



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



BILL ANALYSIS

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

House Bill 4213 (Substitute H-1 as passed by the House)

Sponsor: Representative Ryan Berman

House Committee: Regulatory Reform
Ways and Means

Senate Committee: Regulatory Reform

Date Completed: 11-12-20

CONTENT

The bill would amend the Michigan Liquor Control Code to do the following:

- **Allow a city, village, or township to allow the sale of alcoholic liquor for on-premises consumption between the hours of 2 AM and 4 AM.**
- **Allow the Michigan Liquor Control Commission (MLCC) to issue a late-night permit for the sale of alcoholic liquor for on-premises consumption between the hours of 2 AM and 4 AM to a licensee that held a license or permit allowing for the sale of alcoholic liquor for on-premises consumption.**
- **Prescribe a \$250 initial and renewal late-night permit fee.**

The Code generally prohibits an on-premises and an off-premises licensee from selling, giving away, or furnishing alcoholic liquor between the hours of 2 AM and 7 AM on any day. The Code does not prevent a local government unit from prohibiting the sale of beer or wine between certain times.

The bill would allow a city, village, or township to approve, by a majority of the city, village, or township's legislative body voting, a resolution to allow the sale of alcoholic liquor for on-premises consumption between the hours of 2 AM and 4 AM.

The MLCC could issue a late-night permit for the sale of alcoholic liquor for on-premises consumption between the hours of 2 AM and 4 AM to a licensee that held a license or permit allowing for the sale of alcoholic liquor for on-premises consumption that was located in a city, village, or township that had approved a resolution allowing the sale of alcoholic liquor for on-premises consumption between the hours of 2 AM and 4 AM.

A licensee could apply for a late-night permit on a form prescribed by the MLCC. The initial and annual renewal fee for a late-night permit would be \$250. A late-night permit would expire on the same date as the license or permit that allowed for the sale of alcoholic liquor for on-premises consumption and could be renewed in conjunction with that license or permit.

MCL 436.2114 et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government.

Under the bill, the MLCC would collect \$250 for each permit application. The total revenue collected, as well as the cost of administrative and regulatory activities undertaken by the Commission, would depend on the volume of permit applications. An increase in the amount of additional liquor sold to licensees as a result of extended service hours likely would not result in a significant increase in tax revenue to the State.

It is likely that the costs of voting on a resolution and reviewing and issuing permit applications would not have a significant fiscal impact on local units of government.

Fiscal Analyst: Elizabeth Raczkowski

SAS\S1920\s4213sa

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.