

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

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House Bill 4035 (Substitute H-1 as passed by the House)  
Sponsor: Representative Jennifer Faunce  
House Committee: Regulatory Reform  
Senate Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 12-3-02

## **CONTENT**

**The bill would amend the Michigan Liquor Control Code to revise penalties for the sale or furnishing of alcohol to minors; and to provide that action could not be taken against a licensee unless action also was taken against the clerk, agent, or employee who sold or furnished alcohol to the minor.**

Currently, a retail licensee or retail licensee's clerk, agent, or employee who knowingly sells or furnishes alcohol to a minor is guilty of a misdemeanor punishable by imprisonment for up to six months or a fine of up to \$500, or both. Under the bill, if the violation were the result of an undercover operation directed by the State Police, a local police agency, or the Michigan Liquor Control Commission (MLCC), the retail licensee's clerk, agent, or employee would be responsible for a State civil infraction and could be fined not more than \$100. A violator who was not a retail licensee or a retail licensee's clerk, agent, or employee would be guilty of a misdemeanor punishable by a maximum fine of \$1,000 and imprisonment for up to 60 days for a first offense, or a maximum fine of \$2,500 and imprisonment for up to 90 days for a subsequent offense, and could be ordered to perform community service. (Currently, the Code mandates a \$1,000 fine for a first offense and a \$2,500 fine for a subsequent offense. The Code also permits imprisonment and community service, as provided in the bill.)

Under the Code, if the enforcement agency involved in the violation is the State Police or a local police agency, the retail licensee may not be charged with a violation, and the MLCC may not suspend or revoke the licensee's license, unless enforcement action also is taken against the minor and, if applicable, against the person 21 years of age or older who sold or furnished the alcohol to the minor. Under the bill, enforcement action also would have to be taken against the retail licensee's clerk, agent, or employee.

MCL 436.1701 et al.

Legislative Analyst: Julie Koval

## **FISCAL IMPACT**

The bill would have no fiscal impact on State government, including the Liquor Control Commission.

The bill would have an indeterminate impact on local governments. To the extent that it would change the penal fines for knowingly selling or furnishing alcohol to a minor from required levels of \$1,000 and \$2,500 to maximum fine levels, the bill could decrease funds available to public libraries.

The bill would impose civil fines on retail license clerks of not more than \$100. These fines would be distributed to public libraries.

Fiscal Analyst: Maria Tyszkiewicz  
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.