

HOUSE BILL No. 4061

January 13, 2011, Introduced by Rep. Geiss 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 2010 PA 213.

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)~~ 1025, a retailer licensed
7 by the commission for consumption on the premises may allow
8 customers to sample beer, wine, and distilled spirits so long as

1 the retailer does not charge for the samples provided to customers.
2 Sample serving sizes shall not exceed 3 ounces for beer, 2 ounces
3 for wine, and 1/2 ounce for distilled spirits. A customer shall not
4 be provided more than 2 samples within a 24-hour period per
5 licensed premises.

6 (3) This section does not ~~prevent either~~ **PROHIBIT ANY** of the
7 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 pursuant
15 to 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 so long as the
20 employee is at 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 OR BREW PUB FROM ALLOWING THE SAMPLING AND**
25 **CONSUMPTION ON THE LICENSED PREMISE OF BEER PRODUCED BY 1 OR MORE**
26 **HOME BREWERS AT A MEETING OF HOME BREWERS, OR A CLUB COMPOSED**
27 **PRIMARILY OF HOME BREWERS, UNDER THE FOLLOWING CIRCUMSTANCES:**

1 (i) THE SAMPLING OR CONSUMPTION IS FOR THE PURPOSE OF
2 EXHIBITIONS OR COMPETITIONS INVOLVING HOME BREWERS.

3 (ii) THE BEER IS SERVED IN PORTIONS NOT TO EXCEED 6 OUNCES.

4 (iii) NO SALE OF BEER IS MADE TO MEMBERS OF THE GENERAL PUBLIC.

5 (iv) THE PARTICIPANTS OTHERWISE COMPLY WITH APPLICABLE STATE
6 AND FEDERAL LAW AND APPLICABLE REGULATORY PROVISIONS OF THIS ACT
7 AND RULES ADOPTED BY THE COMMISSION UNDER THIS ACT.

8 (4) A vendor of spirits or a manufacturer may conduct a
9 consumer sampling event on the premises of a holder of a specially
10 designated distributor license upon submission of a completed
11 application to the commission.

12 (5) The holder of the consumer sampling event license shall
13 comply with the following:

14 (a) The commission must be notified in writing a minimum of 10
15 working days prior to the event with the date, time, and location
16 of the event.

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

20 (c) The vendor of spirits or manufacturer conducting the
21 consumer sampling event must have a licensed representative present
22 at the specially designated distributor's establishment.

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

26 (e) Participating specially designated distributor licensees
27 do not receive any fee or other valuable consideration for

1 participating in the event.

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

4 (g) The consumer is not charged for and does not purchase any
5 sample.

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

13 (i) A consumer sampling event shall not be allowed when the
14 sale of alcoholic liquor is otherwise prohibited on the premises at
15 which the event is conducted.

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

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

22 (l) The participating vendor of spirits or manufacturer and
23 specially designated distributor licensees must comply with this
24 act and commission rules.

25 (m) The vendor of spirits or manufacturer must demonstrate
26 that the individual actually conducting the sampling has
27 successfully completed the server training program in the manner

1 provided for in section 906 and rules promulgated by the
2 commission.

3 (6) Violation of this section subjects the vendor of spirits
4 or manufacturer to the sanctions and penalties as provided for
5 under this act.

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

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

12 (9) ~~For purposes of~~ **AS USED IN** this section: ~~"commercial~~

13 **(A) "COMMERCIAL** purpose" means a purpose for which monetary
14 gain or other remuneration could reasonably be expected.

15 **(B) "HOME BREWER" MEANS A PERSON MANUFACTURING BEER AT HIS OR**
16 **HER HOME OR FARM, IF THE BEER IS TO BE CONSUMED, FREE OF**
17 **CONSIDERATION TO THOSE PERSONS CONSUMING THE BEER, IN THE MANNER**
18 **PROVIDED FOR IN SUBSECTION (3) (D), BY THAT PERSON, OR BY THAT**
19 **PERSON'S FAMILY AND GUESTS.**