

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof under MCL 436.1201(2).

The Commission finds sufficient reasons to reverse its denial issued in this matter and approve the applicant's request for the reasons stated on the record.

THEREFORE, IT IS ORDERED that:

A. The denial order of October 31, 2012 issued in this matter is reversed and the applicant's request for a new Micro Brewer License is APPROVED, subject to the following:

1. The licensee shall submit to the Commission a Federal Basic Permit issued by the Alcohol, Tobacco, Tax & Trade Bureau (TTB) under administrative rule R 436.1609(1).
2. The licensee shall submit to a final inspection to be conducted by the Commission's Enforcement Division to determine that all fixtures and equipment have been installed; to determine the true cost and method of financing; and to determine that the licensed premises meets all requirements of the Michigan Liquor Control Code and Administrative Rules.
3. The licensee shall submit to the Commission a Federal Brewer's Notice.
4. The licensee shall submit proof of financial responsibility providing security for liability as required under MCL 436.1803. Failure to maintain proof of financial responsibility providing security for liability will result in the immediate suspension of the subject licenses and permit until the licensee provides the Commission with proof of financial responsibility as required under MCL 436.1803.
5. The licensee shall provide documentary proof to the Commission to demonstrate that, at a minimum, supervisory personnel on each shift and during all hours in which alcoholic liquor is served have

successfully completed a server training program approved by the Commission as required under MCL 436.1501(1), within 180 days from the issuance of the licenses and permit, as provided in administrative rule R 436.1060.

- a. The licensee shall maintain active certification of completion for server training on the licensed premises at all times as provided in administrative rule R 436.1060.
 - b. Failure to provide this documentary proof to the Commission within 180 days of the issuance of the licenses and permit shall result in the licensee being charged with failure to comply with this order, under administrative rule R 436.1029, which may result in fines, suspension and/or revocation of the licenses and permit.
6. The licensee shall pay all license fees by April 30th each year.
 7. The licensee is allowed to produce no more than 30,000 barrels of beer per year and may sell that beer to consumers for consumption on or off the licensed premises under MCL 436.1109(3).
 8. A brewer whose tax liability for the preceding calendar year has averaged less than \$50,000.00 per month shall submit to the Commission by the fifteenth of each month, a beer tax report of all beer sold in this state during the previous calendar month, along with the required beer excise tax due as required under MCL 436.1409 and administrative rule R 436.1621(1).
 9. A brewer whose tax liability for the preceding calendar year has averaged \$50,000.00 or more per month shall submit to the Commission tax reports each month. One beer tax report must be submitted no later than the last day of each month reflecting an estimate or actual report of all beer sold in this state during the first fifteen (15) days of that month, along with the required beer excise tax due. A second beer tax report shall be submitted by the fifteenth day of each month for all beer sold in this state during the preceding calendar month along with the required beer excise tax, less the

amount of beer excise tax previously paid for that month, as required under administrative rule R 436.1621(2).

10. The licensee must label all beer products in accordance with the federal beer regulations published in 27 C.F.R. prior to the sale in Michigan under administrative rule R 436.1611.
11. The license shall receive a registration number of approval from the Commission prior to the sale of any beer products in Michigan under administrative rule R 436.1611(c).
12. The licensee shall collect a container deposit of a minimum of \$30.00 for all refillable containers of beer with a capacity over five (5) gallons. A cash refund equal to the deposit collected for all refillable containers over five (5) gallons shall be made to a licensee who has made the deposit and returned the containers for refund under administrative rule R 436.1629.

B. The applicant's request for a new Small Wine Maker license is APPROVED, subject to the following:

1. The licensee shall submit to the Commission a Federal Basic Permit issued by the Alcohol, Tobacco, Tax & Trade Bureau (TTB) under administrative rule R 436.1708(1).
2. The licensee is allowed to produce not more than 50,000 gallons of wine in one (1) calendar year; may provide samples to consumers at the licensed premises of the wine they manufacture; and also sell that wine for consumption off the licensed premises as defined under MCL 436.1113(9) and MCL 436.1537.
3. The licensee shall file a report of operations with the Commission no later than the fifteenth day of each month reporting the preceding month's activity. A copy of each invoice shall accompany the report along with payment of the wine excise tax as required under MCL 436.1301 and administrative rule R 436.1725(1).
4. The licensee shall label all wine products in accordance with the federal wine regulations published in 27 C.F.R. prior to the sale in Michigan under administrative rule R 436.1719.

5. All wine products shall receive a registration number of approval from the Commission prior to the sale in Michigan under administrative rule R 436.1719.
6. The licensee shall file a schedule of the net cash prices to retail licensees for all sales of wine before January 1, April 1, July 1, and October 1 of each year under administrative rule R 436.1726 (1).

C. The applicant's request for new Beer and Wine Sampling Permit is APPROVED, subject to the following:

1. No charges for the tasting of the beer and wine are allowed under MCL 436.1537(5)(a).
2. The tasting samples provided to a customer shall not exceed three (3) servings at up to three (3) ounces per serving of beer or three (3) servings at up to two (2) ounces of wine under MCL 436.1537(5)(b).
3. A customer shall not be provided with more than a total of three (3) samples of beer or wine within a 24-hour period per licensed premises under MCL 436.1537(5)(b).
4. The licensee shall notify the Commission, in writing, a minimum of ten (10) working days prior to the event, regarding the date, time, and location of the event MCL 436.1537(5)(d).
5. Under MCL 436.1537(6), during the time the permitted beer or wine tasting is conducted, the applicant-permit holder, or its agent or employee who has successfully completed a server training program as provided for in MCL 436.1906, shall devote full time to the beer and wine tasting activity and shall perform no other duties including the sale of alcoholic liquor for consumption off the licensed premises.
6. The Permit holder shall prohibit a wholesaler from conducting or participating in the beer and wine tastings under MCL 436.1537(7).
7. A permitted beer and wine tasting shall be conducted during the legal hours for sale of alcoholic liquor by the licensee under MCL 436.1537(8).

D. Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as

determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of the licenses and permit by the Michigan Liquor Control Commission does not waive any of these requirements.

E. Failure to comply with all requirements of licensure in the State of Michigan will result in the licensee being charged with a violation of the Michigan Liquor Control Code, MLCC Administrative Rules, and Commission order, which may result in fines, suspension, and/or revocation of the licenses and permit.

MICHIGAN LIQUOR CONTROL COMMISSION

Andrew J. Deloney, Chairman

Teri L. Quimby, Commissioner

Dennis Olshove, Commissioner

Prepared by:
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Date Mailed: _____