Legislative Analysis



COMMUNITY COLLEGE LIQUOR LICENSES

House Bill 4065 (H-1) as reported Sponsor: Rep. Joseph A. Aragona Committee: Regulatory Reform

Complete to 3-10-25

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

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

SUMMARY:

House Bill 4065 would amend Michigan Liquor Control Code to allow the Michigan Liquor Control Commission (MLCC) to issue a license to sell alcoholic liquor for consumption on licensed premises located at the Expo Center Complex and the John Lewis Student Community Center at Macomb Community College and at the Wayne County Community College District Culinary Arts and Hospitality Center, as long as the license was originally acquired on the open market for fair market value.

The code generally allows the MLCC to issue licenses to the governing board of a state-supported college or university to sell alcoholic liquor at a *conference center*¹ operated by the governing board, without regard to quotas set by the code. The code also allows licenses to be issued for the sale of liquor at other specified facilities on college and university campuses, subject to the quotas set by section 531 of the code and certain other restrictions.²

The licenses under the bill would be issued to the respective community college's governing board and would be subject to the quotas under section 531. If issued a license, the college's governing board would have to pay the fee required by section 525 of the code.³

In addition, the code now provides that licenses issued under the provisions described above are nontransferable. The bill would amend this to apply only to licenses issued for a college or university conference center, and so would allow the transfer of licenses issued to colleges and universities that are subject to the section 531 quotas as described above.

MCL 436.1513

BACKGROUND:

According to committee testimony, Macomb Community College currently needs to obtain a daily pass for every event at these venues at which they want to serve liquor. Supporters argued that the bill would alleviate this unnecessary administrative burden on the community college and the MLCC.

House Fiscal Agency Page 1 of 2

¹ The code defines *conference center* as a building or portion of a building, other than a student residence hall or student center, that has meeting rooms, banquet areas, social halls, overnight accommodations, and related facilities for special activities scheduled by the college or university, and that, in the judgment of the MLCC, has been regularly used for conferences and lodging of guests. The code also lists specific facilities that are defined conference centers for purposes of these provisions.

² https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-436-1531

³ https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-436-1525

FISCAL IMPACT:

House Bill 4065 would have minimal to no fiscal impact on state and local government units. The bill would allow Macomb Community College to obtain a license from the MLCC for the sale and consumption of liquor during scheduled conference center activities. If the college chooses to obtain a license, the MLCC would receive additional fee revenue, though any revenue increase would be minimal. Macomb Community College, which is a local government unit, may also experience additional revenue from the sale of liquor. The revenue realized by the college would depend on a number of variables, including the number of events held with liquor sales and the amount of liquor sales.

POSITIONS:

The Michigan Liquor Control Commission indicated support for the bill. (2-20-25)

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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.