

Legislative Analysis



UNIVERSITY BASEBALL STADIUM LIQUOR LICENSES

Phone: (517) 373-8080
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House Bill 4711 as reported from committee

Sponsor: Rep. Matt Hall

Committee: Regulatory Reform

Complete to 10-7-21

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

(Enacted as Public Act 116 of 2021)

SUMMARY:

House Bill 4711 would amend the Michigan Liquor Control Code to allow a private entity to obtain a license for the sale of alcohol for consumption on the premises of a baseball stadium owned by Eastern Michigan University or Oakland University if either were leased or subleased during the summer.

Unless specifically authorized, the Liquor Control Code prohibits issuance of a liquor license to an establishment located in a state-owned building or on state-owned land.

The bill would authorize the Liquor Control Commission to issue an on-premises license (for example, a Class C or tavern license) to a private entity for the sale of alcohol for consumption on the premises of a baseball stadium located on land owned by Eastern Michigan University or Oakland University if the baseball stadium and adjacent outdoor service area were leased or subleased at fair market value during the summer period between the end of the university's spring term and the beginning of its fall term. The bill's provisions would be subject to section 531 of the code, which establishes population-based quotas, and exemptions to those quotas, on the issuance of on-premises licenses.

MCL 436.1513

BRIEF DISCUSSION:

Currently, three teams in Michigan play in the Northwoods League, a private organization of 22 collegiate teams that play in a summer league and are a talent pool for Major League Baseball. At least 160 players from the league have been drafted into the MLB. In the 2021 season, the Traverse City Pit Spitters, Kalamazoo Growlers, and Battle Creek Bombers drew an average attendance per game of 1,652, 1,866, and 683, respectively. According to representatives of the league, home games often become community events and provide a platform to partner with nonprofits, such as sponsoring a diaper drive, while local businesses benefit when fans sample the fare at local eateries and shop at local stores before and after games.

The Northwoods League would like to expand into eastern Michigan. Both Eastern Michigan University and Oakland University have baseball stadiums suitable to host new teams. However, current law prohibits liquor licenses allowing for the on-premises sale and consumption of alcohol to be issued to private businesses located on state-owned land unless specifically authorized under the Michigan Liquor Control Code. The sale of alcohol is an important part of the business model of teams in the league. According to its representatives, the Northwoods League has a 28-year record of responsible alcohol sales. The bill would allow

for a liquor license for alcohol sales and consumption for Northwoods League games played in the stadiums at the universities. The bill would apply only to Northwoods League games and only during the summer when the university teams are not using the stadiums. The bill would not enable either university to obtain a liquor license. Proponents argue that allowing the Northwoods League to expand into eastern Michigan would benefit local economies, increase tourism, and enable the teams on the western side of the state to host more Michigan games.

FISCAL IMPACT:

House Bill 4711 would not have a significant fiscal impact on any unit of state or local government, since the bill would affect only a limited number of licenses.

POSITIONS:

Representatives of the Northwoods League testified in support of the bill. (9-14-21)

The following entities indicated support for the bill (9-14-21):

- Eastern Michigan University
- Oakland University

The Michigan Liquor Control Commission indicated a neutral position on the bill. (9-21-21)

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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.