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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4332 (Substitute S-1 as reported)

Sponsor: Representative Beverly Bodem

House Committee: Regulatory Affairs

Senate Committee: Economic Development, International Trade and Regulatory Affairs

### **CONTENT**

The bill would amend the Michigan Liquor Control Code to allow the Liquor Control Commission to issue one banquet facility permit to an on-premises license, as an extension of that license. The licensee would have to be located within a local unit of government in a county with a population under 1,750,000. The banquet facility would have to be used only for scheduled functions and events, could not have regular meal service, and could not be generally open to the public. The Commission would have to charge an initial permit issuance fee and a permit renewal fee, as established through a rule, sufficient to cover the cost of administering the issuance and renewal.

The bill also would prohibit the Liquor Control Commission from issuing a tavern or class C license above the license quota, if an on-premises license were available in the local unit in which a development district was located, or (as currently provided) if an appropriate on-premises escrowed license were readily available in the local unit.

Currently, on-premises escrowed licenses issued under the Code's license quota provisions, are available to an applicant whose proposed operation is located within a local unit in a county with a population under 500,000 in which the escrowed license was located. The bill would extend this to a county with a population between 700,000 and 1,750,000.

In addition, the bill would allow the Commission to issue a limited number of additional resort licenses and designated distributor licensees for 1998.

MCL 436.1521 et al.

Legislative Analyst: N. Nagata

### **FISCAL IMPACT**

The bill would create a new permit category that would offer an extension of on-premises licenses to include a separate banquet facility permit. The administrative costs associated with these additional responsibilities would be offset by the fee the Commission could set through the promulgation of rules; therefore, this bill would have no fiscal impact.

Date Completed: 5-26-98

Fiscal Analyst: M. Tyszkiewicz