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BILL ANALYSIS

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House Bill 5492 (Substitute H-1 as reported without amendment)

Sponsor: Representative Lorence Wenke

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 Liquor Control Commission to issue a Class B hotel license to a hotel and conference center owned and operated by a university that holds such a license under Section 514 of the Code (i.e., Michigan State University). The issuance of the license would be subject to the Code's quota system.

The hotel and conference center would have to meet at least all of the following:

- Contain a hotel with at least 45 guest rooms.
- Have a restaurant seating at least 90 guests that serves a full-menu breakfast, lunch, and dinner.
- Have over 13,000 square feet of flexible meeting space.
- Be open year-round to provide services to the public and to serve the mission of the hospitality program.

The hotel and conference center would have to have a hospitality program providing at least two of the following at the site of the center as part of the program: 1) student education classrooms; 2) a working hospitality laboratory setting; and/or 3) use of rotational interns each semester or during the summer. In public areas of the hotel and conference center, the sale and consumption of alcoholic liquor would be limited to table service only, unless the public areas were reserved for private functions.

(A Class B license allows the sale of beer, wine, mixed spirit drink, and spirits for on-premises consumption.)

Proposed MCL 436.1514a

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would increase licensing revenue by \$600 for the liquor license granted to a hotel and conference center meeting the proposed requirements. All license revenue is split between the Commission (41.5%), local units of government (55%), and alcohol programs (3.5%).

Date Completed: 6-22-04

Fiscal Analyst: Maria Tyszkiewicz

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