

SENATE BILL No. 902

March 14, 2018, Introduced by Senators HERTEL, CONYERS, KNEZEK, YOUNG,
WARREN and GREGORY and referred to the Committee on Government Operations.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 1114 (MCL 436.2114), as amended by 2011 PA 27,
and by adding section 1116.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1114. (1) Notwithstanding R 436.1403 and R 436.1503 of
2 the Michigan ~~administrative code~~ **ADMINISTRATIVE CODE** and except as
3 otherwise provided **IN SECTION 1116**, under this act, or **BY** rule of
4 the commission, an on-premises and an off-premises licensee shall
5 not sell, give away, or furnish alcoholic liquor between the hours
6 of 2 a.m. and 7 a.m. on any day.

7 (2) Subsection (1) does not prevent ~~any~~ **A** local governmental
8 unit from prohibiting the sale of beer and wine between the hours
9 of 7 a.m. and 12 noon on Sunday or between the hours of 7 a.m. on

1 Sunday and 2 a.m. on Monday under section 1111 and does not prevent
2 any local governmental unit from prohibiting the sale of spirits
3 and mixed spirit drink between the hours of 7 a.m. and 12 noon on
4 Sunday or between the hours of 7 a.m. on Sunday and 2 a.m. on
5 Monday under section 1113. A licensee selling alcoholic liquor
6 between 7 a.m. and 12 noon on Sunday shall obtain a permit and pay
7 to the commission an annual fee of \$160.00.

8 (3) A reference to the time of day under this act or a rule of
9 the commission includes daylight savings time, when observed.

10 SEC. 1116. (1) IF A CITY, VILLAGE, OR TOWNSHIP WITH A
11 POPULATION OF 600,000 OR MORE APPROVES, BY A MAJORITY OF THE CITY,
12 VILLAGE, OR TOWNSHIP'S LEGISLATIVE BODY VOTING, A RESOLUTION TO
13 ALLOW ON-PREMISES LICENSEES TO SELL OR FURNISH ALCOHOLIC LIQUOR
14 BETWEEN THE HOURS OF 2 A.M. AND 4 A.M. ON SATURDAY AND SUNDAY, OR
15 BETWEEN THE HOURS OF 2 A.M. AND 4 A.M. ON A NATIONAL OR STATE
16 HOLIDAY, AN ON-PREMISES LICENSEE LOCATED WITHIN A CENTRAL BUSINESS
17 DISTRICT IN THE CITY, VILLAGE, OR TOWNSHIP MAY APPLY FOR AN
18 EXTENDED HOURS PERMIT FROM THE COMMISSION TO SELL OR FURNISH
19 ALCOHOLIC LIQUOR BETWEEN THE HOURS OF 2 A.M. AND 4 A.M. ON SATURDAY
20 AND SUNDAY, OR BETWEEN THE HOURS OF 2 A.M. AND 4 A.M. ON A NATIONAL
21 OR STATE HOLIDAY. THE COMMISSION SHALL NOT ISSUE AN EXTENDED HOURS
22 PERMIT UNDER THIS SECTION UNLESS THE APPLICANT HAS ALREADY BEEN
23 APPROVED BY THE LOCAL LEGISLATIVE BODY IN WHICH THE APPLICANT'S
24 PLACE OF BUSINESS IS LOCATED.

25 (2) TO OBTAIN AN EXTENDED HOURS PERMIT, AN ON-PREMISES
26 LICENSEE SHALL DO ALL OF THE FOLLOWING:

27 (A) SUBMIT A COMPLETED APPLICATION AND A YEARLY PERMIT FEE OF

1 \$10,000.00 TO THE COMMISSION.

2 (B) OBTAIN LOCAL LEGISLATIVE APPROVAL FOR THE EXTENDED HOURS
3 PERMIT FROM THE LOCAL LEGISLATIVE BODY IN WHICH THE LICENSEE'S
4 PLACE OF BUSINESS IS LOCATED AND INCLUDE DOCUMENTATION OF THE
5 APPROVAL.

6 (C) DEMONSTRATE TO THE COMMISSION ALL OF THE FOLLOWING:

7 (i) UNLESS THE LICENSEE HOLDS A CASINO LICENSE, THE LICENSEE
8 WILL HAVE 1 SECURITY PERSON FOR EVERY 50 CUSTOMERS ON THE LICENSED
9 PREMISES.

10 (ii) THAT THE LICENSEE WILL HAVE AT LEAST 1 SECURITY PERSON AT
11 THE LICENSED PREMISES FROM THE HOURS OF 11 P.M. ON FRIDAY TO 4 A.M.
12 ON SATURDAY AND 11 P.M. ON SATURDAY TO 4 A.M. ON SUNDAY, OR FROM
13 THE HOURS OF 11 P.M. ON THE DAY BEFORE A NATIONAL OR STATE HOLIDAY
14 TO 4 A.M. ON A NATIONAL OR STATE HOLIDAY.

15 (iii) THAT THE LICENSEE WILL HAVE 360-DEGREE VIDEO
16 SURVEILLANCE ON THE INSIDE AND OUTSIDE OF THE LICENSED PREMISES.

17 (D) MAINTAIN COMPLIANCE WITH THIS ACT AND THE RULES
18 PROMULGATED UNDER THIS ACT.

19 (3) ON RECEIPT OF AN APPLICATION THAT HAS NOT YET BEEN
20 REVIEWED AND APPROVED BY THE LOCAL LEGISLATIVE BODY IN WHICH THE
21 APPLICANT'S PLACE OF BUSINESS IS LOCATED, THE COMMISSION SHALL
22 IMMEDIATELY NOTIFY THE LOCAL LEGISLATIVE BODY AND PROVIDE THE LOCAL
23 LEGISLATIVE BODY WITH A COPY OF THE APPLICATION. THE LOCAL
24 LEGISLATIVE BODY SHALL APPROVE OR DENY THE APPLICATION WITHIN 90
25 DAYS AFTER RECEIPT OF THE APPLICATION. ON DENIAL OF AN APPLICATION,
26 THE LOCAL LEGISLATIVE BODY SHALL NOTIFY THE APPLICANT, IN WRITING,
27 OF THE REASONS FOR THE DENIAL. IF THE LOCAL LEGISLATIVE BODY DOES

1 NOT APPROVE OR DENY AN APPLICATION WITHIN THAT 90-DAY PERIOD, THE
2 COMMISSION MAY ISSUE THE EXTENDED HOURS PERMIT IF THE COMMISSION
3 DETERMINES THAT THE LICENSEE MEETS THE CONDITIONS DESCRIBED IN
4 SUBSECTIONS (1) AND (2) (A), (C), AND (D). THE COMMISSION SHALL
5 APPROVE OR DENY AN APPLICATION SUBMITTED UNDER THIS SECTION WITHIN
6 90 DAYS AFTER THE APPLICANT FILES A COMPLETED APPLICATION OR 90
7 DAYS AFTER THE COMMISSION HAS NOTIFIED AND PROVIDED A COPY OF THE
8 APPLICATION TO THE LOCAL LEGISLATIVE BODY, WHICHEVER IS LATER.

9 (4) THE COMMISSION SHALL DEPOSIT ALL PERMIT FEES COLLECTED
10 UNDER THIS SECTION IN THE EXTENDED HOURS PERMIT FUND CREATED IN
11 SUBSECTION (5).

12 (5) THE EXTENDED HOURS PERMIT FUND IS CREATED WITHIN THE STATE
13 TREASURY. THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS
14 FROM ANY SOURCE FOR DEPOSIT INTO THE FUND. THE STATE TREASURER
15 SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE TREASURER SHALL
16 CREDIT TO THE FUND INTEREST AND EARNINGS FROM FUND INVESTMENTS.
17 MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR SHALL REMAIN IN
18 THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND. THE DEPARTMENT OF
19 LICENSING AND REGULATORY AFFAIRS IS THE ADMINISTRATOR OF THE FUND
20 FOR AUDITING PURPOSES. THE DEPARTMENT OF TREASURY SHALL EXPEND
21 MONEY FROM THE FUND, UPON APPROPRIATION, ONLY AS PROVIDED IN
22 SUBSECTION (6).

23 (6) ALL MONEY COLLECTED AND DEPOSITED IN THE EXTENDED HOURS
24 PERMIT FUND MUST BE DISTRIBUTED AS FOLLOWS:

25 (A) FIVE PERCENT MUST BE RESPECTIVELY DISBURSED BASED ON THE
26 NUMBER OF PERMITS ISSUED WITHIN EACH CITY, VILLAGE, OR TOWNSHIP TO
27 THOSE RESPECTIVE CITIES, VILLAGES, AND TOWNSHIPS WHERE THE EXTENDED

1 HOURS PERMITS ARE LOCATED FOR ADMINISTRATION COSTS RELATED TO THIS
2 SECTION.

3 (B) EIGHTY-FIVE PERCENT MUST BE RESPECTIVELY DISBURSED BASED
4 ON THE NUMBER OF PERMITS ISSUED WITHIN EACH CITY, VILLAGE, OR
5 TOWNSHIP TO THE POLICE DEPARTMENTS OF THOSE CITIES, VILLAGES, AND
6 TOWNSHIPS WHERE THE EXTENDED HOURS PERMITS ARE LOCATED FOR THE
7 PURPOSE OF ENFORCING THIS SECTION AND THE RULES PROMULGATED UNDER
8 THIS SECTION.

9 (C) TEN PERCENT MUST BE DISBURSED TO THE COMMISSION FOR
10 CARRYING OUT THE ADMINISTRATION AND ENFORCEMENT PROVISIONS OF THIS
11 SECTION.

12 (7) AS USED IN THIS SECTION:

13 (A) "CASINO LICENSE" MEANS A LICENSE ISSUED UNDER SECTION 6 OF
14 THE MICHIGAN GAMING CONTROL AND REVENUE ACT, 1996 IL 1, MCL
15 432.206.

16 (B) "CENTRAL BUSINESS DISTRICT" MEANS A DOWNTOWN DISTRICT
17 ESTABLISHED UNDER 1975 PA 197, MCL 125.1651 TO 125.1681.