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BILL ANALYSIS

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Senate Fiscal Agency

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Senate Bill 59

Sponsor: Senator Richard Fessler

Committee: Regulatory Affairs

Date Completed: 2-15-89

SUMMARY OF SENATE BILL 59 as introduced 1-31-89:

The bill would amend a section of the Michigan Liquor Control Act, the dramshop Act, to provide that a small wine maker who sells only wine manufactured by that small wine maker, for consumption off the premises, would be exempt from the mandatory liability insurance coverage required by the Act. The Liquor Control Act defines a small wine maker as a wine maker manufacturing or bottling less than 50,000 gallons of wine per year.

Currently, under the dramshop Act, all retail licensees or applicants for a license must file with the Liquor Control Commission proof of financial responsibility providing security for liability of at least \$50,000. (This does not apply to special licensees with 24-hour licenses.) The security can be in the form of cash, unencumbered securities, liability insurance, a constant value surety bond, or membership in an authorized self-insurance pool.

MCL 436.22a

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: J. Schultz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.