

**SUBSTITUTE FOR
SENATE BILL NO. 1155**

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
(MCL 436.1101 to 436.2303) by adding section 204a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 204A. (1) A MANUFACTURER SHALL NOT SELL OR TRANSFER**
2 **ALCOHOLIC LIQUOR TO A LICENSED MANUFACTURER IN THIS STATE EXCEPT AS**
3 **PROVIDED IN SUBSECTIONS (2) AND (3).**

4 **(2) NOTWITHSTANDING ANY PROVISION IN THIS ACT TO THE CONTRARY,**
5 **A MANUFACTURER MAY SELL OR TRANSFER WINE OR SPIRITS TO A LICENSED**
6 **MANUFACTURER, AND A LICENSED MANUFACTURER MAY PURCHASE OR RECEIVE**
7 **WINE OR SPIRITS, UNDER ANY OF THE FOLLOWING CONDITIONS:**

8 **(A) FOR A SALE OR TRANSFER OF WINE:**

9 **(i) THE SELLING OR TRANSFERRING MANUFACTURER IS A WINE MAKER,**
10 **SMALL WINE MAKER, OR OUT-OF-STATE ENTITY THAT IS THE SUBSTANTIAL**

1 EQUIVALENT OF A WINE MAKER OR SMALL WINE MAKER AND IS SELLING OR
2 TRANSFERRING THE WINE TO A WINE MAKER, SMALL WINE MAKER, OR OUT-OF-
3 STATE ENTITY THAT IS THE SUBSTANTIAL EQUIVALENT OF A WINE MAKER OR
4 SMALL WINE MAKER.

5 (ii) THE PURCHASING OR RECEIVING WINE MAKER OR SMALL WINE
6 MAKER MANUFACTURES WINE AT ITS LICENSED PREMISES OR THE PURCHASING
7 OR RECEIVING SMALL WINE MAKER BOTTLES WINE AT ITS LICENSED
8 PREMISES.

9 (B) FOR A SALE OR TRANSFER OF SPIRITS:

10 (i) THE SELLING OR TRANSFERRING MANUFACTURER IS A DISTILLER,
11 SMALL DISTILLER, OR OUT-OF-STATE ENTITY THAT IS THE SUBSTANTIAL
12 EQUIVALENT OF A DISTILLER OR SMALL DISTILLER AND IS SELLING OR
13 TRANSFERRING THE SPIRITS TO A DISTILLER, SMALL DISTILLER, OR OUT-
14 OF-STATE ENTITY THAT IS THE SUBSTANTIAL EQUIVALENT OF A DISTILLER
15 OR SMALL DISTILLER.

16 (ii) THE PURCHASING OR RECEIVING DISTILLER OR SMALL DISTILLER
17 MANUFACTURES SPIRITS AT THEIR LICENSED PREMISES.

18 (3) A WINE MAKER, SMALL WINE MAKER, DISTILLER, OR SMALL
19 DISTILLER MAY NOT SELL ALCOHOLIC LIQUOR PURCHASED OR RECEIVED UNDER
20 THIS SECTION UNLESS 1 OF THE FOLLOWING CONDITIONS IS MET:

21 (A) THE PURCHASING OR RECEIVING MANUFACTURER MODIFIES THE
22 PURCHASED OR RECEIVED ALCOHOLIC LIQUOR BY PERFORMING A PORTION OF
23 THE MANUFACTURING PROCESS AS DESCRIBED IN SECTION 109(1).

24 (B) THE PURCHASING OR RECEIVING SMALL WINE MAKER BOTTLES THE
25 PURCHASED OR RECEIVED WINE.

26 (C) THE PURCHASING OR RECEIVING WINE MAKER OR SMALL WINE MAKER
27 IS SELLING A SHINER ON WHICH THE WINE MAKER OR SMALL WINE MAKER HAS

1 PLACED A LABEL UNDER SECTION 111(10).

2 (4) THIS SECTION DOES NOT PREVENT A MANUFACTURER FROM SELLING,
3 PURCHASING, OR RECEIVING NONALCOHOLIC INGREDIENTS TO OR FROM
4 ANOTHER MANUFACTURER.

5 Enacting section 1. This amendatory act does not take effect
6 unless all of the following bills of the 99th Legislature are
7 enacted into law:

8 (a) Senate Bill No. 1154.

9 (b) Senate Bill No. 1156.

10 (c) Senate Bill No. 1159.

11 (d) Senate Bill No. 1160.

12 (e) Senate Bill No. 1161.

13 (f) Senate Bill No. 1164.

14 (g) Senate Bill No. 1165.

15 (h) Senate Bill No. 1166.