Legislative Analysis



ELIMINATE "COCKTAILS TO GO" SUNSET

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

House Bill 4201 as reported from committee Sponsor: Rep. Kristian Grant

Committee: Regulatory Reform

Complete to 4-27-23

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

SUMMARY:

House Bill 4201 would amend the Michigan Liquor Control Code to eliminate the sunset (expiration date) on a provision allowing certain retailers to sell fill and sell a container with alcoholic liquor for consumption off the licensed premises and deliver the container to a consumer in Michigan under certain conditions, commonly referred to as "cocktails to go."

Currently, the provision allowing the sale of "cocktails to go" is slated to sunset after January 1, 2026. The bill would eliminate the sunset date and allow the sale of "cocktails to go" in perpetuity.

MCL 436.1537a

BACKGROUND AND BRIEF DISCUSSION:

The sale of "cocktails to go" was first allowed in Michigan during the COVID-19 pandemic as a way to support businesses during times when dining rooms were closed or limited. The original sunset was later extended from 2024 to 2026. Supporters of the bill argue that "cocktails to go" has become a core and valuable part of business for Michigan restaurants and should thus be allowed to continue. They also point to the 32 other states that have extended their sunsets for, or permanently allowed, the sale of "cocktails to go."

Opponents of the bill argue that increasing the accessibility of alcohol will lead to an increase in alcohol-related issues. They point to the period after 2020 when "cocktails to go" and other COVID-19 era policies that increased alcohol availability led to a rise in alcohol-related issues, including alcohol dependency disorder and driving under the influence.

FISCAL IMPACT:

House Bill 4201 would not have a fiscal impact on any units of state or local government. Eliminating the sunset pertaining to filling and selling containers for off-premises consumption and delivering to consumers would have no impact, since the qualified licensees must already possess a license under the Michigan Liquor Control Code.

POSITIONS:

Representatives of the following entities testified in support of the bill (3-21-23):

- Michigan Restaurant & Lodging Association
- Michigan Licensed Beverage Association

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The following entities indicated support for the bill:

- Department of Licensing and Regulatory Affairs (3-21-23)
- Grand Rapids Chamber of Commerce (4-11-23)
- Michigan Chamber of Commerce (4-11-23)
- Michigan Spirits Association (3-21-23)
- Distilled Spirits Council of the United States (3-21-23)

A representative of Michigan Alcohol Policy Promoting Health & Safety testified in opposition to the bill. (3-21-23)

Legislative Analyst: Alex Stegbauer Fiscal Analyst: Marcus Coffin

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