

Legislative Analysis



LAKE SUPERIOR STATE UNIVERSITY LIQUOR LICENSE

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

House Bill 5623 (proposed substitute H-1)

Sponsor: Rep. John N. Damoose

Committee: Regulatory Reform

Complete to 5-3-22

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

SUMMARY:

House Bill 5623 would amend the Michigan Liquor Control Code to add university buildings at Lake Superior State University to the list of buildings considered “conference centers” and therefore eligible for an on-premises liquor license and to allow an on-premises license to be issued under certain circumstances for premises located on land owned by Lake Superior State 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 Control Code. Under this license, alcohol can be sold only at regularly scheduled conference center activities. The sale of alcohol to unscheduled patrons or at unscheduled events is prohibited.

The bill would add the James Norris Events Center and the Richard and Theresa Barch Center for Freshwater Research and Education at Lake Superior State University to the list of buildings considered conference centers under the code and therefore eligible for an on-premises liquor license. (The Walker Cisler Center at the university is already included as a conference center.)

In addition, the bill would allow a license to be issued to the governing board for the sale of alcohol for consumption on licensed premises that are located on land owned and operated by Lake Superior State University if both of the following apply:

- The license was originally acquired on the open market at fair market value.
- The land is located within an area designated for community development or conference activities by the governing board of the university.

MCL 436.1513

BACKGROUND:

The proposed H-1 substitute for HB 5623 is a “conflict substitute” that updates the section of law being amended to include changes made to that section by a recent amendatory act (2021 PA 116). Generally speaking, conflict substitutes resolve potential conflicts between different bills that amend the same section of law. Without a substitute that takes both bills into account, the last bill signed into law would overwrite and undo the changes made by the earlier one.

FISCAL IMPACT:

House Bill 5623 would not have a significant fiscal impact on any unit of state or local government. The bill would allow the Michigan Liquor Control Commission to issue a license

to Lake Superior State University for on-premises consumption on land owned and operated by the university, as long as the conditions of the bill are met. Given that the bill would involve a single licensee, the bill would not have a significant fiscal impact.

Legislative Analyst: 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.