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House Bill 5668 (Substitute H-1 as passed by the House)  
Sponsor: Representative Michael Green  
House Committee: Employment Relations, Training and Safety  
Senate Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 11-28-00

### **CONTENT**

The bill would amend the Michigan Liquor Control Code to do the following:

- Prohibit the Liquor Control Commission (LCC), beginning July 1, 2001, from issuing a new on-premises license or transferring more than 50% interest in an existing on-premises license, unless the applicant or transferee offered proof that he or she had employed or had present on the licensed premises, at a minimum, supervisory personnel on each shift and during all hours in which alcoholic liquor was served, who had successfully completed a server training program.
- Permit the LCC to allow an applicant or a conditionally approved licensee at least 180 days to meet these training requirements, and allow the LCC to suspend the license of a conditionally approved licensee for failure to comply.
- Allow the LCC to waive the server training requirement on the basis of the licensee's responsible operating experience or training, or if the person demonstrated an acceptable level of responsible operation either as a licensee during the preceding three years or as a manager with substantial experience in serving alcoholic liquor.
- Require the LCC to approve the establishment of a server training program designed for all new on-premises licensees or transferees of more than a 50% interest in an on-premises license on or after July 1, 2001, and for any existing retail licenses the LCC determined to be in need of training due to the frequency or types of Code violations involving the serving of alcoholic liquor.
- Allow the LCC to adopt the existing standards and programmatic framework of private entities and to delegate nondiscretionary administrative functions to outside private entities.
- Specify that these provisions would not apply to special licenses, although the LCC could require server training for certain special licensees based upon the size and nature of the licensed event.
- Require an on-premises licensee or a transferee to employ trained supervisory personnel, as described above, and to keep a copy of the responsible vendor designation or proof of completion of server training on the licensed premises; and provide that a licensee who violated these requirements would be subject to revocation, suspension, or other sanction.
- Provide that a server training instructor could be a licensee or an employee of a licensee.

MCL 436.1501 & 436.1906

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

The bill would increase the responsibilities of the Commission by necessitating additional record-keeping and an additional inspection visit in order to replace the conditional license with a permanent one. This bill addresses only new and 50% or greater transfer of interest in on-premises licenses. There would be no additional revenues collected to support these new duties. The fiscal impact on this bill is indeterminate.

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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.

Fiscal Analyst: M. Tyszkiewicz