

UNIVERSITY CONFERENCE CENTER LIQUOR LICENSES

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House Bill 4912 as referred to second committee

Sponsor: Rep. Roger Hauck

1st Committee: Regulatory Reform

2nd Committee: Ways and Means

Complete to 10-22-19

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

SUMMARY:

House Bill 4912 would amend the Michigan Liquor Control Code to add a university building to the list of buildings considered “conference centers” and therefore eligible for an on-premises liquor license.

Under state liquor laws, a college or university can obtain a liquor license to sell alcoholic liquor for consumption on the premises of a conference center operated by the governing board of the institution. The liquor license is not subject to the population quota provisions of the Liquor Control Code. Under this license, alcohol can only be sold at regularly scheduled conference center activities. The sale of alcohol to unscheduled patrons or at unscheduled events is prohibited.

House Bill 4912 would amend the code to add the *John G. Kulhavi Events Center at Central Michigan University* to the list of buildings considered conference centers under the code and therefore eligible for an on-premises liquor license.

MCL 436.1513

BACKGROUND:

Unless specifically authorized, the Michigan Liquor Control Code prohibits issuance of a liquor license to an establishment located in a state-owned building or on state-owned land. One exception from the general prohibition is for conference centers located on the campuses of state colleges and universities, but only if specifically listed as such in the code. Besides hosting college- or university-related events, these buildings often host private events such as weddings, business conferences, and fundraisers. The license allows them to serve alcoholic beverages at both public and private events for consumption on the licensed premises. However, the conference center license is strictly for scheduled events only—alcohol cannot be served on a regular basis or to members of the general public who are not participants or guests at the scheduled event. In this way, the colleges and universities do not compete with local bars and restaurants. House Bill 4912 would amend the code to add a Central Michigan University events center to the list of buildings considered to be “conference centers.”

This bill is similar to 2018 PA 479 (Senate Bill 1219),¹ which added five university buildings to the list of those eligible for on-premises liquor licenses.

FISCAL IMPACT:

House Bill 4912 would be unlikely to have a significant fiscal impact on any unit of state or local government. The bill would allow the Michigan Liquor Control Commission to issue an additional license to a Central Michigan University events center, but given that it would be a single license, the bill is not anticipated to have a significant fiscal impact.

POSITIONS:

Central Michigan University indicated support for the bill. (10-3-19)

The following entities indicated a neutral position regarding the bill (10-3-19):

Michigan Liquor Control Commission
Michigan Licensed Beverage Association

Legislative Analysts: Jenny McInerney
Susan Stutzky
Fiscal Analyst: Marcus Coffin

■ 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.

¹ House Fiscal Agency analysis of PA 479/SB 1219 of 2018. <http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-1219-D078CFB8.pdf>