Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 329 (as introduced 4-24-13)
Sponsor: Senator Dave Hildenbrand
Committee: Regulatory Reform

Date Completed: 11-7-13

CONTENT

The bill would amend the Michigan Liquor Control Code to do the following:

-- **Extend to a wine maker, distiller, and brandy manufacturer, a provision that allows a brewer to acquire, develop, sell, lease, finance, maintain, operate, or promote real property occupied by another vendor (except a wholesaler) under certain circumstances.**
-- **Limit the number of those real property arrangements for each brewer, wine maker, distiller, or brandy manufacturer.**
-- **Delete a requirement that a State or Federal agency has designated the property as being in an urban, commercial, or community redevelopment area.**

Specifically, the Code allows a brewer or its parent company, subsidiary, or affiliate located in Michigan, to acquire, develop, sell, lease, finance, maintain, operate, or promote real property occupied or to be occupied by another vendor, except a wholesaler, if all of the following apply:

-- The brewer has received the Liquor Control Commission's written approval before entering into any arrangement or contract regarding the real property.
-- The legislative body of the city, village, or township where the property is located certifies to the Commission that the property is in an urban, commercial, or community redevelopment area and is designated as such by a State or Federal agency.
-- Any arrangement or contract entered into between the brewer, its parent company, subsidiary, or affiliate and another vendor may not directly or indirectly influence or control the brand of alcohol sold or to be sold by the vendor and may be concerned only with real property.

Under the bill, that authorization also would apply to a wine maker, distiller, or brandy manufacturer, and their parent companies, subsidiaries, or affiliates located in Michigan.

In addition, under the bill, the brewer, wine maker, distiller, or brandy manufacturer, or its parent company, subsidiary, or affiliate, could not have acquired, developed, sold, leased, financed, or maintained, operated, or promoted more than seven real properties that were occupied or to be occupied by another vendor, except a wholesaler.

The bill also would delete the requirement that the city, village, or township certify to the Commission that the real property was designated by a State or Federal agency as being in an urban, commercial, or community redevelopment area, although the local unit still would have to certify that the real property was in one of those areas.

MCL 436.1605 Legislative Analyst: Patrick Affholter

FISCAL IMPACT

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

Fiscal Analyst: Bill Bowerman

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