

HOUSE BILL NO. 5400

January 23, 2020, Introduced by Rep. Garza 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 109 (MCL 436.1109), as amended by 2018 PA 409.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 109. (1) "Manufacture" means to distill, rectify,
2 ferment, brew, make, produce, filter, mix, concoct, process, or
3 blend an alcoholic liquor or to complete a portion of 1 or more of
4 these activities. Manufacture does not include bottling or the
5 mixing or other preparation of drinks for serving by those persons



1 authorized under this act to serve alcoholic liquor for consumption
2 on the licensed premises. In addition, manufacture does not include
3 attaching a label to a shiner. All containers or packages of
4 alcoholic liquor must state clearly the name, city, and state of
5 the bottler.

6 (2) "Manufacturer" means a person that manufactures alcoholic
7 liquor, whether located in or out of this state, including, but not
8 limited to, a distiller, a small distiller, a rectifier, a mixed
9 spirit drink manufacturer, a mixed wine drink manufacturer, a wine
10 maker, a small wine maker, a brewer, and a micro brewer.

11 (3) "Manufacturing premises" means the licensed premises of a
12 manufacturer where the manufacturer manufactures alcoholic liquor
13 or, for a small wine maker only, bottles wine.

14 (4) "Master distributor" means a wholesaler that acts in the
15 same or similar capacity as a brewer, wine maker, outstate seller
16 of wine, or outstate seller of beer for a brand or brands of beer
17 or wine to other wholesalers on a regular basis in the normal
18 course of business.

19 (5) "Micro brewer" means a brewer that manufactures in total
20 less than 60,000 barrels of beer per year and that may sell the
21 beer manufactured to consumers at the licensed brewery premises for
22 consumption on or off the licensed brewery premises and to
23 retailers as provided in section ~~203.~~**203a.** In determining the
24 60,000-barrel threshold, all brands and labels of a brewer, whether
25 manufactured in this state or outside this state, must be combined
26 and all facilities for the manufacturing of beer that are owned or
27 controlled by the same person must be treated as a single facility.

28 (6) "Minor" means an individual less than 21 years of age.

29 (7) "Mixed spirit drink" means a drink manufactured and



1 packaged or sold by a mixed spirit drink manufacturer or sold by an
 2 outstate seller of mixed spirit drink to a wholesaler that contains
 3 10% or less alcohol by volume consisting of spirits mixed with
 4 nonalcoholic beverages or flavoring or coloring materials and that
 5 may also contain 1 or more of the following:

- 6 (a) Water.
- 7 (b) Fruit juices.
- 8 (c) Fruit adjuncts.
- 9 (d) Sugar.
- 10 (e) Carbon dioxide.
- 11 (f) Preservatives.

12 (8) "Mixed spirit drink manufacturer" means ~~any~~**a** person
 13 licensed under this act to manufacture mixed spirit drink in this
 14 state and to sell mixed spirit drink at retail in accordance with
 15 section 537 or to a wholesaler. For purposes of rules promulgated
 16 by the commission, a mixed spirit drink manufacturer ~~shall be~~**is**
 17 treated as a wine manufacturer but is subject to the rules
 18 applicable to spirits for manufacturing and labeling.

19 (9) "Mixed wine drink" means a drink or similar product
 20 marketed as a wine cooler that contains less than 7% alcohol by
 21 volume, consists of wine and plain, sparkling, or carbonated water,
 22 and contains any 1 or more of the following:

- 23 (a) Nonalcoholic beverages.
- 24 (b) Flavoring.
- 25 (c) Coloring materials.
- 26 (d) Fruit juices.
- 27 (e) Fruit adjuncts.
- 28 (f) Sugar.
- 29 (g) Carbon dioxide.



1 (h) Preservatives.

2 (10) "Outstate seller of beer" means a person licensed by the
3 commission to sell beer that has not been manufactured in this
4 state to a wholesaler in this state in accordance with rules
5 promulgated by the commission.

6 (11) "Outstate seller of mixed spirit drink" means a person
7 licensed by the commission to sell mixed spirit drink that has not
8 been manufactured in this state to a wholesaler in this state in
9 accordance with rules promulgated by the commission. For purposes
10 of rules promulgated by the commission, an outstate seller of mixed
11 spirit drink ~~shall be~~ **is** treated as an outstate seller of wine but
12 is subject to the rules applicable to spirits for manufacturing and
13 labeling.

14 (12) "Outstate seller of wine" means a person licensed by the
15 commission to sell wine that has not been manufactured in this
16 state to a wholesaler in this state in accordance with rules
17 promulgated by the commission and to sell sacramental wine as
18 provided in section 301.

19 Enacting section 1. This amendatory act does not take effect
20 unless all of the following bills of the 100th Legislature are
21 enacted into law:

- 22 (a) House Bill No. 5341.
- 23 (b) House Bill No. 5342.
- 24 (c) House Bill No. 5343.
- 25 (d) House Bill No. 5344.
- 26 (e) House Bill No. 5345.
- 27 (f) House Bill No. 5346.
- 28 (g) House Bill No. 5347.
- 29 (h) House Bill No. 5348.



- 1 (i) House Bill No. 5349.
- 2 (j) House Bill No. 5350.
- 3 (k) House Bill No. 5351.
- 4 (l) House Bill No. 5352.
- 5 (m) House Bill No. 5353.
- 6 (n) House Bill No. 5354.
- 7 (o) House Bill No. 5355.

