



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 732 (Substitute S-2 as reported)

Sponsor: Senator Paul Wojno

Committee: Regulatory Affairs

CONTENT

The bill would amend the Liquor Control Code to require the Liquor Control Commission to suspend the license of a liquor retailer for 14 days if the retailer had made six or more payments to a wholesaler that had been dishonored by a financial institution in violation of the Code on different dates in 12 consecutive months.

Proposed MCL 436.1804

BRIEF RATIONALE

According to testimony, an increasing number of incidents have been reported of retailers bouncing checks or temporarily defaulting on electronic fund transfer payments as a regular part of doing business. This can hurt a wholesaler's ability to remit tax payments to the State. Some have argued that the State should do more to deter a retailer from defaulting on payments by temporarily revoking the retailer's liquor license.

FISCAL IMPACT

The bill would have an indeterminate positive fiscal impact on State government and no fiscal impact on local units of government. The impact would depend on the number of vendors that meet the criteria listed by the bill and the administrative fees assessed. Fines paid for violations of the bill would be deposited into the Liquor Control Enforcement and License Investigation Revolving Fund, which is expended for the enforcement of the Code.

Date Completed: 6-13-24

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