

AGENCY

The **Michigan Liquor Control Commission (MLCC)** falls under the state Department of Licensing and Regulatory Affairs.

[Licensing and Regulatory Affairs -- MLCC](#)

HISTORY

The MLCC was created after prohibition ended in 1933. In January 1997, the MLCC closed the two state-owned warehouses and the leased warehouse. The leases on each of the 63 state distribution stores were also terminated. The purchasing system that was originally used required the authorized distribution agents (ADAs) to transmit the licensee orders to the state. Now, orders are obtained from the retail licensees online and transmitted to the ADA.

WET and DRY COUNTIES

State law allows local jurisdictions to control alcohol availability.

There are several townships and communities in the state (localities smaller than counties and cities) that remain dry.

ENFORCEMENT

The Enforcement staff is involved in training programs to meet the needs of retail licensees, beer and wine wholesalers, and law enforcement agencies. They are also responsible for investigating applicants for liquor licenses and assisting local, county and state law enforcement agencies with the enforcement of Michigan's liquor laws.

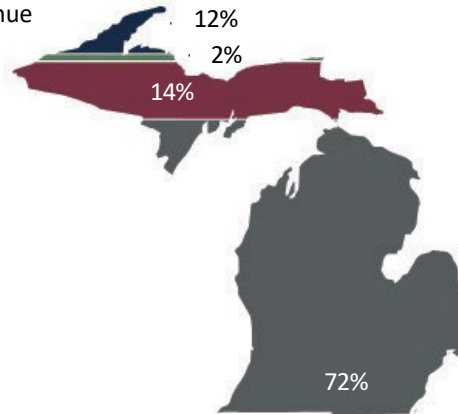
The MLCC's enforcement officers regularly conduct surveillance and decoy sting operations in licensed premises as part of their efforts to ensure that the state's liquor laws and underage drinking laws are being adhered to.

Over 21+ Population -- July 2021
 Census.gov **7,505,187**

NET REVENUE

The State of Michigan distributes its net revenue into four categories:

- General Fund (72%)
- Local Governmental Units (14%)
- Licensing and Enforcement (2%)
- School Aid Fund (12%)



\$633,171,437*
 FY 2022 Revenue

From 2007 through 2022, the MLCC has contributed more than \$6.8 billion to the state.

*Preliminary/unaudited.

DISTRIBUTION

The MLCC does not own any retail stores, nor does it manage the distribution of spirits from warehouses. Authorized distribution agents (ADAs) receive retail licensees' orders from the state. Beer and wine are handled by licensed wholesalers who deliver products to retailers.

The MLCC began issuing direct shipping licenses in May 2006. These licensed U.S. wineries may deliver ordered wine products to Michigan residents' homes. There are currently 1,713 wineries that hold Direct Shipper Licenses.

Does jurisdiction allow direct shipping of wine?



Tax per standard drink:
SPIRITS: \$0.067
WINE: \$0.020
BEER: \$0.019

OUTLETS AND GROCERY STORES

Michigan holds control on spirits at wholesale and licenses wholesalers for the distribution of beer and wine to retailers. The state has 4,766 licensed off-premises retailers (packaged liquor, beer, and wine), 4,962 licensed off-premises retailers (beer and wine only), and 9,579 licensed on-premises establishments located throughout the state.

- Michigan has policies that regulate the density of off-premise outlets in a neighborhood/precinct/condensed area
- Jurisdiction allows the sale of spirituous liquor in convenience stores
- Servers must be 17 years old and older (with 18-year-old supervisor on the premises) to serve beer at on-premises outlets, and employees at off-premises outlets must be age 18 to sell beer
- The sale of Spirits, with specially designated distributor license required, and beer and wine, with specially designated merchant license required, are permitted in grocery stores
- Sunday sales are allowed
- For every 100,000 residents ages 21 and older, there are 105.4 spirits outlets
- Beverage service training is both mandatory and voluntary in the state, depending on the license type, transaction, and MLCC Order

MICHIGAN LIQUOR CONTROL COMMISSION IN ACTION



In 2021-2022, the MLCC used NABCA Education and Supplemental Awards to focus on preventing the sale of alcohol to minors and underage drinking in college communities. The MLCC used Prevention Network, a statewide organization that conducted: 1) virtual forums among community coalitions in college towns to discuss how to improve alcohol compliance checks, and 2) a survey of local law enforcement agencies to assess these agencies' knowledge, resources, and expertise in conducting alcohol compliance checks. The MLCC also used the funds for the Responsible Retailing Forum to conduct the Michigan Alcohol Responsibility Program (MI ARP), a mystery shopper program that checked to see if retail stores, bars and restaurants in two college towns were correctly verifying age and the authenticity of IDs prior to the sale of alcohol. Liquor licensees received aggregate "mystery shopper" results and Best Practices to achieve high ID-checking rates. The MI ARP mystery shops did not result in violations if a customer's ID was not checked. Rather, they provided "teachable moments" that helped prepare licensees to pass compliance checks either by the MLCC or local law enforcement and complemented the MLCC's highly successful Controlled Buy Operation Program.

DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2018 Survey Database, Alcohol Beverages Revenues & Taxes 2020 Report (June 2022), Educational Awards Program Reports for 2020-2021, Michigan Liquor Control Commission, Fact Book, Alcohol Policy Information System (APIS), Census.gov.