
18 wine industry council created ~~in subsection (1)~~. **UNDER EXECUTIVE**
19 **REORGANIZATION ORDER NO. 2014-2, MCL 333.26253.**