

Legislative Analysis



NONPUBLIC CONTINUING CARE RETIREMENT CENTER LIQUOR LICENSE

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

House Bill 6007

Sponsor: Rep. Hugh Crawford

Committee: Regulatory Reform

Complete to 6-29-10

A SUMMARY OF HOUSE BILL 6007 AS INTRODUCED 3-25-10

The bill would allow certain retirement centers to sell beer, wine, and spirits for consumption on the premises and establish license fees for the new license category.

House Bill 6007 would amend the Michigan Liquor Control Code to include a "nonpublic continuing care retirement center" in the classes of vendors that may sell alcoholic liquor at retail, and allow a licensed center to sell beer, wine, and spirits for on-premises consumption. The license fee for a nonpublic continuing care retirement center license would be \$600. The bill would require the Liquor Control Commission (LCC) to grant a nonpublic continuing care retirement center license to an applicant that complied with the bill's requirements and require the LCC to publish a notice of intent to issue the license if an applicant had not existed for at least 10 years before the bill's effective date.

The new license would allow a nonpublic continuing care retirement center to serve beer, wine, mixed spirit drink, mixed wine drink, and spirits on the licensed premises to residents and their guests only for consumption on the licensed premises.

Under the bill, "nonpublic continuing care retirement center" would mean a residential community that, as determined by the LCC, meets both of the following:

- Provides full-time residential housing predominantly for individuals over 62 years of age.
- Is registered as a "facility" under the Living Care Disclosure Act (i.e., an adult foster care facility, nursing home, retirement home, home for the aged, or a place that undertakes to provide care to an individual for more than one year).

MCL 436.1525 and 436.1537

FISCAL IMPACT:

According to the 2009 annual report of the Office of Financial and Insurance Regulation, as of the end of 2009, there were 25 facilities licensed under the Living Care Disclosure Act. Allowing such facilities to obtain a liquor license (\$600) would generate, at most, \$15,000 in liquor license revenue annually. Under the Liquor Control Code, 41.5% of

liquor license revenue is credited to the Liquor Control Commission (\$6,225), 55% is credited to the appropriate local unit of government (\$8,250), and 3.5% is used for alcohol abuse prevention and treatment programs (\$525). Otherwise, the bill would have no material staffing/cost impact on the Liquor Control Commission.

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Mark Wolf

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