

**SUBSTITUTE FOR
SENATE BILL NO. 513**

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 105 (MCL 436.1105), as amended by 2025 PA 9,
and by adding section 604.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 105. (1) "Alcohol" means the product of distillation of
2 fermented liquid, whether or not rectified or diluted with water,
3 but does not mean ethyl or industrial alcohol, diluted or not, that
4 has been denatured or otherwise rendered unfit for beverage
5 purposes.

6 (2) "Alcohol vapor device" means any device that provides for
7 the use of air or oxygen bubbled through alcoholic liquor to
8 produce a vapor or mist that allows the user to inhale this

1 alcoholic vapor through the mouth or nose.

2 (3) "Alcoholic liquor" means any spirituous, vinous, malt, or
3 fermented liquor, powder, liquids, and compounds, whether or not
4 medicated, proprietary, or patented, and by whatever name called,
5 containing 1/2 of 1% or more of alcohol by volume that are fit for
6 use for food purposes or beverage purposes as defined and
7 classified by the commission according to alcoholic content as
8 belonging to 1 of the varieties defined in this chapter.

9 (4) "Alternating proprietorship" means 1 of the following:

10 (a) An arrangement in which 2 or more wine makers or small
11 wine makers take turns using the same space and equipment to
12 manufacture wine under section 603(9)(a) and in accordance with 27
13 CFR 24.136.

14 (b) An arrangement in which 2 or more brewers or micro brewers
15 take turns using the same space and equipment to manufacture beer
16 under section 603(9)(b) and in accordance with 27 CFR 25.52.

17 (c) An arrangement in which 2 or more distillers or small
18 distillers take turns using the same space and equipment to
19 manufacture spirits under section 603(9)(c) and in accordance with
20 27 CFR 19.141.

21 (d) An arrangement in which 2 or more mixed spirit **drink**
22 manufacturers take turns using the same space and equipment to
23 manufacture mixed spirit ~~drinks~~**drink** under section 603(9)(d) and
24 in accordance with 27 CFR 19.141.

25 (5) "Approved tasting room" means a tasting room that is
26 approved by the commission. A licensee with an approved tasting
27 room is not a retail licensee as that term is used in this act and
28 the rules promulgated under this act except for sections 701, 801,
29 803, 815, 905, and 906.

(6) "Authorized distribution agent" means a person approved by the commission to do 1 or more of the following:

(a) To store spirits owned by a supplier of spirits or the commission.

(b) To deliver spirits sold by the commission to retail licensees.

(c) To perform any function needed to store spirits owned by a supplier of spirits or by the commission or to deliver spirits sold by the commission to retail licensees.

(7) "Bar" means a barrier or counter at which alcoholic liquor is sold to, served to, or consumed by customers.

(8) "Beer" means ~~a beverage~~ **either of the following:**

(a) A beverage obtained by alcoholic fermentation of an infusion or decoction of barley, malt, hops, sugar, or other cereal in potable water **that contains at least 0.5% of alcohol by volume.**

(b) A beverage obtained by alcoholic fermentation of an infusion or decoction of barley, malt, hops, or other cereal in potable water that contains less than 0.5% of alcohol by volume, including a beverage that contains 0.0% of alcohol by volume.

(9) "Bottle" or "bottling" means a process, separate from manufacturing, using owned or leased equipment to fill and seal a container, including a keg, with alcoholic liquor for sale at wholesale or retail in accordance with this act. Bottle or bottling does not include filling a growler for sale at retail.

(10) "Brand" means any word, ~~name,~~ **group of words, letter,** group of letters, symbol, ~~trademark,~~ **group of symbols,** or combination ~~, or of~~ any word, name, group of letters, symbol, **or** trademark adopted and used by a supplier, to **name,** identify, **or trademark** a specific beer, malt beverage, wine, mixed wine drink,

1 or mixed spirit drink product. ~~and to distinguish that product from~~
2 ~~another beer, malt beverage, wine, mixed wine drink, or mixed~~
3 ~~spirit drink product that is produced or marketed by that or~~
4 ~~another supplier. As used in this subsection, "supplier" means a~~
5 ~~brewer, micro brewer, an outstate seller of beer, a wine maker, a~~
6 ~~small wine maker, an outstate seller of wine, a manufacturer of~~
7 ~~mixed wine drink, an outstate seller of a mixed wine drink, a mixed~~
8 ~~spirit drink manufacturer, or an outstate seller of mixed spirit~~
9 ~~drink.~~ **A supplier's legal name, assumed name, or trade name, or any**
10 **doing-business-as name used by the supplier is considered a brand**
11 **name, identifier, or trademark if it is used in a manner that is**
12 **prominently featured on the container or packaging of the beer,**
13 **wine, mixed wine drink, or mixed spirit drink to market the product**
14 **and to identify the product, except under either of the following**
15 **circumstances:**

16 (a) The use of the legal name, assumed name, trade name, or
17 doing-business-as name is not considered a brand name, identifier,
18 or trademark if it is not prominently featured on the container or
19 packaging of the beer, wine, mixed wine drink, or mixed spirit
20 drink.

21 (b) The use of the legal name, assumed name, trade name, or
22 doing-business-as name is not considered a brand name, identifier,
23 or trademark if it is used solely for any of the following
24 purposes:

25 (i) Identifying the supplier that manufactured the beer, wine,
26 mixed wine drink, or mixed spirit drink.

27 (ii) Identifying the supplier that has bottled the beer, wine,
28 mixed wine drink, or mixed spirit drink.

29 (iii) Identifying the supplier that has imported the beer, wine,

1 **mixed wine drink, or mixed spirit drink.**

2 (11) "Brand extension" means any ~~brand that incorporates all~~
 3 ~~or a substantial part of the unique features of a preexisting~~
 4 ~~brand, regardless of whether the extension is beer, wine, mixed~~
 5 ~~wine drink, or mixed spirit drink.~~ **beer, wine, mixed wine drink, or**
 6 **mixed spirit drink brand that is marketed, in any manner, using the**
 7 **same name, identifier, or trademark associated with a brand that**
 8 **has preceded it in being sold or offered for sale in this state, or**
 9 **a derivative or portion of the name, identifier, or trademark, and**
 10 **that would lead a reasonable person to recognize its relationship**
 11 **to an existing brand, regardless of any of the following:**

12 (a) The addition of words or letters in a word.

13 (b) The addition of a name, identifier, or trademark.

14 (c) The addition of a symbol.

15 (d) Any differences in the packaging, formulation, or
 16 production of the beer, wine, mixed wine drink, or mixed spirit
 17 drink or the shape, size, or type of container in which the beer,
 18 wine, mixed wine drink, or mixed spirit drink is sold.

19 (e) Changes in the alcohol category used in the brand
 20 extension. As used in this subdivision only, "alcohol category"
 21 means a beer category, a wine category, a mixed wine drink
 22 category, or a mixed spirit drink category.

23 (f) The manufacturer, importer, or licensed outstate seller of
 24 the brand extension being different from the manufacturer,
 25 importer, or licensed outstate seller of the underlying brand the
 26 extension is based on.

27 (12) "Brandy" means an alcoholic liquor as defined in former
 28 27 CFR ~~5.22(d)~~. **5.145.**

29 (13) "Brandy manufacturer" means a wine maker or a small wine

1 maker licensed under this act to manufacture brandy. A wine maker
2 or small wine maker authorized to manufacture brandy shall not
3 manufacture any other spirits. The commission may approve a brandy
4 manufacturer to sell brandy that it manufactures at retail in
5 accordance with section 537.

6 (14) "Brewer" means a person located in this state that is
7 licensed to manufacture beer and sell at retail in accordance with
8 section 537 and to licensed wholesalers beer manufactured by the
9 person.

10 (15) "Brewpub" means a license issued in conjunction with a
11 class C, tavern, class A hotel, or class B hotel license that
12 authorizes the person licensed with the class C, tavern, class A
13 hotel, or class B hotel license to manufacture and brew not more
14 than 18,000 barrels of beer per calendar year in this state and
15 sell at its licensed premises the beer produced for consumption on
16 or off the licensed brewery premises in the manner provided for in
17 sections 405, 407, and 537.

18 (16) **As used in subsection (10), "supplier" means a brewer, a**
19 **micro brewer, an outstate seller of beer, a wine maker, a small**
20 **wine maker, an outstate seller of wine, a manufacturer of a mixed**
21 **wine drink, an outstate seller of a mixed wine drink, a mixed**
22 **spirit drink manufacturer, and an outstate seller of a mixed spirit**
23 **drink.**

24 (17) **With regard to subsections (10) and (11), distribution**
25 **rights in effect on the effective date of the amendatory act that**
26 **added this subsection are preserved. However, this subsection does**
27 **not limit application of subsection (11) to a beer, wine, mixed**
28 **wine drink, or mixed spirit drink that would be considered a brand**
29 **extension after the effective date of the amendatory act that added**

1 this subsection that is based on a brand that was in existence
2 before the effective date of the amendatory act that added this
3 subsection.

4 Sec. 604. A supplier that registers a multibranded product
5 with the commission shall appoint the wholesaler or wholesalers
6 that have rights to the supplier's underlying brand. As used in
7 this section, "multibranded product" means any beer, wine, mixed
8 wine drink, or mixed spirit drink that includes 2 or more brands of
9 different suppliers.

10 Enacting section 1. This amendatory act does not take effect
11 unless Senate Bill No. 512 of the 103rd Legislature is enacted into
12 law.