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**SFA****BILL ANALYSIS**

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Senate Bill 1349 (Substitute S-1 as reported)  
Sponsor: Senator Thaddeus G. McCotter  
Committee: Economic Development, International Trade and Regulatory Affairs

### **CONTENT**

The bill would amend the Michigan Liquor Control Code to extend through the years 2001 and 2002 the authority of the Liquor Control Commission (LCC) to issue additional resort licenses, resort economic development licenses, and specially designated distributor (SDD) licenses in resort areas. (Resort licenses allow the sale of alcoholic liquor for on-premises consumption. An SDD is a person engaged in an established business licensed by the LCC to distribute packaged liquor for off-premises consumption.) Currently, Code allows the LCC to issue these additional licenses per year for 1999 and 2000, as follows:

- Up to 10 resort licenses to establishments whose business and operation are designed to attract and accommodate tourists and visitors to the resort area, whose primary purpose is not the sale of alcoholic liquor, and whose capital investment in real property, leasehold improvement, and fixtures for the premises is \$75,000 or more. (These are in addition to the 550 one-year resort licenses the LCC may issue without regard to population quota.)
- One additional resort license to an establishment located in a rural area that has a poverty rate above the statewide average or an unemployment rate above the statewide average for three of the five preceding years.
- Up to 20 resort economic development licenses to establishments whose business and operation are designed to attract and accommodate tourists and visitors to the resort area, whose primary business is not the sale of liquor, whose capital investment, leasehold improvement, fixtures, and inventory for the premises exceed \$1,500,000, and that do not allow casino gambling on the premises.
- Up to 10 additional SDD licenses to established merchants whose business and operation are designed to attract and accommodate tourists and visitors to the resort area, in governmental units having a population of 50,000 or less, in which the quota of SDD licenses has been exhausted.

MCL 436.1531

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

The extension of the sunsets for the various liquor licenses would generate license revenue that will not otherwise be generated without this extension.

Local governments receive 55% of liquor license fee revenue.

Date Completed: 12-1-00

Fiscal Analyst: M. Tyszkiewicz