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BILL ANALYSIS

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House Bill 5730 (as reported without amendment)
House Bill 5731 (Substitute S-3 as reported)
Sponsor: Representative Shelley Taub (H.B. 5730)
Representative Bill McConico (H.B. 5731)
House Committee: Regulatory Reform
Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

House Bills 5730 and 5731 (S-3) would amend the Michigan Liquor Control Code to permit the Liquor Control Commission to issue sporting event licenses for the sale of alcoholic liquor for consumption on the premises in connection with national and international sporting events hosted by a governmental unit.

Under both bills, the license fee would be \$1,000 and a license would not be subject to Section 503 of the Code, which requires the Commission to deny a license if the premises are located within 500 feet of a church or school building.

The bills are tie-barred to each other.

House Bill 5730 would permit the Commission to issue international sporting event licenses for the sale of alcoholic liquor for consumption on the premises in connection with an international golf tournament to be conducted during the 2004 calendar year. The licenses could be issued if the Commission found that the following circumstances existed:

- The local governmental unit in which the international sporting event was to be conducted was the host unit for that event.
- The premises to be licensed were located in a theme area or theme areas designated by the governing body of the host governmental unit in connection with the international sporting event or were operated in conjunction with that event.
- The international sporting event would attract a substantial number of tourists from outside the State.
- The international sporting event was conducted under the auspices of a national or international sanctioning body.

House Bill 5730 (S-3) would permit the Commission to issue national sporting event licenses for the sale of alcoholic liquor for consumption on the premises concerning a national sporting event. "National sporting event" would mean a sports-related event considered of national prominence, and would include only the following:

- The Major League Baseball all-star game during 2005.
- The National Football League super bowl during 2006.
- The Professional Golfers Association championship during 2008.
- The National College Athletic Association final four games during 2009.

A national sporting event license could be issued if the Commission found that the following circumstances existed:

- The local governmental unit in which the national sporting event was to be conducted was the host governmental unit for that event.
- The premises to be licensed were located in a theme area or theme areas designated by the governing body of the host governmental unit in connection with the national sporting event or were operated in conjunction with the national sporting event.
- The national sporting event would attract a substantial number of tourists from outside the State.
- The national sporting event was conducted under the auspices of a national sanctioning body.
- The applicant was one of the following: a Michigan licensee for the sale of alcoholic liquor for on-premises consumption; the promoter of the national sporting event or an affiliate of the promoter; a person who had entered into a written concession or catering agreement with the promoter or its affiliate, which agreement had been approved by the Commission; or an organization qualified for licensure as a special licensee under the Code and Commission rules.

(Currently, the Commission may issue a national or international sporting event license if the premises to be licensed are located in the central business district of a city having a population of 70,000 or more and the city is an official host of a national or international sporting event. The premises must be located in a theme area; the event must be expected to attract a substantial number of tourists from outside the State; and the applicant must hold a valid Michigan license for the sale of alcoholic liquor for on-premises consumption or be the promoter of the event. The current fee is \$100.)

MCL 436.1517 (H.B. 5730)
Proposed MCL 436.1517a (H.B. 5731)

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bills would increase the fee from \$100 to \$1,000. This license revenue is split between the State (45%) and local governments (55%). If additional licenses were issued, additional revenue would be raised at both levels of government.

Date Completed: 6-1-04

Fiscal Analyst: Maria Tyszkiewicz

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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.