

HOUSE BILL NO. 5910

August 13, 2024, Introduced by Rep. Tyrone Carter 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 1027 (MCL 436.2027), as amended by 2019 PA 131.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1027. (1) Unless otherwise provided by rule of the
2 commission, a person shall not conduct samplings or tastings of any
3 alcoholic liquor for a commercial purpose except at premises that
4 are licensed by the commission for the sale and consumption of
5 alcoholic liquor on the premises.

6 (2) Notwithstanding section 1025(1) or (2), a retailer

1 licensed by the commission for consumption on the premises may
2 allow customers to sample beer, wine, and spirits if the retailer
3 does not charge for the samples provided to customers. Sample
4 serving sizes must not exceed 3 ounces for beer, 2 ounces for wine,
5 and 1/2 ounce for spirits. A customer must not be provided more
6 than 2 samples within a 24-hour period per licensed premises.

7 (3) This section does not prohibit any of the following:

8 (a) A vendor of spirits, brewer, wine maker, mixed spirit
9 drink manufacturer, small wine maker, outstate seller of beer,
10 outstate seller of wine, or outstate seller of mixed spirit drink,
11 or a bona fide market research organization retained by 1 of the
12 persons named in this subsection, from conducting samplings or
13 tastings of an alcoholic liquor product before it is approved for
14 sale in this state if the sampling or tasting is conducted under
15 prior written approval of the commission.

16 (b) An on-premises licensee from giving a sampling or tasting
17 of alcoholic liquor to an employee of the licensee during the legal
18 hours for consumption for the purpose of educating the employee
19 regarding 1 or more types of alcoholic liquor if the employee is at
20 least 21 years of age.

21 (c) A small distiller licensee from giving a sampling or
22 tasting of brands it manufactures on the licensed premises or an
23 off-site tasting facility operated by that small distiller.

24 (d) A micro brewer, brewpub, or on-premises licensee from
25 allowing the sampling and consumption on the licensed premises of
26 beer, wine, mead, honey-based beer, or cider produced by 1 or more
27 home brewers at a meeting of home brewers, or a club composed
28 primarily of home brewers, under the following circumstances:

29 (i) The sampling or consumption is for the purpose of

1 exhibitions or competitions involving home brewers.

2 (ii) The beer, honey-based beer, or cider is served in portions
3 that do not exceed 3 ounces. The wine or mead is served in portions
4 that do not exceed 2 ounces.

5 (iii) The beer, wine, mead, honey-based beer, or cider produced
6 by the home brewer is only consumed by the home brewer, the home
7 brewer's family, a club member, a judge, or a guest speaker and is
8 not sold to members of the general public.

9 (iv) The participants in the sampling or consumption otherwise
10 comply with applicable state and federal law and applicable
11 regulatory provisions of this act and rules adopted by the
12 commission under this act.

13 (v) The participants in the sampling or consumption are not
14 charged for the sampling or consumption of the beer, wine, mead,
15 honey-based beer, or cider.

16 (4) A vendor of spirits or a manufacturer may conduct a
17 consumer sampling event on the premises of a holder of a specially
18 designated distributor license upon submission of a completed
19 application to the commission.

20 (5) The holder of a consumer sampling event license shall
21 comply with the following:

22 (a) The commission must be notified in writing a minimum of 10
23 working days before the event with the date, time, and location of
24 the event.

25 (b) The consumer sampling event is limited to 3 events per
26 vendor of spirits or manufacturer per specially designated
27 distributor license per month.

28 (c) The vendor of spirits or manufacturer conducting the
29 consumer sampling event must have a licensed representative present

1 at the specially designated distributor's establishment.

2 (d) Licensed representatives or an authorized representative
3 may distribute merchandise, not to exceed \$100.00 in value, to
4 consumers 21 years of age or older during the event.

5 (e) Participating specially designated distributor licensees
6 do not receive any fee or other valuable consideration for
7 participating in the event.

8 (f) Each consumer is limited to 3 samples, which total no more
9 than 1/3 ounce of spirits per serving.

10 (g) The consumer is not charged for and does not purchase any
11 sample.

12 (h) The alcoholic liquor used in the consumer sampling event
13 is provided by the vendor of spirits or manufacturer, and purchased
14 at the minimum retail selling price fixed by the commission from
15 the specially designated distributor on whose premises the event is
16 located. The vendor of spirits or manufacturer shall remove any
17 unfinished product from the premises at which the event is held
18 upon completion of the event.

19 (i) The consumer sampling event is not allowed if the sale of
20 alcoholic liquor is otherwise prohibited on the premises at which
21 the event is conducted.

22 (j) Samples are not offered to, or allowed to be consumed by,
23 any person under the legal age for consuming alcoholic liquor.

24 (k) A consumer sampling event may be advertised in any type of
25 media and the advertisements may include the date, time, location,
26 and other information regarding the event.

27 (l) The participating vendor of spirits or manufacturer and
28 specially designated distributor licensees complies with this act
29 and commission rules.

1 (m) The vendor of spirits or manufacturer demonstrates that
2 the individual actually conducting the sampling has successfully
3 completed the server training program in the manner provided for in
4 section 906 and rules promulgated by the commission.

5 (6) **A holder of a consumer sampling event license may provide**
6 **a complimentary engraving of a bottle of spirits to a consumer at a**
7 **consumer sampling event if both of the following conditions are**
8 **met:**

9 (a) **The consumer purchased the bottle of spirits from the**
10 **specially designated distributor at which the consumer sampling**
11 **event took place.**

12 (b) **The cost of the engraving does not exceed \$100.00.**

13 (7) ~~(6)~~—Violation of this section subjects the vendor of
14 spirits or manufacturer to the sanctions and penalties as provided
15 for under this act.

16 (8) ~~(7)~~—The commission, by rule or issuance of an order, may
17 further define eligibility for licensure and processes for
18 conducting consumer sampling events.

19 (9) ~~(8)~~—A sampling or tasting of any alcoholic liquor in a
20 home or domicile for other than a commercial purpose is not subject
21 to this section.

22 (10) ~~(9)~~—Before a micro brewer, brewpub, or on-premises
23 licensee allows an event to be held under subsection (3)(d), the
24 micro brewer, brewpub, or on-premises licensee shall enter into a
25 written agreement with the home brewers or home brewers club
26 stating all of the following:

27 (a) The date and time the event will be held.

28 (b) The location of the event.

29 (c) Either of the following:

1 (i) A statement that the micro brewer, brewpub, or on-premises
2 licensee acknowledges that it is not in control of an unregulated
3 alcoholic beverage at its establishment and agrees to assume
4 liability under section 801(2) for the event.

5 (ii) Proof that the home brewers or home brewers club has
6 obtained a bond or liability insurance equal to that required under
7 section 803(1).

8 **(11)** ~~(10)~~—As used in this section:

9 (a) "Commercial purpose" means a purpose for which monetary
10 gain or other remuneration could reasonably be expected.

11 (b) "Home brewer" means an individual who manufactures beer,
12 wine, mead, honey-based beer, or cider at ~~his or her~~ **the**
13 **individual's** dwelling.