

Legislative Analysis



UNIVERSITY LIQUOR LICENSES

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Senate Bill 1219 as enacted
Public Act 479 of 2018
Sponsor: Sen. Tory Rocca
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform
Complete to 4-1-19

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

SUMMARY:

Senate Bill 1219 amends the Michigan Liquor Control Code to add several university buildings to the list of buildings considered “conference centers” and therefore eligible for an on-premises liquor license. The bill also allows a liquor license to be issued to a golf course clubhouse owned or operated by a college or university.

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 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.

Senate Bill 1219 amends the Code to add the following to the list of buildings considered conference centers under the Code and therefore eligible for an on-premises liquor license:

- Pease Auditorium and McKenny Hall at Eastern Michigan University.
- Heritage Hall Alumni Center at Western Michigan University.
- Fredericks Sculpture Museum and the Alumni Building at Saginaw Valley State University.
- Meadow Brook Hall, Golf Pavilion, Oakland Center, O’rena (Athletic Center), and Shotwell-Gustafson Pavilion at Oakland University.
- West Hall Innovation Center at Northwestern Michigan College. [This building replaces the John T. Parsons and Frank L. Stulen Michigan Technical Education Center at Northwestern Michigan College, which the bill removes from the list.]

Further, the bill allows the Michigan Liquor Control Commission to issue a license to a golf course clubhouse and any adjacent outdoor service area owned or operated by a college or university for the sale of alcoholic liquor for consumption on the premises.

The bill took effect December 27, 2018.

MCL 436.1513

BACKGROUND INFORMATION:

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. Senate Bill 1219 would amend the Code to add buildings located at several state universities to the list of buildings considered to be “conference centers.” Besides hosting college- or university-related events, these buildings often host private events such as weddings, business conferences, and fundraisers. The license would allow 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.

FISCAL IMPACT:

Senate Bill 1219 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 additional licenses to facilities owned and operated by colleges and universities, but given the small number of licenses that would likely be issued, the bill is not anticipated to have a significant fiscal impact.

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