

SENATE BILL No. 914

January 14, 2004, Introduced by Senators CROPSEY, BRATER, GEORGE, HARDIMAN, VAN WOERKOM, McMANUS, ALLEN, BERNERO, SCHAUER, PRUSI, EMERSON, SCOTT, LELAND, CLARKE, THOMAS, BIRKHOLZ and GARCIA and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

A bill to amend 1998 PA 58, entitled
 "Michigan liquor control code of 1998,"
 by amending sections 221 and 233 (MCL 436.1221 and 436.1233).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 221. (1) The commission is authorized to maintain a
 2 revolving fund that is to be derived from the money deposited to
 3 the credit of the commission with the state treasurer. From time
 4 to time, amounts shall be transferred from the revolving fund to
 5 the general fund in accordance with the management and budget
 6 act, 1984 PA 431, MCL 18.1101 to 18.1594. The fund provided for
 7 in this section shall be used for replenishing, maintaining,
 8 warehousing, and distributing liquor stock throughout the state
 9 and for administration of this act. **The additional money**
 10 **generated by the raising of the gross profit amount in section**
 11 **233 as a result of the 2003 amendatory act that added this**

1 sentence shall be deposited into the revolving fund and shall be
2 appropriated to local units of government for the purpose of fire
3 protection grants. The commission shall make a monthly report of
4 the fund to the state treasurer and to the budget director. The
5 report shall contain an itemized account of all money received
6 and all expenditures made by the commission during the month
7 covered in the report.

8 (2) Interest earnings on common cash attributable to the
9 revolving fund shall be credited to the revolving fund and shall
10 be available to the commission for administration of this act.

11 (3) All money received by the commission under this act shall
12 be turned over to the state treasurer according to department of
13 treasury procedures.

14 (4) All money deposited by the commission with the state
15 treasurer shall be either credited to the revolving fund for
16 expenditures authorized under subsection (1) or credited to the
17 general fund to be available for the purposes for which the
18 general fund is available.

19 Sec. 233. (1) The commission shall establish uniform prices
20 for the sale of alcoholic liquor in state liquor stores and by
21 specially designated distributors. The prices shall return a
22 gross profit to the commission of not less than 51% and not
23 greater than ~~65%~~ 74%. If alcoholic liquor purchased by the
24 commission has not met sales standards established by the
25 commission for a period of 6 months, the commission may sell the
26 alcoholic liquor at a price to be approved by the state
27 administrative board.

1 (2) Notwithstanding subsection (1), the commission may
2 establish by rule prices for the sale of alcoholic liquor to
3 hospitals, charitable institutions, and military establishments
4 located in this state.

5 (3) There shall be allowed a discount of ~~17%~~ **19.25%**
6 deducted from the sale price established by the commission on the
7 sale of alcoholic liquor made by the state liquor stores to
8 specially designated distributors and establishments licensed to
9 sell for consumption on the premises.