

# Legislative Analysis

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## ALLOW ENTERTAINMENT AFTER CESSATION OF LIQUOR SALES WITH EXTENDED HOURS PERMIT

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**House Bill 4706 (Substitute H-3)**  
**Sponsor: Rep. Jerry O. Kooiman**  
**Committee: Regulatory Reform**

**Complete to 6-29-05**

### A SUMMARY OF HOUSE BILL 4706 AS REPORTED FROM COMMITTEE

House Bill 4706 would amend the code (MCL 436.1916) so that an on-premises licensee could obtain an extended hours permit that would allow the licensee to engage in the following activities outside of the legal hours for the sale and consumption of alcoholic liquor:

- monologues, dialogues, motion pictures, still slides, closed circuit television, contests, other performances for public viewing (if holding a permit for those activities);
- patron dancing (if holding a permit for that activity); and
- the performance or playing of an orchestra, piano, or other types of musical instruments, or singing, or the viewing of any publicly broadcast television transmission from a federally licensed station.

The extended hours permit would not allow for:

- extended hours for the serving or consumption of alcohol;
- topless activity;
- gaming as defined in the Michigan Gaming Control and Revenue Act or keno or other gaming under the McCauley-Traxler-Bowman-McNeely Lottery Act. (A casino licensee could conduct gaming under a casino license.)

An extended hours permit could be issued to 1) a licensee that already holds or applies for an entertainment, dance, or combination dance-entertainment permit; or 2) a licensee who does not hold one of those permits but who only wishes to conduct musical performances or television broadcasts. Local approval would be required in either case.

The bill also specifies that the commission would waive the conditions contained in R 436.1437(1) of the administrative code, relative to the application. That rule applies to "specific purpose permits" that currently are available in some case for activities at on-premises licensees outside of normal hours.

[Under the Michigan Liquor Control Code, on-premises licensees (bars, taverns, and restaurants) must obtain permits if they wish to allow entertainment (movies, closed circuit television, monologues, contests, etc.), dancing by customers, or topless activity. Activities allowed by the permits can only be conducted during the hours that alcoholic beverages can be sold and consumed on the licensed premises. Generally, speaking, alcohol cannot be sold or furnished between 2 a.m. and 7 a.m. and cannot be consumed on the premises between 2:30 a.m. and 7 a.m. On Sunday, alcohol cannot be sold or furnished between 2 a.m. and 7 a.m. unless the licensee obtains a Sunday sales permit to allow the sale or furnishing of alcohol between noon and midnight.]

**FISCAL IMPACT:**

A preliminary analysis suggests there is no fiscal impact on the State of Michigan or its local units of government. The change to the Michigan Liquor Control Code of 1998 should not result in any additional administrative cost to the Michigan Liquor Control Commission or local liquor law enforcement efforts.

**POSITIONS:**

The Michigan Restaurant Association supports the bill. (6-28-05)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.