

HOUSE BILL No. 5516

December 14, 2005, Introduced by Reps. Kolb, Byrnes, Alma Smith, Zelenko, Bieda,
Kathleen Law, Proos and Brown 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 603 (MCL 436.1603).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 603. (1) Except as provided in subsection (6) and section
2 605, a manufacturer, mixed spirit drink manufacturer, warehouse,
3 wholesaler, outstate seller of beer, outstate seller of wine,
4 outstate seller of mixed spirit drink, or vendor of spirits shall
5 not have any financial interest, directly or indirectly, in the
6 establishment, maintenance, operation, or promotion of the business
7 of any other vendor.

8 (2) Except as provided in subsection (6) and section 605, a
9 manufacturer, mixed spirit drink manufacturer, warehouse,

1 wholesaler, outstate seller of beer, outstate seller of wine,
2 outstate seller of mixed spirit drink, or vendor of spirits or a
3 stockholder of a manufacturer, mixed spirit drink manufacturer,
4 warehouser, wholesaler, outstate seller of beer, outstate seller of
5 wine, outstate seller of mixed spirit drink, or vendor of spirits
6 shall not have an interest by ownership in fee, leasehold,
7 mortgage, or otherwise, directly or indirectly, in the
8 establishment, maintenance, operation, or promotion of the business
9 of any other vendor.

10 (3) Except as provided in subsection (6) and section 605, a
11 manufacturer, mixed spirit drink manufacturer, warehouser,
12 wholesaler, outstate seller of beer, outstate seller of wine,
13 outstate seller of mixed spirit drink, or vendor of spirits shall
14 not have an interest directly or indirectly by interlocking
15 directors in a corporation or by interlocking stock ownership in a
16 corporation in the establishment, maintenance, operation, or
17 promotion of the business of any other vendor.

18 (4) Except as provided in subsection (6) and section 605, a
19 person shall not buy the stocks of a manufacturer, mixed spirit
20 drink manufacturer, warehouser, wholesaler, outstate seller of
21 beer, outstate seller of wine, outstate seller of mixed spirit
22 drink, or vendor of spirits and place the stock in any portfolio
23 under an arrangement, written trust agreement, or form of
24 investment trust agreement and issue participating shares based
25 upon the portfolio, trust agreement, or investment trust agreement,
26 and sell the participating shares within this state.

27 (5) The commission may approve a brandy manufacturer to sell

1 brandy made by that brandy manufacturer in a restaurant for
2 consumption on or off the premises if the restaurant is owned by
3 the brandy manufacturer or operated by another person under an
4 agreement approved by the commission and is located on the premises
5 where the brandy manufacturer is licensed. Brandy sold for
6 consumption off the premises under this subsection shall be sold at
7 the uniform price established by the commission.

8 (6) A brewpub may have an interest in ~~up~~ **EITHER OF THE**
9 **FOLLOWING:**

10 (A) **UP** to 2 other brewpubs so long as the combined production
11 of all the locations in which the brewpub has an interest does not
12 exceed 5,000 barrels of beer per calendar year.

13 (B) **A MICRO BREWER SO LONG AS THE COMBINED PRODUCTION OF BOTH**
14 **THE MICRO BREWER AND THE BREWPUB IS LESS THAN 30,000 BARRELS OF**
15 **BEER PER CALENDAR YEAR.**