Legislative Analysis



OFF-PREMISES LIQUOR SALES BY ON-PREMISES LICENSEES

House Bill 5811 as introduced Sponsor: Rep. Sarah Anthony Committee: Regulatory Reform

Complete to 6-2-20

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

SUMMARY:

House Bill 5811 would amend the Michigan Liquor Control Code to allow, for a period of three years, an on-premises licensee to fill and sell containers with beer, wine, mixed spirit drink, or spirits for consumption off the licensed premises and sell and deliver the same to a consumer in Michigan under certain conditions.

Specifically, the bill would add a new section to the code to allow, notwithstanding anything in the code to the contrary, an on-premises licensee to fill and sell *qualified containers* with beer, wine, mixed spirit drink, or spirits for consumption off the premises under the following conditions:

- The premises where the qualified containers are filled comply with the requirements for food service establishments under the Food Law.
- The on-premises licensee or his or her agent or employee does not fill a qualified container in advance of the sale.
- The alcohol to be dispensed has received a registration number from the Liquor Control Commission (LCC) and has been approved for sale by the LCC.
- The on-premises licensee complies with all applicable rules promulgated by the LCC.

Qualified container would mean any clean, refillable, resealable container that is exclusively intended, and used only, for the sale of alcoholic liquor for consumption off the premises and that has a liquid capacity that does not exceed one gallon.

In addition, and also notwithstanding anything in the code to the contrary, an on-premises licensee could sell and deliver beer, wine, mixed spirit drink, or spirits to a *consumer* in the state if the licensee does all of the following:

- Pays any applicable taxes to the LCC and also, as directed by the Department of Treasury, to the Treasury. Upon the request of the Department of Treasury, the onpremises licensee would have to provide an affidavit to verify payment.
- Complies with all laws of the state, including the prohibition on sales to minors.
- Stamps, prints, or labels on the outside of the shipping container that the package "Contains Alcohol. Must be delivered to a person 21 years of age or older." The recipient, at the time of the delivery, would have to provide identification verifying his or her age and sign for the delivery.

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- Places a label on the top panel of the shipping container containing the name and address of the individual placing the order and the name of the designated recipient if different from the name of the individual placing the order.
- Does not allow a straw hole on the shipping container.

Consumer would mean an individual who purchases beer, wine, or spirits for personal consumption and not for resale.

Sunset provision

The bill's provisions would apply for three years after the bill's effective date and then would no longer apply.

Proposed MCL 436.1537a

FISCAL IMPACT:

House Bill 5811 would not have a significant fiscal impact on the Department of Licensing and Regulatory Affairs

Legislative Analyst: Susan Stutzky Fiscal Analyst: Marcus Coffin

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[■] 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.