

Legislative Analysis



ALLOW RESTAURANT LIQUOR LICENSE ON LAND OWNED BY WAYNE STATE UNIV.

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Senate Bill 432 (Substitute S-1)

Sponsor: Sen. Hansen Clarke

House Committee: Regulatory Reform

Senate Committee: Economic Development and Regulatory Reform

Complete to 5-19-09

A SUMMARY OF SENATE BILL 432 AS PASSED BY THE SENATE 5-13-09

The bill would allow, under certain conditions and subject to the quota restrictions within the liquor code, a liquor license to be granted to a private entity for a restaurant located on property owned by Wayne State University.

In general, under the Michigan Liquor Control Code, an on-premises liquor license can be issued to owners of bars and restaurants subject to a quota restriction that limits the number of such licenses in a municipality to no more than one license for each 1,500 of population. On premises liquor licenses are generally prohibited for establishments located on state-owned property, although there are several exceptions. For instance, the Liquor Control Commission (LCC) is allowed to issue a license to a hotel operated by a private entity but located on property owned by Central Michigan University.

Senate Bill 432 would amend the Michigan Liquor Control Code (MCL 436.1513) to also permit the LCC to issue a liquor license, subject to the quota provisions of Section 531, to a private entity for the sale of liquor for consumption on the licensed premises of a restaurant located on land owned by Wayne State University if both of the following conditions were met:

- The land was leased or subleased at fair market value to a private entity that owned, leased, or subleased the restaurant.
- The restaurant was located within an area designated for industrial, research, or commercial development by the governing board of the university.

FISCAL IMPACT:

The bill would have a minimal fiscal impact on the state or local units of government.

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