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PGA TOURNAMENT LIQUOR LICENSE

House Bill 5437 as reported from committee Sponsor: Rep. Tim Sneller 1st Committee: Regulatory Reform 2nd Committee: Ways and Means Complete to 3-10-20

SUMMARY:

House Bill 5437 would amend the Michigan Liquor Control Code to include the Professional Golfers' Association (PGA) Tour Champions Tournament as a sports-related event eligible to receive a national sporting event license that allows the sale of alcohol on the premises. Eligibility for the license would be for Tour events in 2021, 2022, 2023, 2024, and 2025.

The Liquor Control Code allows special liquor licenses to be issued for the duration of national sporting events under certain circumstances, including if the national sporting event is conducted under the auspices of a national sanctioning body and the Liquor Control Commission (LCC) determines that the event will attract a substantial number of tourists from outside the state. A national sporting event license is issued for not more than 30 days and must be for specific designated time periods that include the national sporting event and activities associated with the event. The governing body of a host local governmental unit must supply the LCC, for its review, a list of the applicants and locations of the premises to be licensed. The governing body must recommend the number of licenses to be issued in the theme area or areas. The LCC cannot issue any licenses not recommended by the local unit. The local governing body also must provide written certification to the LCC that all premises to be licensed comply with applicable state and local building, safety, and health laws, rules, and regulations. A licensee does not have to meet the usual requirements about proximity to a church or school.

MCL 436.1517a

BACKGROUND:

Past events for which a national sporting event license has been issued by the LCC include the 2004 Ryder Cup, the 2006 NFL Super Bowl, the 2008 PGA Championship, the 2009 NCAA Final Four, the U.S. Golf Association Amateur Championship in 2016, the Ally Challenge (part of the PGA Champions Tournament) held in 2018 in Grand Blanc, and several recent tournaments of the Ladies Professional Golf Association Tour Champions Tournament.

According to the 2020 PGA Tour Champions Tournament schedule, tournaments to be held in Michigan include the KitchenAid Senior PGA Championship at the Golf Club at Harbor Shores, Benton Harbor (May 21-24) and the Ally Challenge at Warwick Hills Golf

and Country Club, Grand Blanc (July 31-August 2). Formerly known as the Senior PGA Tour, the PGA Tour Champions Tour features some of golf's top golfers who are over 50 years of age.

FISCAL IMPACT:

House Bill 5437 would not have a significant fiscal impact on any unit of state or local government. The fee for events seeking licensure for on-premises consumption at national sporting events is established in statute at \$1,000. However, given the limited number of events that would qualify to seek licensure under the bill, any fiscal impact would be minor.

POSITIONS:

McLaren Health Care indicated support for the bill. (3-10-20)

The Michigan Liquor Control Commission indicated a <u>neutral</u> position on the bill. (3-3-20)

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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.