

Legislative Analysis



SCHOOLCRAFT COLLEGE LIQUOR LICENSES

House Bill 4282 (H-2) as reported from committee

Sponsor: Rep. Matt Koleszar

House Bill 4595 (H-1) as reported from committee

Sponsor: Rep. Rylee Linting

Committee: Regulatory Reform

Complete to 9-17-25

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<http://www.house.mi.gov/hfa>

Analysis available at

<http://www.legislature.mi.gov>

SUMMARY:

House Bills 4282 and 4595 would each amend the Michigan Liquor Control Code to allow the Michigan Liquor Control Commission (MLCC) to issue certain licenses to entities located on land owned by Schoolcraft College.

House Bill 4282 would allow the MLCC to issue a license for the sale of alcoholic liquor for on-premises consumption to a restaurant located on land owned by Schoolcraft College if all of the following apply:

- The land is leased or subleased at fair market value to a private entity that leases or subleases the licensed premises for the operation of a restaurant.
- The private entity also leases or subleases property for the operation of the grocery store described in House Bill 4595.
- The restaurant is inside or adjacent to the grocery store described in House Bill 4595.
- The restaurant is located in an area designated for industrial, research, or commercial development by the governing board of Schoolcraft College.
- The license was originally acquired on the open market at fair market value.

The license would be subject to the quotas set by section 531 of the code.¹

MCL 436.1513

House Bill 4595 would allow the MLCC to issue a specially designated merchant license, a specially designated distributor license, or both, to a private entity that leases or subleases the licensed premises for the operation of a grocery store located on land owned by Schoolcraft College. The license would be subject to the quota requirements of section 533(4) or (5) of the code.²

MCL 436.1533

Each bill can take effect only if both bills are enacted.

BACKGROUND AND BRIEF DISCUSSION:

A specially designated merchant (SDM) license allows a business to sell beer, wine, or mixed spirit drink products in their original package for consumption off the licensee's premises.

¹ <https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-436-1531>

² <https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-436-1533>

According to the MLCC, SDM licenses are commonly held by grocery stores, gas stations, and other types of stores that sell products for off-premises consumption.³

A specially designated distributor (SDD) license allows a business to sell retail spirits for consumption off the licensee's premises.⁴

According to committee testimony, the bills would enable the planned partnership between Schoolcraft College and Nino Salvaggio's to build a full-service marketplace on campus. Supporters argue that the plans will particularly benefit students in the college's culinary program.

FISCAL IMPACT:

House Bills 4282 and 4595 would have minimal to no fiscal impact on the Michigan Liquor Control Commission.

House Bill 4282 would allow a private entity that operates a grocery store on Schoolcraft College property to obtain a license for the sale of liquor for consumption at a restaurant located within or directly adjacent to the grocery store on Schoolcraft College property. If a private entity chooses to obtain a license, the MLCC would receive additional license fee revenue, though any potential increase in revenue would be minimal.

House Bill 4595 would allow the MLCC to issue a specially designated merchant or a specially designated distributor license to a private entity that operates a grocery store located on Schoolcraft College property. These license types are limited by local government quotas. If licenses are available and eligible stores choose to obtain them, the MLCC would receive additional fee revenue, though any revenue increase would be minimal.

POSITIONS:

Representatives of the following entities testified in support of the bills (8-21-25):

- Schoolcraft College
- Nino Salvaggio's

The following entities indicated a neutral position on the bills (8-21-25):

- Michigan Liquor Control Commission
- Michigan Licensed Beverage Association

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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.

³ <https://www.michigan.gov/lara/-/media/Project/Websites/lara/lcc/MLCC-FAQs/Retailer-FAQ/SDM-Requirements.pdf>

⁴ <https://www.michigan.gov/lara/-/media/Project/Websites/lara/lcc/MLCC-FAQs/Retailer-FAQ/SDD-Requirements.pdf>