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SFA

BILL ANALYSIS

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Senate Bill 527 (as introduced 6-6-01)

Sponsor: Senator Shirley Johnson

Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 11-27-01

CONTENT

The bill would amend the Michigan Liquor Control Code to require that, by July 1, 2002, the Liquor Control Commission establish an integrated on-line ordering system for retail liquor licensees to place orders for spirits from authorized distribution agents. The system would have to allow retail licensees to order all brands and types of spirits from the Commission and provide the order to the appropriate authorized distribution agents. The Commission could enter into any agreements or contracts with private or other public entities, as provided for or allowed by law, to establish the integrated on-line ordering system.

The Code requires that an authorized distribution agent deliver to each retailer located in its assigned distribution area on at least a weekly basis, if the order meets minimum requirements. An authorized distribution agent must provide retailers access to a computer application that includes the capability to determine whether certain spirits are currently available for delivery. Under the bill, that requirement would continue until the proposed integrated on-line ordering system was activated. Beginning on the date the system was established, the Commission would have to provide for an integrated on-line ordering system for spirits.

MCL 436.1205

Legislative Analyst: P. Affholter

FISCAL IMPACT

The cost of the proposed on-line ordering system, which is unknown at this time, would be covered with Liquor Purchase Revolving Fund revenue. As the balance of this Fund is deposited into the General Fund, any additional expenditures would reduce the amount deposited at the end of the year.

Fiscal Analyst: M. Tyszkiewicz

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