



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5090 (Substitute H-2 as reported without amendment)

Sponsor: Representative TC Clements

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to do the following:

- Require the governing board of a local unit of government to delineate a portion of a commons area to be used exclusively by a special licensee and a portion of the commons area to be used exclusively by social district permittees.
- Allow a person to enter premises in a social district that are licensed as a class B hotel with alcoholic liquor purchased from the social district permittee.
- Modify the hours during which alcoholic liquor may be consumed in the commons areas of a social district.
- Eliminate the January 1, 2025, sunset on provisions pertaining to social district permits.

MCL 436.1551

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would not have a significant fiscal impact on the State or on local units of government. The bill would remove the sunset provision on social district permits, which would allow the MLCC to continue to issue these licenses and to collect the accompanying revenue. Each permit is \$250. Licensees also must pay a \$70 inspection fee. It is unknown how many businesses would purchase a permit as a result of the removal of the sunset.

Date Completed: 1-27-22

Fiscal Analyst: Elizabeth Raczkowski