

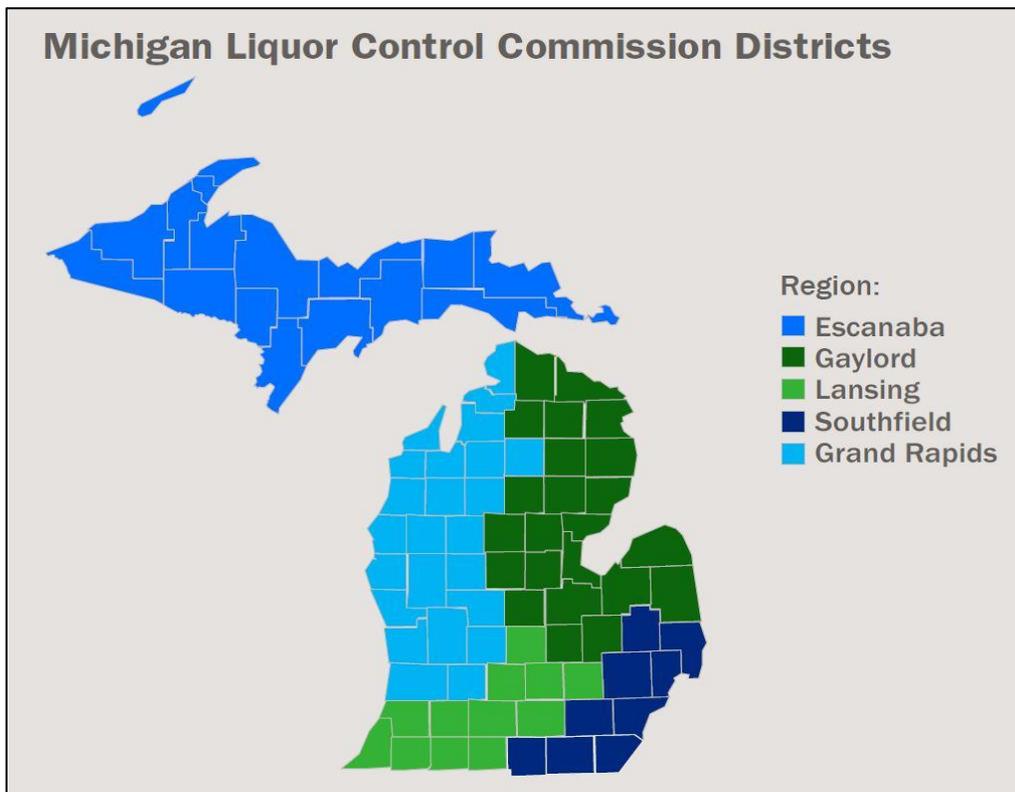
OneFAB

Information Delivered on One Page, Front And Back

Background

In order to sell liquor, retailers must obtain a license from the Michigan Liquor Control Commission (MLCC). Fifty-five percent of the retail license and renewal fees collected in a jurisdiction are returned to that jurisdiction by the State on a quarterly basis in the form of liquor law enforcement grants.¹ Another 41.5% of total fees collected are used to support the MLCC's licensing and enforcement activities. The remaining 3.5% must be used to fund and promote programs for the prevention and treatment of alcohol abuse. The amount appropriated for liquor law enforcement grants has risen slightly over time, going from \$6.6 million in fiscal year (FY) 2011-12 to \$7.2 million in FY 2013-14 and again rising to \$8.4 million in FY 2018-19. The increases in appropriations are associated with increased license fee revenue. Some retail license fees are not included in this process, including those for watercraft. The amount of each fee varies according to classification type.

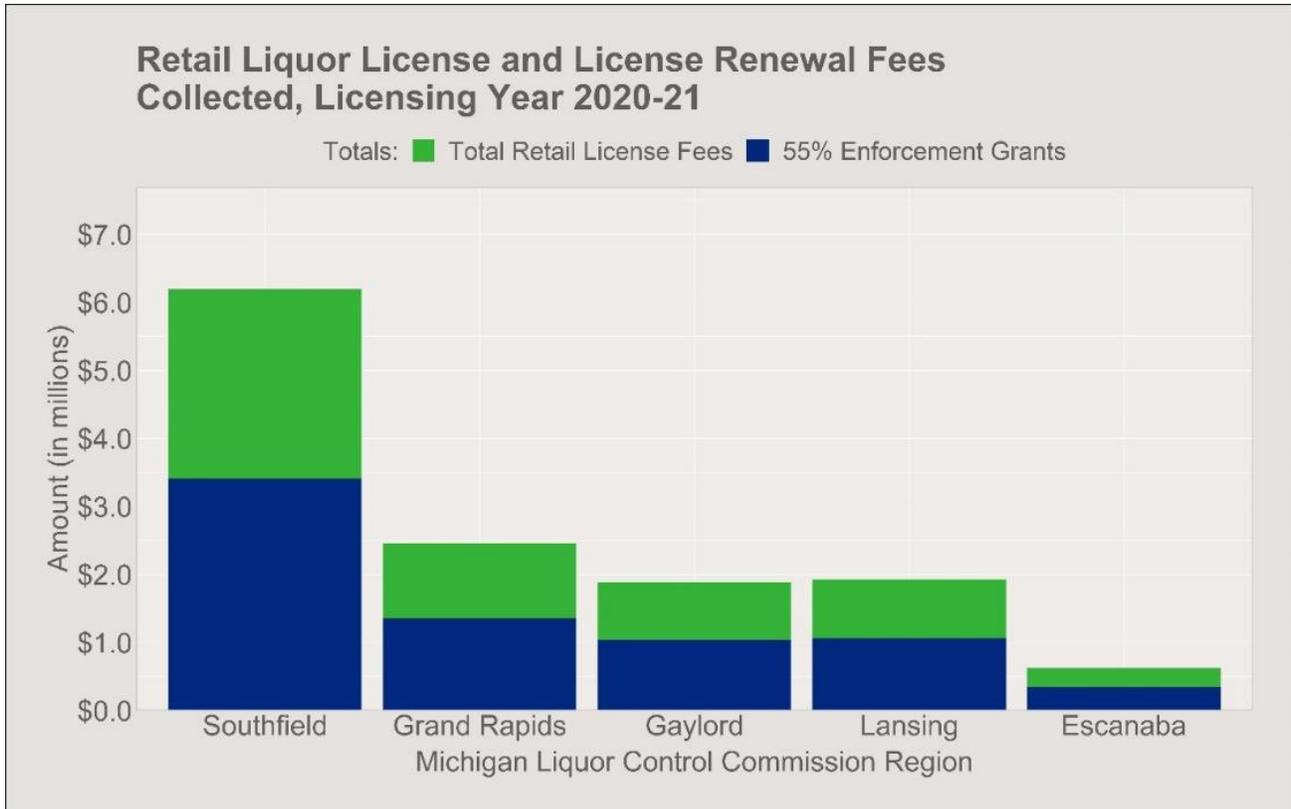
Cities, villages, and townships with a full-time police or ordinance enforcement department are eligible to receive the funds. If the fees were collected in a unit without one of these departments, then the payment is made to the county for its sheriff's department. Each county is assigned to one of five MLCC regional offices: Southfield, Lansing, Grand Rapids, Gaylord, or Escanaba.



¹ According to MCL 436.1543, these payments require the MLCC's recommendation and an appropriation of funds.

Fiscal Information

The chart below shows the license fees collected in the 2020-21 licensing year. The data are divided by MLCC district for easier visualization. The proportion of fees by region are largely similar across licensing years, as the number of establishments generally correlates with population. The fees collected totaled \$13.1 million, with \$7.2 million returned to jurisdictions.



Grant amounts can vary significantly among counties within regions, as illustrated in the table below:

	Population ²	Highest Grant	Median Grant	Lowest Grant
Escanaba	301,396	\$62,565	\$20,370	\$6,102
Gaylord	1,331,647	258,343	28,528	9,060
Grand Rapids	1,947,241	449,302	29,301	6,587
Lansing	1,653,926	192,480	61,532	20,750
Southfield	4,793,811	1,435,914	178,793	44,756

Future grant amounts will depend upon the continued statutory formula, population trends, and retail license fee demand.

² United States Census Bureau QuickFacts, population estimates as of July 1, 2021.