

Legislative Analysis



SUNDAY ALCOHOL SALES

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

House Bill 4398 as introduced
Sponsor: Rep. Jennifer Wortz
Committee: Regulatory Reform
Complete to 6-11-25

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

SUMMARY:

House Bill 4398 would amend the Michigan Liquor Control Code to modify the process under which a county can prohibit the sale of *spirits* and *mixed spirit drinks* during certain hours on Sundays.

Spirits means beverage that contains alcohol obtained by distillation, mixed with potable water or other substances, or both, in solution, and includes wine containing an alcoholic content of more than 21% by volume, except sacramental wine and mixed spirit drink.

Mixed spirit drinks means a drink manufactured and packaged or sold by a mixed spirit drink manufacturer or sold by an outstate seller of mixed spirit drink to a wholesaler that meets either of the following conditions:

- Contains 10% or less alcohol by volume consisting of spirits mixed with nonalcoholic beverages or flavoring or coloring materials and may also contain one or more of the following:
 - Water.
 - Fruit juices.
 - Fruit adjuncts.
 - Sugar.
 - Carbon dioxide.
 - Preservatives.
- Meets both of the following conditions:
 - Contains more than 10% but not more than 13.5% alcohol by volume consisting of spirits mixed with nonalcoholic beverages and flavoring or coloring materials and may also contain one or more ingredients listed above.
 - Is filled in a metal container that meets all of the following:
 - The container has the general shape and design of a can that has a liquid capacity that does not exceed 24 ounces.
 - The container has a closure that is an integral part of the container.
 - The container cannot be readily closed after opening.

Currently, the act allows licensees under section 525 of the code¹ to sell, and people to buy, spirits and mixed spirit drinks between 7 a.m. on Sundays and 2 a.m. on Mondays unless prohibited by a resolution approved by the legislative body of that county. The act specifically

¹ <https://www.legislature.mi.gov/Laws/MCL?objectName=MCL-436-1525>

allows counties to prohibit the sale of spirits or mixed spirit drinks for consumption on the premises of these licensee (for retailers that derive more than half of gross receipts from the sale of food and other goods and services) or off the licensee's premises between either 7 a.m. and noon on Sundays or between 7 a.m. on Sundays and 2 a.m. on Mondays.

The act also allows the question of prohibiting these sales to be put before the voters if a petition requesting the submission of the question to the voters is signed by at least 8% of the number of registered and qualified electors of the county that cast votes for all candidates for the Office of secretary of state in the last general election and is filed with the county clerk. If the question is submitted to the voters, the act prescribes specific language asking whether sales during the relevant hours should be prohibited that can be placed on the ballot. The question cannot be submitted to voters more than once every four years.

Prohibitions described above cannot apply to *motorsports entertainment complexes* located in more than one county if the question regarding the prohibition is not approved in all relevant counties. In such cases, the issue is handled by the Michigan Liquor Control Commission.

Motorsports entertainment complex would mean a closed-course motorsports facility, and its ancillary grounds and facilities, that satisfies all of the following:

- Has at least 70,000 fixed seats for race patrons.
- Has at least 4 scheduled days of motorsports events each calendar year.
- Serves food and beverages at the motorsports entertainment complex during motorsports events each calendar year through concession outlets, which are staffed by individuals who represent or are members of 1 or more nonprofit civic or charitable organizations that directly benefit from the concession outlets' sales.
- Engages in tourism promotion.
- Has permanent exhibitions of motorsports history, events, or vehicles within the motorsports entertainment complex.

Finally, the act allows the legislative body of a city, village, or township to, by resolution or ordinance, prohibit the sale of *alcoholic liquor* on a legal holiday, primary election day, general election day, municipal election day, between the hours of 7 a.m. and 12 noon on Sunday, or between the hours of 7 a.m. on Sundays and 2 a.m. on Mondays.

Alcoholic liquor means any spirituous, vinous, malt, or fermented liquor, powder, liquids, and compounds, whether or not medicated, proprietary, patented, and by whatever name called, containing 1/2 of 1% or more of alcohol by volume that are fit for use for food purposes or beverage purposes as defined and classified by the Michigan Liquor Control Commission according to alcoholic content as belonging to one of the varieties of liquor defined in the act.

The bill would allow the legislative body of a county, by majority approval of a resolution, to direct the county clerk to submit a question regarding prohibiting the sale of alcohol as described above to the voters of a county during the next regular state election held in that county. In addition, the bill would lower the threshold required for a petition requesting the question on the matter from 8% of total votes in the previous general election for secretary of state to 5% of the same votes.

The bill also would add new allowed language for ballot questions to be submitted to voters that instead asks whether the sale of alcohol during the relevant hours should be permitted, as an alternative to asking if sales should be prohibited (the only phrasing currently allowed).

MCL 436.2113

BACKGROUND:

The Michigan Liquor Control Commission maintains a list of all local units that have opted out of Sunday sales. According to the most recent list, it appears that Hillsdale County is the only county that has opted out, along with several townships, villages, and cities.²

FISCAL IMPACT:

House Bill 4398 would have no fiscal impact on any units of state or local government.

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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.

² <https://www.michigan.gov/lara/-/media/Project/Websites/lara/lcc/License-Lists/Master-Sunday-Sales-Opt-Out-List.pdf>