

Act No. 24
Public Acts of 2020
Approved by the Governor
February 4, 2020
Filed with the Secretary of State
February 4, 2020
EFFECTIVE DATE: February 4, 2020

**STATE OF MICHIGAN
100TH LEGISLATURE
REGULAR SESSION OF 2020**

Introduced by Reps. Iden, Crawford, Hoitenga, Filler, Webber, Lilly, Sheppard, Liberati,
Cambensy, Hall, Robinson, Hertel and Jones

ENROLLED HOUSE BILL No. 4620

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 1028.

The People of the State of Michigan enact:

Sec. 1028. (1) The commission may issue a special license under this section to a qualified organization conducting a spirits tasting. The application must conform to all of the following:

- (a) The application must be submitted by a qualified organization.
 - (b) The spirits tasting involves an event having for its primary purpose the showcasing of spirits and the spirits’ production and or mixability.
 - (c) The application must be accompanied by a fee of \$25.00 per day of the event described in subdivision (b).
- (2) The holder of a special license issued under this section shall not allow more than 6 events per calendar year conforming to the requirements of subsection (1).
- (3) A holder of a special license issued under this section may purchase the spirits for an event described in subsection (1) under R 436.582 of the Michigan Administrative Code.
- (4) A holder of a special license issued under this section may receive a rebate on the purchase of spirits subject to all of the following:
- (a) The rebate must be the difference of the purchase price the special licensee paid to the specially designated distributor and the sum of the following:
 - (i) The price the commission paid for the spirits before establishing the price to determine the gross profit under section 233.
 - (ii) Fifteen percent of the price under subparagraph (i).
 - (iii) Specific taxes calculated on the price of the spirits established under section 233.

(b) The special licensee shall submit 1 combined request for a rebate by March 1 of each year for all spirit tasting events for which it was issued a special license under this section in the previous calendar year.

(c) The special licensee shall submit its request for a rebate on a form prescribed by the commission. The special licensee shall include all of the following information with its request for a rebate:

(i) The date or dates of the spirits tasting events for which a rebate is being requested.

(ii) The name and license number of the specially designated distributor from which the spirits were purchased.

(iii) The purchase price paid per bottle to the specially designated distributor.

(iv) The quantity of bottles purchased less any bottles returned under section 609d.

(v) The special licensee shall submit a copy of the receipt or invoice that shows the price it paid for the spirits to the specially designated distributor and any products returned under section 609d.

(d) By June of each year, the commission shall issue a combined rebate to the special licensee for each of the events in the previous calendar year for which the special licensee submitted a request for a rebate. The rebate for any 1 event must not exceed \$10,000.00.

(5) A holder of a special license issued under this section and the member vendors of spirits, small distillers, authorized distribution agents, and brokers whose vendor representatives, salespersons, or agents are licensed by the commission, may pour and serve spirits, with or without mixers.

(6) A qualified organization shall designate a supervisor on each shift and during all hours when alcoholic liquor is served who has successfully completed a server training program as described in section 906 and in the rules promulgated by the commission.

(7) As used in this section:

(a) "Qualified organization" is a nonprofit association established for the primary purpose of representing the interests of vendors of spirits, craft distillers, and brokers whose membership includes at least 15 primary members and consists of at least 3 of the following that are licensed by the commission:

(i) Vendors of spirits.

(ii) Small distillers.

(iii) Brokers. As used in this subparagraph, "broker" means that term as defined in section 609.

(iv) Authorized distribution agents.

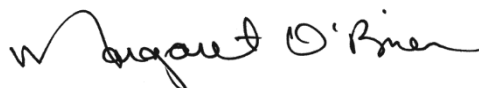
(b) "Spirits tasting" means an event at which spirits are showcased to the general public and at which the general public can purchase and sample the spirits being showcased for consumption on the licensed premises.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 588 of the 100th Legislature is enacted into law.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor

Compiler's note: Senate Bill No. 588, referred to in enacting section 1, was filed with the Secretary of State February 4, 2020, and became 2020 PA 26, Imd. Eff. Feb. 4, 2020.