



Olds Plaza Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

DRIVE-THRU LICENSE TRANSFER

Senate Bill 564 as passed by the Senate
First Analysis (6-22-93)

Sponsor: Sen. John J.H. Schwarz, M.D.
Senate Committee: State Affairs and
Military/Veteran Affairs
House Committee: Liquor Control

THE APPARENT PROBLEM:

Civic leaders in Battle Creek are in the process of developing what has been described as "a multipurpose, countywide facility . . . [that] will offer a broad range of activities, programs and services for adults 50 years of age and older." According to promotional materials, this center, called the Burnham Brook Center, will be a nearly 50,000 square-foot facility located on five acres in Battle Creek (with satellites elsewhere in Calhoun County) that will have an "indoor aquatic exercise center, a spacious dining room, a presentation room, a large multipurpose room, a woodworking/metal crafts workshop, library, crafts and activity rooms", and other features. Nearby where this multipurpose senior center is to be located, say center officials, is "another five acre site that currently has numerous dilapidated housing structures and [a] drive through party store." Center officials have said it is in their best interest to acquire the properties and relocate the party store so as to allow, generally speaking, more compatible uses of that nearby site. Burnham Brook Center says it now holds title to all but the party store. Moving the drive-through party store is problematic. The Liquor Control Commission has not allowed drive-through takeout stores since 1985, although existing ones were "grandfathered" when the rules were changed. The LCC rules do not permit the transfer of such outlets to new locations. For the party store at issue in Battle Creek to be permitted to operate at a new location, legislation will be required.

THE CONTENT OF THE BILL:

The bill would amend the Michigan Liquor Control Act to specify that the Liquor Control Commission (LCC) could not prohibit the holder of a takeout license who had a drive-through operation from transferring the location of the licensed premises if:

-- the area from which the premises were to be transferred was being developed or renovated by a downtown development authority; and

-- the governmental unit to which the premises were being transferred approved of the proposed location.

The provisions added by the bill would be repealed effective April 1, 1995.

MCL 436.28d

FISCAL IMPLICATIONS:

The Senate Fiscal Agency reports that the bill would have no fiscal implications. (5-25-93)

ARGUMENTS:

For:

By permitting the relocation of a drive-through party store (which are no longer being issued licenses), the bill would aid civic leaders in Battle Creek in their efforts to redevelop property located near the site of a new senior citizen center.

Response:

It should be noted that this bill represents an exception to current LCC practice.

POSITIONS:

The Liquor Control Commission supports the bill. (6-16-93)

Representatives of the City of Battle Creek have indicated their support for the bill. (6-16-93)

Representatives of the Burnham Brook Center have indicated their support for the bill. (6-16-93)

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