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BILL ANALYSIS

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Senate Bill 471 (as reported by the Committee of the Whole)
Sponsor: Senator Jason E. Allen
Committee: Economic Development and Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to require an applicant for an on-premises liquor license in a city redevelopment project area or a development district, to demonstrate that another license is not readily available within the county, rather than the local unit of government, in which the applicant proposes to operate.

The Code allows the Liquor Control Commission to issue public on-premises licenses, in addition to the population-based quota licenses allowed under the Code, to businesses engaged in activities related to dining, entertainment, and recreation, and located in city redevelopment project areas or development districts established under various statutes. An applicant must meet particular thresholds on the amount of investment in the project area or development district, and pay an enhanced license fee of \$20,000.

In addition, an individual signing the application for a redevelopment license must state and demonstrate that the applicant attempted to secure an appropriate on-premises escrowed license or quota license and that, to the best of his or her knowledge, such a license is not readily available within the local unit of government in which the applicant proposes to operate. The bill would refer to the county, rather than the local unit of government.

In addition, if the applicant could present the Commission with documentation that he or she had contacted the holder of an escrowed license in writing and had not received a written response within 30 days, the Commission could not consider the escrowed license readily available to that applicant.

The bill specifies that the above "clarification" as to a determination of whether an escrowed or quota license was readily available would apply only to an application submitted on or after the bill's effective date, and not to a completed application submitted or approved before January 1, 2008.

MCL 436.1521a

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

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

Date Completed: 2-19-08

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