

# SENATE BILL No. 498

May 10, 2007, Introduced by Senators BIRKHOLZ, VAN WOERKOM, GILBERT, JELINEK and McMANUS and referred to the Committee on Agriculture.

A bill to amend 1998 PA 58, entitled  
"Michigan liquor control code of 1998,"  
by amending section 303 (MCL 436.1303).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 303. (1) The grape and wine industry council is created  
2       in the department of agriculture. The council shall consist of all  
3       of the following:

4           (a) Three wine makers.

5           (b) A wine grape grower.

6           (c) The director of ~~consumer and industry services~~ **LABOR AND**  
7       **ECONOMIC GROWTH** or his or her designee.

8           (d) The director of the department of agriculture or his or  
9       her designee.

(e) A staff member of Michigan state university appointed by, and serving at the pleasure of, the dean of the college of agriculture and natural resources of Michigan state university.

(f) The chairperson of the commission or his or her designee, as an ex officio member.

(g) A person who operates a retail food establishment that holds a specially designated merchant license and sells Michigan wines or a person who operates a restaurant that holds a class C license and serves Michigan wines.

(h) A beer and wine wholesaler who markets Michigan wine.

(i) Not more than 2 additional members appointed as prescribed in subsection (3).

(2) ~~The~~ **BEGINNING THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT AMENDED THIS SECTION, THE** members of the council described in subsection (1)(a), (b), (g), and (h) shall be appointed by the governor. ~~The council members appointed under subsection (1)(g) and (h) shall be appointed for 2-year terms beginning on October 1, 1991. Of the council members appointed for terms beginning October 1, 1991, 1 shall be appointed for a 1-year term, and 3 shall be appointed for terms of 2 years each.~~ **DIRECTOR OF THE DEPARTMENT OF AGRICULTURE.** All appointments ~~for terms beginning on or after October 1, 1992 shall be for 2 years each~~ **2-YEAR TERMS.** A member shall continue to serve until a qualified successor has been appointed. A member shall not serve more than 2 consecutive terms. A vacancy on the board shall be filled in the same manner as the original appointment. The director of the department of agriculture shall act as chairperson of the council. **THE APPOINTMENTS UNDER**

1 THIS SUBSECTION ARE SUBJECT TO THE APPROVAL OF THE COMMISSION OF  
2 AGRICULTURE.

3 (3) The ~~governor~~DIRECTOR OF THE DEPARTMENT OF AGRICULTURE may  
4 appoint not more than 2 additional members to the council who shall  
5 assist the council in performing its duties, but who shall not have  
6 the power to vote. The persons appointed under this subsection  
7 shall not be members of the classified state civil service, shall  
8 serve at the pleasure of the ~~governor~~DIRECTOR, and shall receive  
9 salaries and benefits determined and paid by the department of  
10 agriculture.

11 (4) The council may employ personnel and incur such expenses  
12 as are necessary to carry out the purposes of the council under  
13 this act. All such expenses shall be paid from fees credited to the  
14 wine industry council under section 543(2). A member of the council  
15 or an employee or agent of the council shall not be personally  
16 liable on the contracts of the council.

17 (5) A nongovernmental member of the council shall receive  
18 \$50.00 per day for each day spent in actual attendance at meetings  
19 of the council and traveling expenses while on council business in  
20 accordance with standard travel regulations of the department of  
21 management and budget.

22 (6) The council shall maintain accurate books and records, and  
23 all funds received by the council shall be used to implement and  
24 enforce this section.

25 (7) The council shall do all of the following:

26 (a) Provide for research on wine grapes and wines, including,  
27 but not limited to, methods of planting, growing, controlling

1 insects and diseases, charting microclimates and locations for  
2 growing desirable varieties of wine grapes, marketing, processing,  
3 distribution, advertising, sales production, and product  
4 development.

5 (b) Provide the wine industry, including growers, wineries,  
6 distributors, and retailers, with information relative to proper  
7 methods of handling and selling wine grapes and wines.

8 (c) Provide for market surveys and analyses for purposes of  
9 expanding existing markets and creating new and larger markets for  
10 wine grapes and wines.

11 (d) Provide for the promotion of the sale of Michigan wine  
12 grapes and wines for the purpose of maintaining or expanding  
13 present markets and creating new and larger domestic and foreign  
14 markets.

15 (e) Develop and administer financial aid programs to wine  
16 grape growers to encourage the increased planting in this state of  
17 desirable grape varieties in microclimates determined to provide  
18 the best conditions for producing quality wines.

19 (8) The council may promulgate rules pursuant to the  
20 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
21 24.328, for the purposes of implementing and enforcing this  
22 section. However, a rule shall not be promulgated that conflicts  
23 with a rule promulgated by the commission pursuant to section 215.

24 (9) As used in this section, "council" means the grape and  
25 wine industry council created in subsection (1).