

**SUBSTITUTE FOR
HOUSE BILL NO. 5127**

A bill to amend 1980 PA 299, entitled
"Occupational code,"
(MCL 339.101 to 339.2721) by adding article 17A.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 ARTICLE 17A

2 SEC. 1757. (1) A PERSON LICENSED TO OPERATE AN ADULT ENTER-
3 TAINMENT ESTABLISHMENT UNDER THIS ARTICLE SHALL DISPLAY THE
4 LICENSE IN A CONSPICUOUS MANNER ON THE PREMISES FOR WHICH THE
5 LICENSE IS ISSUED.

6 (2) IN ADDITION TO ANY PENALTIES ASSESSED UNDER ARTICLE 6, A
7 VIOLATION OF THIS SECTION IS A MISDEMEANOR PUNISHABLE BY A FINE
8 OF NOT MORE THAN \$1,000.00.

9 SEC. 1758. (1) THE DEPARTMENT SHALL NOT ISSUE A LICENSE FOR
10 THE OPERATION OF AN ADULT ENTERTAINMENT ESTABLISHMENT UNLESS THE
11 APPLICANT HAS EXECUTED AND FILED WITH THE DEPARTMENT AT THE

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1 APPLICANT'S EXPENSE A CERTIFIED OR SWORN APPLICATION IN
2 COMPLIANCE WITH THIS ARTICLE.

3 (2) AN APPLICATION FOR LICENSE FOR THE OPERATION OF AN ADULT
4 ENTERTAINMENT ESTABLISHMENT SHALL STATE THE FULL NAME OF THE
5 APPLICANT APPEARING PURSUANT TO SECTION 1760, INCLUDING NICKNAMES
6 OR ALIASES, RESIDENTIAL ADDRESS, PLACE OF EMPLOYMENT INCLUDING
7 ADDRESS AND TELEPHONE NUMBER, SOCIAL SECURITY NUMBER, DATE OF
8 BIRTH, DRIVER LICENSE NUMBER, A PHOTOGRAPH OF THE APPLICANT TAKEN
9 WITHIN 30 DAYS OF THE APPLICATION, FEDERAL EMPLOYER'S IDENTIFICA-
10 TION NUMBER, AND AN ADDRESS OF THE PREMISES FOR WHICH THE APPLI-
11 CATION FOR LICENSE IS MADE. THE APPLICATION SHALL SPECIFICALLY
12 IDENTIFY WHO IS TO BE RESPONSIBLE FOR THE DAY-TO-DAY MANAGEMENT
13 OF THE ADULT ENTERTAINMENT ESTABLISHMENT.

14 (3) IF THE APPLICANT IS A CORPORATION, THE APPLICATION SHALL
15 INCLUDE ALL OF THE FOLLOWING:

16 (A) A COPY OF THE ARTICLES OR CERTIFICATE OF INCORPORATION
17 CERTIFIED BY THE DEPARTMENT FOR A DOMESTIC CORPORATION OR THE
18 APPROPRIATE OFFICIAL OF THE STATE OF INCORPORATION FOR A CORPORA-
19 TION FORMED IN ANOTHER STATE.

20 (B) IF THE APPLICANT IS A CORPORATION FORMED IN ANOTHER
21 STATE, A CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS FROM THE
22 DEPARTMENT.

23 (C) A CERTIFICATE CONTAINING THE FULL NAME, INCLUDING NICK-
24 NAMES OR ALIASES, PLACE OF EMPLOYMENT INCLUDING ADDRESS AND TELE-
25 PHONE NUMBER, SOCIAL SECURITY NUMBER, DATE OF BIRTH, DRIVER
26 LICENSE NUMBER, AND A PHOTOGRAPH TAKEN WITHIN 30 DAYS OF
27 APPLICATION OF EACH DIRECTOR, OFFICER, AND PRINCIPAL OWNER OF THE

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1 APPLICANT. EACH DIRECTOR, OFFICER, AND PRINCIPAL OWNER OF THE
2 APPLICANT MUST SIGN THE CERTIFICATE, AND EACH SIGNATURE MUST BE
3 AN ORIGINAL SIGNATURE SEPARATELY WITNESSED AND ACKNOWLEDGED BY A
4 NOTARY PUBLIC.

5 (4) IF THE APPLICANT IS A LIMITED LIABILITY COMPANY, THE
6 APPLICATION SHALL INCLUDE ALL OF THE FOLLOWING:

7 (A) A COPY OF THE ARTICLES OF ORGANIZATION CERTIFIED BY THE
8 DEPARTMENT FOR A DOMESTIC CORPORATION OR THE APPROPRIATE OFFICIAL
9 OF THE STATE OF FORMATION FOR A LIMITED LIABILITY COMPANY FORMED
10 IN ANOTHER STATE.

11 (B) IF THE APPLICANT IS A LIMITED LIABILITY COMPANY FORMED
12 IN ANOTHER STATE, A CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS
13 FROM THE DEPARTMENT.

14 (C) A CERTIFICATE CONTAINING THE FULL NAME, INCLUDING NICK-
15 NAMES OR ALIASES, PLACE OF EMPLOYMENT INCLUDING ADDRESS AND TELE-
16 PHONE NUMBER, SOCIAL SECURITY NUMBER, DATE OF BIRTH, DRIVER
17 LICENSE NUMBER, AND A PHOTOGRAPH TAKEN WITHIN 30 DAYS OF APPLICA-
18 TION OF EACH MANAGER AND PRINCIPAL OWNER OF THE APPLICANT. EACH
19 MANAGER AND PRINCIPAL OWNER OF THE APPLICANT MUST SIGN THE CER-
20 TIFICATE, AND EACH SIGNATURE MUST BE AN ORIGINAL SIGNATURE SEPA-
21 RATELY WITNESSED AND ACKNOWLEDGED BY A NOTARY PUBLIC.

22 (5) IF THE APPLICANT IS A PARTNERSHIP OR OTHER UNINCORPOR-
23 ATED ASSOCIATION, THE APPLICATION SHALL INCLUDE A CERTIFICATE
24 CONTAINING THE FULL NAME, INCLUDING NICKNAMES OR ALIASES, PLACE
25 OF EMPLOYMENT INCLUDING ADDRESS AND TELEPHONE NUMBER, SOCIAL
26 SECURITY NUMBER, DATE OF BIRTH, DRIVER LICENSE NUMBER, AND A
27 PHOTOGRAPH TAKEN WITHIN 30 DAYS OF APPLICATION OF EVERY PARTNER

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1 OR MEMBER. EACH PARTNER OR MEMBER OF THE APPLICANT MUST SIGN THE
2 CERTIFICATE AND EACH SIGNATURE MUST BE AN ORIGINAL SIGNATURE SEP-
3 ARATELY WITNESSED AND ACKNOWLEDGED BY A NOTARY PUBLIC.

4 SEC. 1759. AN ADULT ENTERTAINMENT ESTABLISHMENT THAT EXHIB-
5 ITS ON THE PREMISES IN A VIEWING ROOM OF LESS THAN 150 SQUARE
6 FEET OF FLOOR SPACE A MOTION PICTURE, VIDEOCASSETTE OR OTHER
7 VIDEO REPRODUCTION, OR LIVE ENTERTAINMENT THAT DISPLAYS A SPE-
8 CIFIC SEXUAL ACTIVITY SHALL COMPLY WITH BOTH OF THE FOLLOWING
9 REQUIREMENTS:

10 (A) IN ADDITION TO THE REQUIREMENTS OF SECTION 1758, THE
11 ADULT ENTERTAINMENT ESTABLISHMENT SHALL INCLUDE IN ITS APPLICA-
12 TION A DIAGRAM OF THE PREMISES SHOWING THE LAYOUT OR FLOOR PLAN
13 OF THE PREMISES. THE DIAGRAM MUST SPECIFY THE LOCATION OF EACH
14 MANAGER STATION DESCRIBED IN SUBDIVISION (B), THE LOCATION OF ALL
15 OVERHEAD LIGHTING FIXTURES IN THE PREMISES, AND ANY PORTION OF
16 THE PREMISES IN WHICH PATRONS ARE NOT PERMITTED. THE DIAGRAM
17 SHALL ALSO DESIGNATE THE PLACE WHERE THE ADULT ENTERTAINMENT
18 ESTABLISHMENT WILL CONSPICUOUSLY POST THE LICENSE IF GRANTED. A
19 PROFESSIONALLY PREPARED DIAGRAM, SUCH AS AN ENGINEER'S OR
20 ARCHITECT'S BLUEPRINT, IS NOT REQUIRED, BUT THE DIAGRAM MUST BE
21 ORIENTED TO THE NORTH OR TO SOME DESIGNATED STREET OR OBJECT AND
22 DRAWN TO A DESIGNATED SCALE OR WITH MARKED DIMENSIONS SUFFICIENT
23 TO SHOW THE VARIOUS INTERNAL DIMENSIONS OF ALL AREAS OF THE
24 INTERIOR OF THE PREMISES TO AN ACCURACY OF PLUS OR MINUS 6
25 INCHES. THE DEPARTMENT MAY WAIVE THE DIAGRAM REQUIREMENT FOR AN
26 APPLICATION IF THE LICENSEE RESUBMITS A DIAGRAM PREVIOUSLY
27 SUBMITTED TO THE DEPARTMENT AND THE LICENSEE CERTIFIES THAT THE

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1 CONFIGURATION OF THE PREMISES HAS NOT BEEN ALTERED SINCE THE
2 DIAGRAM WAS PREPARED.

3 (B) THE ADULT ENTERTAINMENT ESTABLISHMENT SHALL MAINTAIN IN
4 THE PREMISES 1 OR MORE MANAGER'S STATIONS. A MANAGER'S STATION
5 SHALL NOT EXCEED 32 SQUARE FEET OF FLOOR AREA. THE ADULT ENTER-
6 TAINMENT ESTABLISHMENT SHALL NOT ALTER THE CONFIGURATION OR LOCA-
7 TION OF A MANAGER'S STATION WITHOUT THE PRIOR WRITTEN APPROVAL OF
8 THE DEPARTMENT. THE ADULT ENTERTAINMENT ESTABLISHMENT SHALL
9 ENSURE THAT AT LEAST 1 EMPLOYEE IS ON DUTY AND SITUATED IN EACH
10 MANAGER'S STATION AT ALL TIMES THAT A PATRON IS PRESENT INSIDE
11 THE PREMISES.

12 Enacting section 1. This amendatory act does not take
13 effect unless all of the following bills of the 90th Legislature
14 are enacted into law:

- 15 (a) House Bill No. 5124.
- 16 (b) House Bill No. 5125.
- 17 (c) House Bill No. 5126.
- 18 (d) House Bill No. 5128.
- 19 (e) House Bill No. 5129.
- 20 (f) House Bill No. 5130.
- 21 (g) House Bill No. 5131.
- 22 (h) House Bill No. 5132.