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BILL ANALYSIS



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Senate Bill 502 (Substitute S-1 as reported)
Sponsor: Senator Mike Nofs
Committee: Regulatory Reform

CONTENT

The bill would amend the Michigan Liquor Control Code to allow the Liquor Control Commission to issue a liquor license to a community college or public university that operates an accredited culinary or hospitality program for consumption at the program's location, under certain circumstances.

Specifically, beginning October 1, 2011, the Commission could issue to the governing board of a community college or public university that is accredited by the Higher Learning Commission and that operates an accredited culinary or hospitality program a license to sell alcoholic liquor for consumption at the culinary or hospitality program's location for activities that would further the college's or university's community or academic mission.

To obtain a license under the bill, a community college or public university would have to submit to the Commission documentation verifying that the school is accredited by the Higher Learning Commission, and either documentation that its culinary or hospitality program is accredited by a regionally recognized accrediting body, or a copy of the school's application for accreditation of the program. The Commission could revoke a license if the program were not accredited within two years after applying for the license.

A liquor license issued under the bill would have to be granted and registered to the community college's or university's culinary or hospitality program's location, and could be used only by the college or university and not by a private entity. A community college or university that held a liquor licenses under the bill could not obtain a catering permit under the Code.

Proposed MCL 436.1513a

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

To the extent that the bill would increase sales of alcoholic beverages in Michigan, the Liquor Control Commission would receive some new revenue in the form of beer, wine, and liquor taxes as well as profit from liquor sales. Most of any new revenue created would ultimately go to the General Fund, while some revenue collected from specific taxes on liquor would benefit the School Aid Fund and Convention Facility Development Fund. License fee revenue would benefit local governments, licensing and enforcement activities by the Commission, and alcoholism and prevention programs.

Date Completed: 7-14-11

Fiscal Analyst: Josh Sefton