



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5627 (Substitute H-2 as reported without amendment)

Sponsor: Representative Tory Rocca

House Committee: Regulatory Reform

Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to prohibit a person from leasing, and furnishing to another person, any place not licensed under the Code in which another person could drink alcohol for consideration. The bill also would expand the definition of "consideration".

The Code prohibits a person from maintaining, operating, or leasing, or otherwise furnishing to any person, any premises or place that is not licensed under the Code within which the other person may engage in the drinking of alcoholic liquor for consideration.

The bill also would prohibit a person from obtaining by way of lease or rental agreement, and furnishing or providing to any other person, any unlicensed premises or place within which any other person could engage in the drinking of alcoholic liquor for consideration.

Currently, "consideration" means any fee, cover charge, the storage of alcoholic liquor, the sale of food, ice, mixers, or other liquid used with alcoholic drinks, or the furnishing of glassware or other containers for use in the consumption of liquor in conjunction with the sale of food. Under the bill, "consideration" also would include a ticket purchase, or the purchasing of any service or item, or combination of service and item.

MCL 436.1913

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government. There are no data to indicate how many offenders would be convicted of violating the proposed prohibition. To the extent that the bill would result in more convictions, local governments would incur increased costs of incarceration, which vary by county. The State would incur the cost of felony probation at an annual average cost of \$2,000. Additional penal fine revenue would benefit public libraries.

Date Completed: 3-31-06

Fiscal Analyst: Lindsay Hollander