

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 5668 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Representative Michael Green
House Committee: Employment Relations, Training and Safety
Senate Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

The bill would amend the Michigan Liquor Control Code to prohibit the Liquor Control Commission (LCC), by July 1, 2002, from issuing a new on-premises license or transferring more than a 50% interest in an existing on-premises license, unless the licensee or transferee offered proof that he or she had employed or had present on the licensed premises, at a minimum, supervisory personnel on each shift and during all hours in which alcoholic liquor was served, who had successfully completed a server training program. The LCC would have to approve the establishment of a server training program designed for these licensees and transferees on or after the commencement of the program, and for any existing retail licenses the LCC determined to be in need of training due to Code violations. The bill also would:

- Permit the LCC to allow an applicant or a conditionally approved licensee at least 180 days to meet these training requirements, and allow the LCC to suspend the license of a conditionally approved licensee for failure to comply.
- Allow the LCC to waive the server training requirement on the basis of responsible experience or training.
- Allow the LCC to adopt the existing standards and programmatic framework of private entities and to delegate nondiscretionary administrative functions to outside private entities.
- Specify that these provisions would not apply to special licenses, although the LCC could require server training based upon the size and nature of a licensed event.
- Require an on-premises licensee or a transferee to employ trained supervisory personnel, as described above, and to keep a copy of the responsible vendor designation or proof of completion of server training on the licensed premises; and provide that a licensee who violated these requirements would be subject to revocation, suspension, or other sanction.

The Code requires the LCC to hold a hearing and suspend or revoke a license if the licensee has been found liable for three or more separate violations involving serving liquor to a minor or a visibly intoxicated person on different occasions within a 24-month period. Under the bill, this would not apply if violations for furnishing liquor to a minor were discovered by the licensee and immediately disclosed to an appropriate law enforcement agency.

MCL 436.1501 & 436.1906

Legislative Analyst: S. Lowe

FISCAL IMPACT

The bill would increase the responsibilities of the Commission by necessitating additional record-keeping and an additional inspection visit in order to replace a conditional license with a permanent one. This bill addresses only new and 50% or greater transfer of interest in on-premises licenses. There would be no additional revenues collected to support these new duties. The fiscal impact on this bill is indeterminate.

Date Completed: 12-6-00

Fiscal Analyst: M. Tyszkiewicz

[floor/hb5668](http://www.michiganlegislature.org/floor/hb5668)

Analysis available @ <http://www.michiganlegislature.org>

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.