

HOUSE BILL No. 5457

November 20, 2007, Introduced by Rep. Green and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 532 (MCL 436.1532), as added by 2001 PA 223.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 532. (1) A club license allows the licensee to sell, for
2 consumption on the licensed premises, beer, wine, mixed spirit
3 drink, and spirits only to bona fide members of the club who have
4 attained the age of 21 years. Except as otherwise provided in
5 subsection (2), the commission shall not issue a license to a club
6 unless the club has been in existence for a period of not less than
7 2 years before the application for the license. **AS USED IN THIS**

1 **SUBSECTION, "BONA FIDE MEMBERS" MEANS MEMBERS OF THE CLUB AND**
2 **INCLUDES MEMBERS OF ANY AFFILIATED, SUBSIDIARY, OR PARENT**
3 **ORGANIZATION.**

4 (2) Public notice of the intent of the commission to issue the
5 club license shall be given by publication in some newspaper
6 published or in general circulation within the local governmental
7 unit at least 10 days before the issuance of the license. A club
8 that is a chapter of a national organization that has had a license
9 for 10 or more years may apply for a license without a waiting
10 period. Public notice of the commission's intent to renew the club
11 license is not required.

12 (3) Except in the case of a club paying a maximum fee, within
13 10 days after February 1 of each year the club shall file with the
14 commission a list of names and residences of its members and make a
15 similar filing of the name and residence with the commission within
16 10 days after the election of an additional member. The annual
17 filing shall also include a statement that the club's annual
18 aggregate membership fees or dues and other income, exclusive of
19 the proceeds from the sale of alcoholic liquor, are sufficient to
20 defray the annual rental of its leased or rented premises or, if
21 the premises are owned by the club, are sufficient to meet the
22 taxes, insurance, repairs, and interest on a mortgage on the
23 premises.

24 (4) The affairs and management of the club shall be conducted
25 by a board of directors, executive committee, or similar body
26 chosen by the members. A member, officer, agent, or employee of the
27 club shall not be paid, or directly or indirectly receive in the

1 form of salary or other compensation, profits from the disposition
2 of alcoholic liquor to the club or to the members of the club,
3 beyond the amount of salary fixed and voted at meetings by the
4 members or by its directors or other governing body and as reported
5 by the club to the commission, within 3 months after the meeting.