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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4454 (Substitute S-2 as reported)

Sponsor: Representative Ilona Varga

House Committee: Regulatory Affairs

Senate Committee: Economic Development, International Trade and Regulatory Affairs

### **CONTENT**

The bill would create the "Michigan Liquor Control Code of 1997" to repeal and recodify the Michigan Liquor Control Act (MCL 436.1-436.58). The proposed Code would, among other things, do the following:

- Require authorized distribution agents (ADAs) to give retailers access to a computer program concerning the availability of spirits.
- Limit the number of specially designated distributor (SDD) licenses, and delete a residency requirement for SDDs.
- Provide that all money in the revolving fund maintained by the Liquor Control Commission would have to be available to the Commission for administration of the Code.
- Specify penalties for revoked or transferred liquor licenses.
- Delete a provision that allows wines manufactured in Michigan to be taxed at a lower rate than other wines.
- Specify procedures for votes on the question of the sale and manufacture of alcoholic liquor in a county, city, village, or township.

Legislative Analyst: N. Nagata

### **FISCAL IMPACT**

This recodification includes one change that is noteworthy in a fiscal analysis but would not have any fiscal implications for the State or local governments. The bill would change the accounting of Commission deposits and interest earnings on the common cash fund by crediting them to the Liquor Revolving Fund. These funds would be used for administration of the Commission and would have no fiscal impact on the State as the balance in the Fund still would be credited to the General Fund at year end, as is now the case.

Date Completed: 12-2-97

Fiscal Analyst: M. Tyszkiewicz

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