Legislative Analysis



LIQUOR LICENSE FOR PGA TOUR **CHAMPIONS TOURNAMENT**

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House Bill 5190 as reported from committee w/o amendment

Sponsor: Rep. Tim Sneller

Committee: Regulatory Reform

Complete to 2-21-18

(Enacted as Public Act 110 of 2018)

SUMMARY:

House Bill 5190 would amend the Michigan Liquor Control Code to include the Professional Golfers' Association (PGA) Tour Champions Tournament as a sports-related event of national prominence eligible to receive a national sporting event license that allows the sale of alcohol on the premises concerning a national sporting event. Eligibility for the license would be for Tour events in 2018, 2019, and 2020. The PGA Championship and Champions Tour is a men's professional senior golf tournament affiliated with the PGA Tour.

MCL 436.1517a

BACKGROUND INFORMATION AND BRIEF DISCUSSION:

The Michigan Liquor Control Code allows special liquor licenses to be issued for the duration of national sporting events under certain circumstances, including if the national sporting event is conducted under the auspices of a national sanctioning body and the Liquor Control Commission determines that the event will attract a substantial number of tourists from outside the state. Past events have included the 2004 Ryder Cup, 2006 NFL Super Bowl, 2008 PGA Championship, 2009 NCAA Final Four, and the U.S. Golf Association Amateur Championship in 2016.

In 2018, Michigan will host two PGA Tour Champions Tournament events: The Kitchen Aid Senior PGA Championship, May 24 to 26, in Benton Harbor, and The Ally Challenge, September 14 to 16, at the Warwick Hills Golf and Country Club in Grand Blanc. Tour dates for 2019 and 2020 have not yet been released.

House Bill 5190 would amend the Michigan Liquor Code to allow the governing body of host venues to begin the application process necessary for vendors to obtain the liquor licenses needed to make alcoholic beverages available during the PGA tournaments and related events, such as a pre-tournament concert, in 2018 through 2020. The Ally Challenge in Grand Blanc is expected to attract about 10,000 golf enthusiasts, which would be a boost to the local economy. With the Benton Harbor event scheduled for late May, timely passage of the legislation is essential.

A national sporting event license is issued for not more than 30 days and must be for specific designated time periods that include the national sporting event and activities associated with the event. The governing body of a host local governmental unit must

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supply the LCC, for its review, a list of the applicants and locations of the premises to be licensed. The governing body must recommend the number of licenses to be issued in the theme area or areas. The LCC cannot issue any licenses not recommended by the local unit. The local governing body also must provide written certification to the LCC that all premises to be licensed comply with applicable state and local building, safety, and health laws, rules, and regulations. A licensee does not have to meet the usual requirements about proximity to a church or school.

FISCAL IMPACT:

House Bill 5190 would not have a significant fiscal impact on any units of state or local government.

POSITIONS:

A representative of the Ally Challenge/PGA testified in support of the bill. (2-7-18)

The Michigan Licensed Beverage Association indicated support for the bill. (2-14-18)

The Michigan Liquor Control Commission did not take a position on the bill. (2-7-18)

Legislative Analyst: Susan Stutzky Fiscal Analyst: Marcus Coffin

[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.