



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 274 (as discharged)  
Sponsor: Senator Dianne Byrum  
Committee: Local, Urban, and State Affairs

**CONTENT**

The bill would amend Public Act 447 of 1994 to repeal a tie-bar to House Bill 4323 of last session, which was enrolled but not enacted. If the tie-bar were removed, Public Act 447 would amend the Michigan Liquor Control Act to do the following, effective April 1, 1995:

- Specify criminal penalties for individuals who sold or furnished liquor to a person under 21-- including separate penalties for licensees and their clerks, agents, and employees, and for people who are not licensees or their clerks, agents, or employees.
- Prohibit the Liquor Control Commission and the police from taking action against a licensee or a clerk, agent, or employee unless action also were taken against the person under 21, unless that individual were participating in an enforcement action or an undercover operation.
- Increase civil penalties for persons under 21 who purchase, possess, or consume liquor, and require driver's license sanctions for repeat offenders.
- Permit law enforcement agencies to notify the parent, custodian, or guardian of a person under 18 who allegedly committed or attempted to commit a liquor violation, and require immediate notice if a person under 17 were incarcerated for a violation.

Legislative Analyst: S. Margules

**FISCAL IMPACT**

Department of Corrections. Public Act 447 would have an indeterminate impact on State and local government. Extending the penalties for failing to make a diligent inquiry as to whether a person is under 21 when purchasing liquor from licensees to employees of the licensees, could result in an increased number of convictions and hence increased costs for providing sanctions at the State and local levels. There also could be increased prison commitments for persons who knowingly sell or furnish liquor to minors and if the subsequent consumption of the liquor by the minor results in a direct and substantial cause of the minor's death. There currently is no reliable way to predict the increased number of annual convictions that might result because of the new penalty provisions in the Act. In addition, Public Act 447 would generate increased revenue from fines for convictions of minors who purchase, possess, or consume liquor.

Department of State. There would be a minimal fiscal impact on State and local courts. The Department of State would incur additional costs regarding the suspension of driver's licenses. Revenue from the driver's license reinstatement fee funds the Department of State's costs.

Department of Commerce. The Act would have no fiscal impact on State or local government.

Date Completed: 3-28-95

Fiscal Analyst: M. Hansen  
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