



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 5175 (Substitute H-1 as reported without amendment)

Sponsor: Representative Tommy Brann

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

**CONTENT**

The bill would amend the Michigan Liquor Control Code to exempt from growler labeling requirements a brewpub, micro brewer, or brewer; and define "eligible merchant" as a person that holds a specially designated merchant (SDM) license (rather than an SDM license plus another type of license).

(A growler is 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 Code permits an eligible merchant to fill and sell growlers with beer for off-premises consumption under certain conditions. These include a requirement that the growler is sealed and has affixed to it a label that includes at least the brand name of the beer, the class of the beer, the net contents of the container, and the name of the retailer filling the growler.

Under the bill, the label requirement would not apply to either of the following:

- A brewpub, where beer manufactured on the premises by a licensee may be sold for consumption on or off the premises by any of the following licensees: class C, tavern, or class A or B hotel, but only as to beer that the brewpub produces.
- A microbrewer or brewer, where beer produced by the microbrewer or brewer may be sold to a consumer for consumption on or off the brewery premises.

Currently, "eligible merchant" means a person that holds a specially designed merchant license and one of the following licenses: a specially designated distributor (SDD), class C, tavern, class A or B hotel, club, or class G-1 or G-2. The bill would define "eligible merchant" as a person that holds an SDM license (which authorizes the sale of beer and wine for off-premises consumption).

MCL 436.1537

Legislative Analyst: Stephen Jackson

**FISCAL IMPACT**

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

Date Completed: 2-1-18

Fiscal Analyst: Josh Sefton