

Legislative Analysis



CONSIDERATION OF CERTAIN LIQUOR CONTROL CODE VIOLATIONS IN LICENSE DECISIONS

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

House Bill 4114 (H-1) as reported from committee

Sponsor: Rep. Tom Kuhn

Committee: Regulatory Reform

Complete to 5-22-25

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4114 would amend the Michigan Liquor Control Code to prohibit the Michigan Liquor Control Commission (MLCC) from considering a violation that is more than two years old when making a decision regarding approving, denying, or suspending a license, unless that violation resulting in the revocation of a license. The two-year threshold would be calculated from the date of the act that resulted in the violation.

Proposed MCL 436.1910

BACKGROUND AND DISCUSSION:

The bill is similar to House Bill 4758 of the 2023-24 legislative session as that bill was passed by the House.¹

Supporters of the bill argue that limiting the amount of time that the MLCC can look back at previous violations would ensure that businesses aren't permanently penalized for violations they have addressed. In addition, they argue that it would save commission and licensee resources by preventing the relitigation of old conduct.

FISCAL IMPACT:

The bill would have an indeterminate fiscal impact on the Michigan Liquor Control Commission, housed within the Department of Licensing and Regulatory Affairs (LARA). The bill would not allow the MLCC to consider violations that occurred at least two years ago when making licensing determinations. The number of applicable violations is unknown, though would likely be small. The bill is likely to have minimal to no impact on license volumes and associated department revenues and costs. The bill would have no fiscal impact on any other units of state or local government.

POSITIONS:

Representatives of the following entities testified in support of the bill:

- Michigan Independent Retailers (5-1-25)
- Mekani Orow Mekani Shallal & Hindo (5-8-25)
- Chaldean Chamber of Commerce (5-8-25)
- Vreeland Market (5-8-25)

¹ <https://www.legislature.mi.gov/Bills/Bill?ObjectName=2023-HB-4758>

The following entities indicated support for the bill:

- Michigan Licensed Beverage Association (5-1-25)
- Freal Inc. (5-8-25)
- Sylvan Convenience (5-8-25)
- Universal Party Shoppe (5-8-25)
- Wine Basket Liquor (5-8-25)
- Michigan Retailers Association (5-8-25)

A representative of the Michigan Liquor Control Commission testified in opposition to the bill.
(5-1-25)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.