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BILL ANALYSIS

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Senate Bill 471 (as introduced 5-3-07)
Sponsor: Senator Jason E. Allen
Committee: Economic Development and Regulatory Reform

Date Completed: 5-9-07

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.

Public Act 501 of 2006 amended the Code, effective December 29, 2006, to allow 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. To receive a license, 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 issued under Section 531 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.

(Section 531 limits the number of public licenses granted for the sale of alcoholic liquor for on-premises consumption to one for each 1,500 residents.)

MCL 436.1521a

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

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

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