Legislative Analysis



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"LATE NIGHT" LIQUOR PERMITS

House Bill 4573

Sponsor: Rep. Steve Tobocman Committee: Regulatory Reform

Complete to 4-9-07

A SUMMARY OF HOUSE BILL 4573 AS INTRODUCED 4-5-07

The bill would amend the Liquor Control Code to allow a retailer to sell alcoholic liquor from 2 a.m. until 4 a.m. if the business holds a "late night permit." The bill would create a late night permit, which would carry a fee of \$1,000.

A retailer would have to apply to the Liquor Control Commission for a late night permit. A permit could <u>not</u> be issued if the retailer were located in any of the following: (1) a county, city, village, or township where the sale of beer and wine on or off the licensed premises is prohibited on Sunday; (2) a county that has not authorized the sale of spirits for consumption on or off licensed premises on Sunday; and (3) a county, city, village, or township that passes a resolution prohibiting the issuance of late night permits.

A late night permit would only allow a retailer to sell, give away, or furnish the type of alcoholic liquor authorized by its license (e.g., beer and wine only, or beer, wine, and spirits.)

The term "retailer" is defined in the liquor code means "a person licensed by the commission who sells to the consumer in accordance with rules promulgated by the commission."

MCL 436.1525

FISCAL IMPACT:

The maximum additional revenue provided by this bill would consist of roughly \$30.0 million annually. However, because local governments may elect to prohibit the issuance of these late night permits, the actual additional revenue is expected to be a lesser, but indeterminate amount. State and local expenditures for liquor law enforcement will also increase by an indeterminate amount.

Legislative Analyst: Chris Couch Fiscal Analyst: Richard Child

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.