

# Legislative Analysis

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## **SALE OF BEER & WINE BY A HOTEL FOR OFF-PREMISES CONSUMPTION**

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**House Bill 5084 (Substitute H-2, as adopted by Committee)**

**Sponsor: Rep. Ken Horn**

**Committee: Regulatory Reform**

**Complete to 2-15-12**

### **A SUMMARY OF HOUSE BILL 5084 (COMMITTEE SUBSTITUTE H-2)**

Currently, Section 229 of the Liquor Control Code allows the Liquor Control Commission to license a hotel, in places the commission designates, to sell spirits for off-premises consumption. House Bill 5084 would create a new hotel beer and wine license to also allow the licensing of hotels, in places the commission designates, to sell beer and wine at retail for off-premises consumption.

The applicant would be required to pay an annual fee at the time of application equal to the amount charged for a specially designated merchant's (SDM) license. Currently, under Section 525(1)(j) of the Liquor Control Code (MCL 436.1525), the license fee for an SDM is \$100. Any license revenues collected for this new license would be subject to allocation as provided for in Section 543 of the Liquor Control Code.

MCL 436.1229

### **FISCAL IMPACT:**

House Bill 5084 would not likely have a substantial impact on the administrative expenses of the Liquor Control Commission. To the extent that the specially designated licenses provided for by House Bill 5084 enables existing hotels to supply a currently unsupplied demand for beer and wine, the state will collect additional, but indeterminate, amounts of sales and excise taxes.

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