



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1351 (Substitute S-2 as reported)
Senate Bill 1352 (Substitute S-2 as reported)
Sponsor: Senator Tupac A. Hunter (S.B. 1351)
 Senator Jason E. Allen (S.B. 1352)
Committee: Economic Development and Regulatory Reform

CONTENT

Senate Bill 1351 (S-2) would amend the Michigan Liquor Control Code to allow the Liquor Control Commission to issue a special license to any organization conducting a beer festival. An application for the special license would have to be submitted by a nonprofit entity composed primarily of brewers, microbrewers, and brewpubs; involve an event whose primary purpose was showcasing beer and its production; and be accompanied by a fee of \$25 per day of the event.

The special license could not allow more than six events per calendar year. A holder of a special license could buy a quantity of beer, as determined appropriate under the circumstances by the Commission, directly from any licensed brewpub for consumption only at the licensed event.

"Beer festival" would mean an event at which the various types and kinds of beer and the production of that beer are showcased to the general public and at which the general public can purchase and sample the beer for consumption on the licensed premises.

Senate Bill 1352 (S-2) would amend the Code to allow a licensed brewpub to sell a quantity of beer determined appropriate by the Commission directly to a holder of a special license issued under Senate Bill 1351 (S-2), for the purpose of participating in a beer festival.

(Under the Code, a "brewpub" licensee may manufacture and brew not more than 5,000 barrels of beer per calendar year in Michigan and sell at the licensed premises the beer produced for consumption on or off the licensed brewery premises.)

The bills are tie-barred.

Proposed MCL 436.1526 (S.B. 1351)
Proposed MCL 436.1413 (S.B. 1352)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bills would increase revenue by a minimal amount by expanding the eligibility for special retail liquor licenses. Any additional revenue would be distributed according to the statutory formula for retail liquor licenses which provides 55% to local governments, 41.5% to the Liquor Control Commission, and 3.5% for the prevention and treatment of alcoholism.

Date Completed: 7-30-08

Fiscal Analyst: Elizabeth Pratt
 Maria Tyszkiewicz