

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 526 (as introduced 4-20-99)
Sponsor: Senator Loren Bennett
Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 11-8-99

CONTENT

The bill would amend the Michigan Liquor Control Code to prohibit the sale by telephonic, computer, or other electronic means of alcoholic liquor to a minor, and add that the sale, delivery, or importation of alcoholic liquor subject to the Code would include any transaction conducted by telephonic, computer, or other electronic means.

Under the Code, a sale, delivery, or importation of alcoholic liquor, including liquor for personal use, may not be made in the State unless it is made by the Liquor Control Commission, the Commission's authorized agent or distributor, an authorized distribution agent approved by Commission order, or a person licensed by the Commission, or by prior written order of the Commission. The bill specifies that, for the purposes of this provision, the sale, delivery, or importation of alcoholic liquor would include, but would not be limited to, any transaction conducted by telephonic, computer, or other electronic means. If a sale, delivery, or importation occurred by any of these means, the seller or distributor would have to be licensed appropriately under the Code, pay any applicable taxes to the Commission, and comply with all prohibitions in the Code including, but not limited to, sales to minors.

In addition, the bill would require that the seller or distributor assure that the person who delivered the alcoholic liquor verified that the purchaser was of legal age to purchase the liquor. If the delivery person determined that the purchaser was not of legal age, the delivery person would have to return the alcoholic liquor to the seller or distributor. If the purchaser were not present at the time of delivery, the delivery person could leave the liquor with a member of the purchaser's household if the delivery person determined that the individual was of legal age to purchase alcoholic liquor.

MCL 436.1203

Legislative Analyst: L. Arasim

FISCAL IMPACT

The fiscal impact of this bill is indeterminate as the amount of revenue collected would depend on the number of out-of-State businesses either required to pay or voluntarily paying the licensing fee or fines imposed due to noncompliance. Enforcement of this act would involve limited additional costs as these activities are already being targeted by the Commission. Any additional revenue generated is used to fund enforcement activities.

Fiscal Analyst: M. Tyszkiewicz
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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.