

Senate Fiscal Agency
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SFA

BILL ANALYSIS

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Senate Bill 331 (as reported without amendment)

Sponsor: Senator Glenn D. Steil

Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

The bill would amend the Michigan Liquor Control Code to do the following:

- Add two license classes, "Class G-1" and "Class G-2", for private-membership golf courses.
- Allow an on-premises licensee of any class to reclassify to another class of on-premises license.
- Revise provisions pertaining to a liquor license issued to a "club".
- Delete a provision under which the Liquor Control Commission may not approve more than one wine-tasting location, per wine maker, in a licensing year.

Under the bill, "Class G-1 license" would mean a place licensed to sell beer, wine, mixed spirit drinks, and spirits, at retail, for on-premises consumption at a golf course having at least 18 holes that measured at least 5,000 yards. "Class G-2 license" would mean a place licensed to sell beer and wine, at retail, for on-premises consumption at such a golf course. Either license could be issued only to a facility that allowed member access by means of payments that included annual paid membership fees. A Class G-1 or Class G-2 license would permit sales for on-premises consumption only to members required to pay an annual membership fee. Consumption would be limited to members and their bona fide guests. The fee for a Class G-1 license would be \$1,000, and the fee for a Class G-2 license would be \$500.

Subject to the Code's limitations and quotas and to local legislative approval, the Commission could approve the transfer of ownership and location of an on-premises escrowed license within the same county to a Class G-1 or G-2 license, or could approve the reclassification to a Class G-1 or G-2 license of an existing on-premises licensee at the location to be licensed. A resort or economic development on-premises license could not be issued as or reclassified to a Class G-1 or G-2 license, however.

Under the Code, a licensed club may sell beer, wine, mixed spirit drinks, and spirits for on-premises consumption only to bona fide members who are at least 21 years old. The bill also would limit consumption to members and their bona fide guests.

MCL 436.1107 et al.

Legislative Analyst: P. Affholter

FISCAL IMPACT

The additional revenue generated by the license fees would be used to offset the cost of regulating the new license classifications for privately owned golf courses. Of this revenue, 55% would go to the local unit of government.

Date Completed: 5-3-01

Fiscal Analyst: M. Tyszkiewicz