



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 4360 (Substitute H-1 reported without amendment)

Sponsor: Representative Gail Haines

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

### **CONTENT**

The bill would amend the Michigan Liquor Control Code to require the suspension or revocation of a liquor license if the licensee were convicted or administratively disqualified because of an electronic transaction that was for Food Assistance Program benefits, involved an item other than eligible food, and was related to the sale of alcohol under the liquor license.

Upon notice and a proper hearing, the Liquor Control Commission or a commissioner or duly authorized agent of the Commission designated by the Commission's chairperson would be required to suspend a license for 30 to 60 days, for a first violation; suspend a license for 61 to 120 days, for a second violation; and revoke a license, for a third or subsequent violation. A licensee aggrieved by the sanction could invoke the Code's hearing and appeal procedures.

Under the bill, "convicted" would mean that the licensee either was convicted of or pleaded guilty to a crime under Section 300a(1)(c) of the Michigan Penal Code. (That section prohibits a person from knowingly using, transferring, acquiring, altering, purchasing, possessing, presenting for redemption, or transporting food stamps or coupons or access devices other than as authorized by Federal law.) "Administratively disqualified" would mean administratively disqualified from acting as a merchant under the Federal Food and Nutrition Act or Federal regulations because the licensee had engaged in trafficking as that term is defined in Federal regulations

The bill would take effect 90 days after enactment.

Proposed MCL 436.1903a

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

The bill would have a likely minor negative fiscal impact on the Department of Licensing and Regulatory Affairs. The bill would allow the licensees whose licenses had been suspended due to improperly accepting Food Assistance Program benefits as payment to appeal their sanctions. To the extent that these appeals occurred, the Department would have to cover its costs related to them.

Date Completed: 5-20-13

Fiscal Analyst: Josh Sefton