



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4232 (Substitute S-1 as reported)
Sponsor: Representative James Koetje
House Committee: Regulatory Reform
Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to allow the transfer of an escrowed on-premises liquor license within Kent County (as presently allowed in the rest of the State, subject to local legislative approval). Until July 1, 2009, however, an escrowed on-premises license could not be transferred to or from a location within Grand Rapids.

The bill also would revise requirements regarding the unavailability of an escrowed license or a quota-based license, for the issuance of a on-premises resort or resort economic development license. Currently, an applicant for such a license must verify that he or she attempted to secure an on-premises escrowed license or quota-based license, and that to the best of his or her knowledge, such a license is not readily available in 1) the county in which the applicant proposes to operate, in any county except Kent County, or 2) the local unit of government in which the applicant proposes to operate, in Kent County. The bill would remove the distinction between counties, requiring the applicant to verify that an on-premises escrowed license or quota-based license was not readily available within the county in which the applicant proposed to operate. Verification would not be required, however, in a case involving Grand Rapids until July 1, 2009.

In addition, the Code prohibits the Liquor Control Commission from issuing an on-premises resort or resort economic development license if the local governmental unit or the county within which the license applicant proposes to operate has not issued all available on-premises licenses, or if an on-premises escrowed license is readily available within the local unit in which the applicant proposes to operate. Under the bill, the Commission could not issue an on-premises resort or resort economic development license if the *county* within which the applicant proposed to operate had not issued all available on-premises licenses or if an on-premises escrowed license were readily available within the local unit in which the applicant proposed to operate, except, until July 1, 2009, in a case involving Grand Rapids.

MCL 436.1531

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

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

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Fiscal Analyst: Maria Tyszkiewicz

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Analysis available @ <http://www.michiganlegislature.org>

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.