

**SUBSTITUTE FOR
SENATE BILL NO. 1166**

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 111 (MCL 436.1111), as amended by 2010 PA 213.

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 domestic
5 spirits, the distiller, producer, owner of the commodity at the
6 time it becomes a marketable product, or bottler, or the exclusive
7 agent of ~~any such person~~ **THE DISTILLER, PRODUCER, OWNER OF THE**
8 **COMMODITY AT THE TIME IT BECOMES A MARKETABLE PRODUCT, OR BOTTLER,**
9 and, in the case of spirits imported into the United States, either
10 the foreign distiller, producer, owner of the bottler, or the prime

1 importer for, or the exclusive agent in the United States of, the
2 foreign distiller, producer, owner, or the bottler.

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

7 (4) "Residence" means the premises in which a person resides
8 permanently.

9 (5) **"RESTAURANT" MEANS A FOOD SERVICE ESTABLISHMENT DEFINED**
10 **AND LICENSED UNDER THE FOOD LAW, 2000 PA 92, MCL 289.1101 TO**
11 **289.8111. A RESTAURANT THAT DOES NOT HOLD A LICENSE ISSUED BY THE**
12 **COMMISSION UNDER THIS ACT SHALL NOT MANUFACTURE, MARKET, DELIVER,**
13 **OR SELL ALCOHOLIC LIQUOR IN THIS STATE.**

14 (6) ~~(5)~~—"Retailer" means a person licensed by the commission
15 who sells to the consumer in accordance with rules promulgated by
16 the commission. Retailer includes a brewpub but does not include a
17 manufacturer or supplier, as defined in section 603, that is
18 allowed as a condition of its license to sell to consumers in this
19 state.

20 (7) ~~(6)~~—"Sacramental wine" means wine containing not more than
21 24% of alcohol by volume ~~which~~ **THAT** is used for sacramental
22 purposes.

23 (8) ~~(7)~~—"Sale" includes the exchange, barter, traffic,
24 furnishing, **DELIVERY**, or giving away of alcoholic liquor. In the
25 case of a sale in which a shipment or delivery of alcoholic liquor
26 is made by a common or other carrier, the sale of the alcoholic
27 liquor is considered to be made in the county within which the

1 delivery of the alcoholic liquor is made by that carrier to the
2 consignee or his or her agent or employee, and venue for the
3 prosecution for that sale may be in the county or city where the
4 seller resides or from which the shipment is made or at the place
5 of delivery.

6 (9) ~~(8)~~—"School" includes buildings used for school purposes
7 to provide instruction to children in grades kindergarten through
8 12, ~~when~~ **IF** that instruction is provided by a public, private,
9 denominational, or parochial school, except those buildings used
10 primarily for adult education or college extension courses. School
11 does not include a proprietary trade or occupational school.

12 (10) **"SHINER" MEANS AN UNLABELED, SEALED CONTAINER OF WINE,**
13 **INCLUDING A KEG, THAT IS SOLD BY A WINE MAKER, SMALL WINE MAKER, OR**
14 **OUT-OF-STATE ENTITY THAT IS THE SUBSTANTIAL EQUIVALENT OF A WINE**
15 **MAKER OR SMALL WINE MAKER TO ANOTHER WINE MAKER, SMALL WINE MAKER,**
16 **OR OUT-OF-STATE ENTITY THAT IS THE SUBSTANTIAL EQUIVALENT OF A WINE**
17 **MAKER OR SMALL WINE MAKER. THE PURCHASING WINE MAKER OR SMALL WINE**
18 **MAKER MUST ATTACH A LABEL TO THE CONTAINER USING EQUIPMENT OWNED OR**
19 **LEASED BY THE PURCHASING WINE MAKER OR SMALL WINE MAKER, REGISTER**
20 **THE WINE LABEL WITH THE COMMISSION, AND SELL IT AS PROVIDED FOR IN**
21 **THIS ACT.**

22 (11) ~~(9)~~—"Small distiller" means a manufacturer of spirits
23 annually manufacturing in ~~Michigan~~ **THIS STATE** not ~~exceeding~~ **MORE**
24 **THAN** 60,000 gallons of spirits, of all brands combined.

25 (12) ~~(10)~~—"Small wine maker" means a wine maker manufacturing
26 or bottling not more than 50,000 gallons of wine in 1 calendar
27 year. **A SMALL WINE MAKER IS NOT REQUIRED TO BOTTLE WINE IT**

1 **MANUFACTURES.**

2 (13) ~~(11)~~—"Special license" means a contract between the
3 commission and the special licensee granting authority to that
4 licensee to sell beer, wine, mixed spirit drink, or spirits. The
5 license ~~shall~~ **MUST** be granted only to such persons and such
6 organization and for such period of time as the commission ~~shall~~
7 ~~determine so long as~~ **DETERMINES IF** the person or organization is
8 able to demonstrate an existence separate from an affiliated
9 umbrella organization. If such an existence is demonstrated, the
10 commission shall not deny a special license solely by the
11 applicant's affiliation with an organization that is also eligible
12 for a special license.

13 (14) ~~(12)~~—"Specially designated distributor" means, subject to
14 section 534, a person engaged in an established business licensed
15 by the commission to distribute spirits and mixed spirit drink in
16 the original package for the commission for consumption off the
17 premises.

18 (15) ~~(13)~~—"Specially designated merchant" means a person to
19 whom the commission grants a license to sell beer or wine, or both,
20 at retail for consumption off the licensed premises.

21 (16) ~~(14)~~—"Spirits" means a beverage that contains alcohol
22 obtained by distillation, mixed with potable water or other
23 substances, or both, in solution, and includes wine containing an
24 alcoholic content of more than 21% by volume, except sacramental
25 wine and mixed spirit drink.

26 (17) ~~(15)~~—"State liquor store" means a store established by
27 the commission under this act for the sale of spirits in the

1 original package for consumption off the premises.

2 **(18)** ~~(16)~~ "Supplier of spirits" means a vendor of spirits, a
3 manufacturer of spirits, or a primary source of supply.

4 Enacting section 1. This amendatory act does not take effect
5 unless all of the following bills of the 99th Legislature are
6 enacted into law:

7 (a) Senate Bill No. 1154.

8 (b) Senate Bill No. 1164.

9 (c) Senate Bill No. 1165.

10 (d) Senate Bill No. 1160.

11 (e) Senate Bill No. 1159.

12 (f) Senate Bill No. 1155.

13 (g) Senate Bill No. 1161.

14 (h) Senate Bill No. 1156.