

HOUSE BILL No. 4895

September 22, 2015, Introduced by Reps. Nesbitt, Kosowski, Kelly, Derek Miller, Iden, Bumstead, Crawford, Brett Roberts, Sheppard, McCready, Lyons and Chirkun 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 541 (MCL 436.1541), as amended by 2008 PA 489.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 541. (1) ~~The~~**EXCEPT AS PROVIDED IN SUBSECTIONS (2) TO**
2 **(6), THE** commission shall not ~~prohibit~~**ALLOW** an applicant for or
3 the holder of a specially designated distributor license or
4 specially designated merchant license from owning or operating
5 motor vehicle fuel pumps on or adjacent to the licensed premises,
6 ~~if~~**UNLESS** both of the following conditions are met:

7 (a) One or both of the following conditions exist:

8 (i) The applicant or licensee is located in a neighborhood
9 shopping center composed of 1 or more commercial establishments
10 organized or operated as a unit ~~which~~**THAT** is related in location,
11 size, and type of shop to the trade area that the unit serves 7

1 ~~which provides~~ **AND CONSISTS OF** not less than 50,000 square feet of
2 gross leasable retail space. ~~, and which provides 5 private off-~~
3 ~~street parking spaces for each 1,000 square feet of gross leasable~~
4 ~~retail space.~~

5 (ii) ~~The~~ **SUBJECT TO SUBSECTION (9), THE** applicant or licensee
6 maintains a minimum inventory on the premises, excluding alcoholic
7 liquor and motor vehicle fuel, of not less than \$250,000.00, at
8 cost, of those goods and services customarily marketed by approved
9 types of businesses.

10 (b) The site of payment and selection of alcoholic liquor is
11 not less than ~~50~~5 feet from that point where motor vehicle fuel is
12 dispensed.

13 (2) The commission shall not prohibit an applicant for or the
14 holder of a specially designated distributor license or specially
15 designated merchant license from owning or operating motor vehicle
16 fuel pumps on or adjacent to the licensed premises, if all of the
17 following conditions are met:

18 (a) The applicant is located in a township with a population
19 of 7,000 or less ~~, which township~~ **THAT** is not contiguous with any
20 other township. For purposes of this subdivision, a township is not
21 considered contiguous by water.

22 (b) The applicant or licensee maintains a minimum inventory on
23 the premises, excluding alcoholic liquor and motor vehicle fuel, of
24 not less than \$12,500.00 at cost, of those goods and services
25 customarily marketed by approved types of businesses.

26 (c) The applicant has the approval of the township, as
27 evidenced by a resolution duly adopted by the township and

1 submitted with the application to the commission.

2 (3) The commission shall not prohibit an applicant for or the
3 holder of a specially designated merchant license from owning or
4 operating motor vehicle fuel pumps on or adjacent to the licensed
5 premises if both of the following conditions are met:

6 (a) The applicant or licensee is located in either of the
7 following:

8 (i) A city, incorporated village, or township with a
9 population of 3,500 or less and a county with a population of
10 31,000 or more.

11 (ii) A city, incorporated village, or township with a
12 population of 4,000 or less and a county with a population of less
13 than 31,000.

14 (b) The applicant or licensee maintains a minimum inventory on
15 the premises, excluding alcoholic liquor and motor vehicle fuel, of
16 not less than \$10,000.00, at cost, of those goods and services
17 customarily marketed by approved types of businesses.

18 (4) The commission shall not prohibit an applicant for or the
19 holder of a specially designated distributor license from owning or
20 operating motor vehicle fuel pumps on or adjacent to the licensed
21 premises if both of the following conditions are met:

22 (a) The applicant or licensee is located in either of the
23 following:

24 (i) A city, incorporated village, or township with a
25 population of 3,500 or less and a county with a population of
26 31,000 or more.

27 (ii) A city, incorporated village, or township with a

1 population of 4,000 or less and a county with a population of less
2 than 31,000.

3 (b) The applicant or licensee maintains a minimum inventory on
4 the premises, excluding alcoholic liquor and motor vehicle fuel, of
5 not less than \$12,500.00, at cost, of those goods and services
6 customarily marketed by approved types of businesses.

7 (5) A person ~~who~~**THAT** was issued a specially designated
8 merchant license or specially designated distributor license at a
9 location at which another person owned, operated or maintained
10 motor vehicle fuel pumps at the same location may have or acquire
11 an interest in the ownership, operation or maintenance of those
12 motor vehicle fuel pumps.

13 (6) The commission may transfer ownership of a specially
14 designated merchant license or specially designated distributor
15 license to a person ~~who~~**THAT** owns or is acquiring an interest in
16 motor vehicle fuel pumps already in operation at the same location
17 at which the license is issued.

18 **(7) IF A SPECIALLY DESIGNATED MERCHANT'S LICENSED PREMISES ARE**
19 **A PRIMARY LOCATION, THE COMMISSION MAY ISSUE A SECONDARY LOCATION**
20 **PERMIT TO THE SPECIALLY DESIGNATED MERCHANT, AS AN EXTENSION OF THE**
21 **SPECIALLY DESIGNATED MERCHANT'S LICENSE, FOR THE SALE OF BEER,**
22 **WINE, OR BOTH, AT THE SECONDARY LOCATION. THE COMMISSION SHALL**
23 **ISSUE A SECONDARY LOCATION PERMIT ONLY TO A SPECIALLY DESIGNATED**
24 **MERCHANT TO WHICH BOTH OF THE FOLLOWING APPLY:**

25 **(A) THE HOLDER OF THE SPECIALLY DESIGNATED MERCHANT LICENSE**
26 **FOR THE PRIMARY LOCATION PREMISES OR A SUBSIDIARY OR AFFILIATE OF**
27 **THE LICENSE HOLDER OWNS OR LEASES THE SECONDARY LOCATION.**

1 (B) THE HOLDER OF THE SPECIALLY DESIGNATED MERCHANT LICENSE
2 FOR THE PRIMARY LOCATION OR A SUBSIDIARY OR AFFILIATE OF THE
3 LICENSE HOLDER OWNS OR OPERATES MOTOR VEHICLE FUEL PUMPS AT THE
4 SECONDARY LOCATION UNDER SUBSECTION (1).

5 (8) AN APPLICANT FOR A SECONDARY LOCATION PERMIT SHALL SUBMIT
6 AN APPLICATION TO THE COMMISSION IN A FORMAT PROVIDED BY THE
7 COMMISSION AND ACCOMPANIED BY AN APPLICATION AND INITIAL PERMIT FEE
8 OF \$100.00. THE APPLICATION MUST INCLUDE A DIAGRAM OF THE SECONDARY
9 LOCATION WITH BUILDING DIMENSIONS AND A DEPICTION OF THE DISTANCE
10 MEASUREMENT DESCRIBED IN SUBSECTION (1) (B). THE SECONDARY LOCATION
11 PERMIT EXPIRES ON THE SAME DATE AS THE SPECIALLY DESIGNATED
12 MERCHANT LICENSE AND MAY BE RENEWED IN CONJUNCTION WITH THE
13 SPECIALLY DESIGNATED MERCHANT LICENSE. THE SECONDARY LOCATION
14 PERMIT HOLDER MAY RENEW THE SECONDARY LOCATION PERMIT BY SUBMITTING
15 A PERMIT RENEWAL FEE OF \$100.00 AND A COMPLETED RENEWAL
16 APPLICATION.

17 (9) AFTER A SPECIALLY DESIGNATED MERCHANT IS ISSUED A
18 SECONDARY LOCATION PERMIT UNDER SUBSECTION (7) AND IF THE SPECIALLY
19 DESIGNATED MERCHANT'S LICENSED PREMISES ARE A PRIMARY LOCATION THAT
20 DOES NOT MEET THE NEIGHBORHOOD SHOPPING CENTER CONDITION DESCRIBED
21 IN SUBSECTION (1) (A) (i), FOR PURPOSES OF DETERMINING THE MINIMUM
22 INVENTORY CONDITION DESCRIBED IN SUBSECTION (1) (A) (ii), THE PRIMARY
23 LOCATION AND THE SECONDARY LOCATION ARE CONSIDERED 1 PREMISES.

24 (10) AFTER A SPECIALLY DESIGNATED MERCHANT IS ISSUED A
25 SECONDARY LOCATION PERMIT UNDER SUBSECTION (7), IF A SUBSIDIARY OR
26 AFFILIATE OF THE SPECIALLY DESIGNATED MERCHANT OWNS OR OPERATES THE
27 SECONDARY LOCATION AND THE SUBSIDIARY OR AFFILIATE SHARES THE SAME

1 ULTIMATE CONTROLLING PARTY OF THE SPECIALLY DESIGNATED MERCHANT,
2 THE SECONDARY LOCATION MAY RECEIVE AND SELL BEER, WINE, OR BOTH
3 UNDER THE SPECIALLY DESIGNATED MERCHANT'S LICENSE.

4 (11) THE HOLDER OF A SECONDARY LOCATION PERMIT SHALL
5 PROMINENTLY DISPLAY THE SECONDARY LOCATION PERMIT AT THE SECONDARY
6 LOCATION IN THE POINT-OF-SALE AREA.

7 (12) AS USED IN THIS SECTION:

8 (A) "PRIMARY LOCATION" MEANS LICENSED PREMISES THAT MEET THE
9 CONDITIONS UNDER SUBSECTION (1).

10 (B) "SECONDARY LOCATION" MEANS A BUSINESS OPERATION OF THE
11 HOLDER OF A SPECIALLY DESIGNATED MERCHANT LICENSE FOR A PRIMARY
12 LOCATION, OR A SUBSIDIARY OR AFFILIATE OF THAT LICENSE HOLDER, THAT
13 TAKES PLACE ON REAL PROPERTY, THAT INCLUDES AT LEAST 1 BUILDING AND
14 1 OR MORE MOTOR VEHICLE FUEL PUMPS, AND THAT IS LOCATED ON OR
15 ADJACENT TO THE PRIMARY LOCATION. UPON COMMISSION APPROVAL OF THE
16 SECONDARY LOCATION PERMIT, THE SECONDARY LOCATION IS CONSIDERED
17 LICENSED PREMISES AND AN EXTENSION OF THE LICENSED PRIMARY
18 LOCATION.

19 Enacting section 1. This amendatory act takes effect 90 days
20 after the date it is enacted into law.

21 Enacting section 2. This amendatory act does not take effect
22 unless Senate Bill No. ____ or House Bill No. 4896 (request no.
23 03009'15) of the 98th Legislature is enacted into law.