



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5062 (as reported without amendment)

Sponsor: Representative Kyra Harris Bolden

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to allow the Michigan Liquor Control Commission (MLCC) to issue an on-premises license to a newly constructed business located in a development district or area, and allow the MLCC to issue one development district license for each \$75,000, or major fraction of \$75,000, spent for new construction or to rehabilitate or restore the building that housed the licensed premises.

MCL 436.1521a

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have an indeterminate, but likely positive, fiscal impact on the Department of Licensing and Regulatory Affairs and no significant fiscal impact on local units of government.

The bill would allow a business to obtain a development district license for a newly constructed building. The fee for a development district license is \$20,000. In addition to this fee, the business would have to pay the appropriate initial, renewal, and permit fees for its on-premises license class. Class C, B-Hotel, and A-Hotel licenses each have an initial and renewal fee of \$600, while a Tavern license is \$250. A business also may have to pay inspection fees. The revenue from each license would go to the MLCC and would be used for activities related to Liquor Code licensing and enforcement. It is unknown how many businesses would seek a development district license as a result of the changes proposed in the bill.

Date Completed: 1-27-22

Fiscal Analyst: Elizabeth Raczkowski