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BILL ANALYSIS

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Senate Bill 279 (as introduced 3-20-13)
Sponsor: Senator Goeff Hansen
Committee: Regulatory Reform

Date Completed: 4-18-13

CONTENT

The bill would amend the Michigan Liquor Control Code to add to the classes of vendors who may sell alcohol at retail a small wine maker, or an out-of-State entity that was the substantial equivalent of a small wine maker, holding a farmer's market permit, where wine could be sampled and sold at a farmer's market for consumption off the licensed premises.

The bill would take effect 90 days after its enactment and is tie-barred to Senate Bill 79, which would amend the Code to provide for a farmer's market permit allowing a small wine maker to conduct wine tastings and sell wine at a farmer's market for off-premises consumption.

MCL 436.1537

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Together with Senate Bill 79, the bill would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs and local units of government. Under the bills, small wine makers would be allowed to obtain a permit to conduct tastings and sell at retail at farmer's markets. These permits would cost \$25 per location, under Senate Bill 79. Half of the fee revenue would go to the Michigan Liquor Control Commission and the other half to local law enforcement through grants.

To the extent that the cost to issue the permits was less than the revenue received, the bills would have a positive fiscal impact on the Commission; the opposite is also true. Senate Bill 79 would require the permits to be approved by local law enforcement. If revenue from the permits were greater than the cost to make approval decisions, the fiscal impact on local law enforcement departments would be positive. It is unknown at this time whether the cost of permit issuance and approval would exceed revenue received from the permits, so the fiscal impact is indeterminate.

Fiscal Analyst: Josh Sefton

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