

# Legislative Analysis

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

Mary Ann Cleary, Director  
Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 5084 (Substitute H-2)**  
**Sponsor: Rep. Ken Horn**  
**Committee: Regulatory Reform**

**Complete to 3-6-12**

### **A SUMMARY OF HOUSE BILL 5084 (H-2) AS REPORTED FROM COMMITTEE**

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 (H-2) 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.

### **POSITIONS:**

Michigan Liquor Control Commission supports the bill. (2-29-12)

Michigan Lodging and Tourism Association supports the bill. (2-29-12)

Michigan Association of Convention and Visitor Bureaus supports the concept of the bill. (2-29-12)

Michigan Beer and Wine Wholesalers Association is neutral on the bill. (2-29-12)

Michigan Restaurant Association is neutral on the bill. (2-8-12)

Associated Food and Petroleum Dealers, Inc. opposes the bill. (2-8-12)

Legislative Analyst: Jeff Stoutenburg  
Fiscal Analyst: Paul Holland

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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.