

# HOUSE BILL NO. 5792

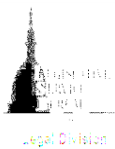
May 20, 2020, Introduced by Reps. LaFave and Markkanen and referred to the Committee on Regulatory Reform.

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~~ **for**  
5 domestic spirits, the distiller, producer, owner of the commodity



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

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

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

14 (5) "Restaurant" means a food service establishment defined  
15 and licensed under the food law, 2000 PA 92, MCL 289.1101 to  
16 289.8111. A restaurant that does not hold a license issued by the  
17 commission under this act shall not manufacture, market, deliver,  
18 or sell alcoholic liquor in this state.

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

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

27 (8) "Sale" includes the exchange, barter, traffic, furnishing,  
28 delivery, or giving away of alcoholic liquor. ~~In the case of~~ **For** a  
29 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-containing an alcoholic content of not more~~  
21 **than 95% by volume. Spirits** includes wine containing an alcoholic  
22 content of more than 21% by volume, except sacramental wine and  
23 mixed spirit drink.

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

27 (18) "Supplier of spirits" means a vendor of spirits, a  
28 manufacturer of spirits, or a primary source of supply.

