

Michigan Legislature Loosens Restrictions on Microbreweries

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The Michigan Legislature passed long-awaited changes to Michigan's alcohol laws with overwhelming support on Wednesday, and the bills are expected to be signed by the Gov. Rick Snyder. These changes will allow Michigan's already flourishing microbrewing industry to grow even more. The sweeping changes include:

- The definition of Micro brewer was amended to reflect production limits of 60,000 barrels per year versus the previous limit of 30,000 per year.
- A brewpub may have an interest in five other brewpubs versus the previous limitation of two so long as production does not exceed 18,000 barrels per year which was previously capped at 5,000 barrels per year.
- A brewer may sell beer for on-premise consumption at up to two licensed brewery locations. A micro brewer that produces fewer than 30,000 barrels per year may sell for on-premise consumption at two license brewery locations. A micro brewer that produces more than 30,000 barrels per year may sell for on-premise consumption at up to three licensed brewery locations. The brewer or microbrewery may also transfer beer between the locations for on-premise sales.
- A micro brewer which produces fewer than 1,000 barrels of beer per year may self-distribute to a retailer provided the retailer is not located in an area where the micro brewer has already contracted with a wholesaler.
- A license applicant may apply for a conditional license (\$300) which would allow it to sell alcohol while the full licensing process is completed.
- Retailers are allowed to use branded promotional merchandise, including coasters, napkins and trays. Branded glassware is allowed only if it is bought directly from a supplier and not a manufacturer of wholesaler.

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