



Senate Fiscal Agency
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Senate Bill 82 (as introduced 2-5-19)
Sponsor: Senator Peter J. Lucido
Committee: Regulatory Reform

Date Completed: 9-14-20

CONTENT

The bill would amend the Michigan Liquor Control Code to allow a person to apply for and hold a Class C license, a specially designated merchant (SDM) license, and a specially designated distributor (SDD) license at the same time.

Section 533 of the Code prohibits the Michigan Liquor Control Commission (MLCC) from issuing a new SDM license or transfer an existing SDM license unless the applicant is an approved type of business. An applicant is not an approved type of business unless the applicant meets one or more specified conditions, including the following:

- The applicant holds or the MLCC approves the issuance of an SDD license to the applicant.
- The applicant holds or the MLCC approves the issuance of a Class C license to the applicant.

("Specially designated merchant" means a person to whom the MLCC grants a license to sell beer or wine, or both, at retail for off-premises consumption. "Specially designated distributor" means, a person engaged in an established business licensed by the commission to distribute spirits and mixed spirit drink in the original package for the commission for consumption off the premises. "Class C license" means a place licensed to sell at retail beer, wine, mixed spirit drink, and spirits for on-premises consumption.)

An applicant for an SDD license not in conjunction with an on-premises license, except as provided in Section 229(1) (which allows the Commission to license a hotel or merchant to sell spirits off the premises), or a person licensed under the Code as an SDM only or a class B hotel may apply for a license as an SDD.

Under the bill, a person could apply for and hold a Class C license, a SDM license, and a SDD license at the same time.

MCL 436.1533

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would not have a significant fiscal impact on the Department of Licensing and Regulatory Affairs and would have no fiscal impact on local units government. To the extent that individuals sought an additional license, the Department could receive a small increase in revenue from application and renewal fees.

Fiscal Analyst: Elizabeth Raczkowski

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.