

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022**

**Introduced by Senators Runestad, Barrett, Victory, Daley, Bumstead, Horn, Wojno, Irwin,
VanderWall, Schmidt and Bullock**

ENROLLED SENATE BILL No. 656

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 552.

The People of the State of Michigan enact:

Sec. 552. (1) Except as otherwise provided in this section, a licensee shall not allow on the licensed premises a machine that dispenses alcoholic liquor directly to a customer.

(2) Subsection (1) does not apply to a dispensing machine that is located in a bedroom or suite of a hotel of a class A or class B hotel licensee.

(3) Subsection (1) does not apply to a dispensing machine that is located at an on-premises licensed establishment if all of the following conditions are met:

(a) The dispensing machine is located at a customer's table or booth.

(b) The dispensing machine does not dispense more than 96 ounces of beer, wine, or mixed spirit drink in a single order.

(c) The dispensing machine does not dispense spirits.

(d) The customer orders the beer, wine, or mixed spirit drink from a clerk, servant, agent, or employee of the licensee.

(e) The on-premises licensee does not sell, offer to sell, or advertise the sale of an unlimited quantity of beer, wine, or mixed spirit drink from the dispensing machine.

(f) The on-premises licensee or a clerk, servant, agent, or employee of the on-premises licensee monitors the sale, service, and consumption of beer, wine, or mixed spirit drink from the dispensing machine to ensure compliance with this act and the rules promulgated under this act.

(4) Subsection (1) does not apply to a dispensing machine that is located at an on-premises licensed establishment if all of the following conditions are met:

(a) The dispensing machine is not located at a customer's booth or table.

(b) The customer activates the dispensing machine with a secure key card supplied by the on-premises licensee or a clerk, servant, agent, or employee of the on-premises licensee.

(c) The secure key card under subdivision (b) is attached to the customer at all times, either through a necklace or bracelet, or other means of securing the key card to the customer.

(d) For each serving, the dispensing machine does not dispense more than 16 ounces of beer, 12 ounces of wine, or 12 ounces of mixed spirit drink.

(e) The dispensing machine does not dispense more than 32 ounces of any alcoholic liquor before the secure key card under subdivision (b) is reactivated by the on-premises licensee or a clerk, servant, agent, or employee of the on-premises licensee.

(f) The dispensing machine does not dispense spirits.

(g) The on-premises licensee or a clerk, servant, agent, or employee of the on-premises licensee monitors the sale, service, and consumption of beer, wine, or mixed spirit drink from the dispensing machine to ensure compliance with this act and the rules promulgated under this act.

(5) An on-premises licensee or a clerk, servant, agent, or employee of the on-premises licensee that supplies a secure key card under subsection (4)(b) or reactivates a secure key card under subsection (4)(e) shall comply with section 801.

(6) If an on-premises licensee has a dispensing machine described in subsection (4) located at the on-premises licensed establishment, the commission or any commissioner or authorized agent of the commission designated by the chairperson of the commission may assess a penalty of not more than \$2,000.00 on the on-premises licensee for each violation of section 801(1) instead of assessing the penalty under section 903(1) if the on-premises licensee, or clerk, servant, or employee of the on-premises licensee violates section 801(1) regardless of whether the violation is associated with the dispensing machine. If the commission, or any commissioner or authorized agent of the commission designated by the chairperson of the commission assesses a penalty under this subsection, the commission may also suspend or revoke the on-premises licensee's license under section 903(1).

(7) R 436.1045 of the Michigan Administrative Code is rescinded.

(8) As used in this section, "on-premises licensee" means any of the following:

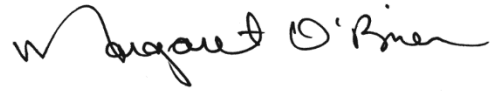
(a) A retailer that holds a license, other than a special license, to sell alcoholic liquor for consumption on the licensed premises.

(b) A manufacturer with an on-premises tasting room permit issued under section 536.

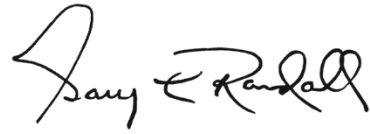
(c) A manufacturer that holds an off-premises tasting room license issued under section 536.

(d) A manufacturer that holds a joint off-premises tasting room license issued under section 536.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor