

**MINUTES OF THE COMMITTEE  
ON  
REGULATORY REFORM**

Tuesday, March 4, 2014                      9:00 a.m.                      Room 521 House Office Building

The House Standing Committee on Regulatory Reform was called to order by the Chair.

Members present: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.

Members absent/excused: Rep. Stanley.

The Chair laid SB 504, SB 505, SB 506, SB 507, SB 650 and SB 329 before the committee:

- |        |               |  |
|--------|---------------|--|
| SB 504 | (Hune)        | Liquor; other; administration of the liquor control code; clarify.   |
| SB 505 | (Hune)        | Liquor; other; prohibition of aiding or assisting other vendors; modify.   |
| SB 506 | (Hune)        | Liquor; tax; collection and payment of the beer tax; clarify.  |
| SB 507 | (Hune)        | Liquor; tax; method for collection and payment of wine and mixed spirit drink tax; provide for.  |
| SB 650 | (Hune)        | Liquor; distribution; distribution of beer produced by certain micro brewers to a retailer; allow.   |
| SB 329 | (Hildenbrand) | Liquor; other; provision regarding the acquisition, sale, development, or operation of real property to another vendor by a brewer; expand to include wine maker, distiller, or brandy manufacturer and limit the number of real properties. |

Senator Hune testified in support of his bills.

Representative Stamas and Representative Walsh testified in support of SB 505.

The following people submitted a card with a neutral position on SB 505, but did not wish to speak.

Andy Doerr, representing Miller Coors.

Justin Winslow, representing the Michigan Restaurant Association.

Shelly Stahl, representing Anheuser Busch.

Brittany Mackey, representing the Michigan Licensed Beverage Association.

Scott Ellis, representing the Michigan Licensed Beverage Association.

Bill Kalin, President of Michigan Spirits Association.

Andy Deloney, Chairman of the Michigan Liquor Control Commission, submitted a card with a neutral position on SB 504, SB 506, SB 507, SB 650, and SB 329.

Scott Newman Bale, representing Short's Brewing Company, submitted a card in support of all the bills, but did not wish to speak.

Mike Tobias, representing the Michigan Alcohol Policy Promoting Health and Safety, submitted a card in support of SB 504 and SB 505, and one in opposition to SB 329, but did not wish to speak.

Mike Lashbrook, representing the Michigan Beer and Wine Wholesalers, submitted a card in support of HB 504, SB 506, SB 507, and SB 650, and one with a neutral position on SB 505 and SB 329, but did not wish to speak.

Heather Glazer, representing the Association of Food and Petroleum Dealers, submitted a card in support of SB 504, but did not wish to speak.

Andy Deloney, Chairman of the Michigan Liquor Control Commission, testified with a neutral position on SB 505. Questions and discussion followed.

Representative McBroom moved to adopt substitute (H-4) to SB 505. The motion prevailed 13-0-0.

#### FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: None.

Representative McBroom offered the following amendment to SB 505 (H-4):

1. Amend page 6, line 6, after "**VOTING**" by striking out "**STOCK**" and inserting "**INTEREST**".

Representative McBroom moved to adopt the amendment to SB 505 (H-4). The motion prevailed 12-0-1.

#### FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: Rep. McMillin.

Representative McBroom moved to report SB 505 with recommendation, as amended, as substitute (H-6). The motion prevailed 12-0-1.

#### FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: Rep. McMillin.

Representative McBroom moved to adopt substitute (H-1) to SB 506. The motion prevailed 13-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: None.

Representative McBroom offered the following amendments to SB 506 (H-1):

1. Amend page 2, line 13, after "ITS" by striking out "ANNUAL PRODUCTION REPORT" and inserting "**BREWER'S REPORT OF OPERATIONS**".

2. Amend page 2, line 15, after "TREASURY" by inserting "**FOR EACH CALENDAR YEAR**".

3. Amend page 2, line 18, after "FOR" by striking out "DISTRIBUTORS" and inserting "**WHOLESALERS**".

Representative McBroom moved to adopt the amendments to SB 506 (H-1). The motion prevailed 12-0-1.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: Rep. McMillin.

Representative McBroom moved to report SB 506 with recommendation, as amended, as substitute (H-2). The motion prevailed 12-0-1.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: Rep. McMillin.

Representative McBroom moved to adopt substitute (H-1) to SB 507. The motion prevailed 13-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.

Nays: None.

Pass: None.

Representative McBroom offered the following amendments to SB 507 (H-1):

1. Amend page 3, line 12, after "ITS" by striking out "ANNUAL PRODUCTION REPORT" and inserting "**REPORT OF WINE PREMISES OPERATIONS**".

2. Amend page 3, line 14, after "TREASURY" by inserting "**FOR EACH CALENDAR YEAR**".

3. Amend page 3, line 22, after "REQUIREMENTS" by inserting "**FOR WHOLESALERS, WINE MAKERS, OUTSTATE SELLERS OF MIXED SPIRIT DRINK,**

**AND OUTSTATE SELLERS OF WINE".**

Representative McBroom moved to adopt the amendments to SB 507 (H-1). The motion prevailed 12-0-1.

**FAVORABLE ROLL CALL**

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Schor.  
Nays: None.  
Pass: Rep. McMillin.

Representative McBroom moved to report SB 507 with recommendation, as amended, as substitute (H-2). The motion prevailed 13-0-1.

**FAVORABLE ROLL CALL**

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.  
Nays: None.  
Pass: Rep. McMillin.

Representative McBroom offered the following amendment to SB 504:

1. Amend page 2, line 6, by striking out all of subdivision (e) and relettering the remaining subdivisions.

Representative McBroom moved to adopt the amendment to SB 504. The motion prevailed 13-0-1.

**FAVORABLE ROLL CALL**

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.  
Nays: None.  
Pass: Rep. McMillin.

Representative McBroom moved to report SB 504 with recommendation, as amended, as substitute (H-1). The motion prevailed 13-0-1.

**FAVORABLE ROLL CALL**

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.  
Nays: None.  
Pass: Rep. McMillin.

Representative McBroom offered the following amendment to SB 650:

1. Amend page 11, line 15, by striking out all of subdivision (e) and relettering the remaining subdivisions.

Representative McBroom moved to adopt the amendment to SB 650. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.

Nays: None.

Pass: None.

Representative McBroom moved to report SB 650 with recommendation, as amended, as substitute (H-1). The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.

Nays: None.

Pass: None.

Representative McBroom offered the following amendment to SB 329:

1. Amend page 5, line 14, by striking out all of subdivision (f) and relettering the remaining subdivisions.

Representative McBroom moved to adopt the amendment to SB 329. The motion prevailed 13-0-1.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.

Nays: None.

Pass: Rep. McMillin.

Representative McBroom moved to report SB 329 with recommendation, as amended, as substitute (H-1). The motion prevailed 13-0-1.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, LaFontaine, Rendon, Yonker, Kelly, Kesto, Haugh, Abed, Dianda, Nathan, Schor.

Nays: None.

Pass: Rep. McMillin.

The Chair laid HB 5284 before the committee:

HB 5284 (Lane) Occupations; residential builders; relicensing of certain formerly licensed residential builders and residential maintenance and alteration contractors; expand authority of board.

Representative Lane and Frank Waters, representing the Michigan Department of Licensing and Regulatory Affairs, testified in support of the bill. Questions and discussion followed.

Representative Dianda moved to adopt substitute (H-1) to HB 5284. The motion prevailed 13-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Haugh, Abed, Dianda, Nathan, Schor.

Nays: None.

Pass: None.

Representative Dianda moved to report HB 5284 with recommendation, as substitute (H-1). The motion prevailed 13-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Crawford, McBroom, Denby, McMillin, LaFontaine, Rendon, Yonker, Kelly, Haugh, Abed, Dianda, Nathan, Schor.

Nays: None.

Pass: None.

Representative McBroom moved to approve the minutes of the February 25, 2014 meeting. There being no objection, the motion prevailed by unanimous consent.

Representative Haugh moved to excuse Representative Stanley. There being no objection, the motion prevailed by unanimous consent.

There being no further business before the committee, the Chair adjourned the meeting at 9:30 a.m.

**Representative Hugh Crawford, Chair**\_\_\_\_\_

Angie Lake, Committee Clerk  
House Regulatory Reform Committee  
alake@house.mi.gov  
(517) 373-5795