

SUBSTITUTE FOR
SENATE BILL NO. 247

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 and except as otherwise provided
3 **IN SECTION 1116**, under this act, or **BY** rule of the commission, an
4 on-premises and an off-premises licensee shall not sell, give away,
5 or furnish alcoholic liquor between the hours of 2 a.m. and 7 a.m.
6 on any day.

7 (2) Subsection (1) does not prevent any 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 APPROVES BY A**
11 **MAJORITY OF THE LEGISLATIVE BODY VOTING ON A RESOLUTION TO ALLOW**
12 **ON-PREMISES LICENSEES TO SELL OR FURNISH ALCOHOLIC LIQUOR BETWEEN**
13 **THE HOURS OF 2 A.M. AND 4 A.M. ON SATURDAY AND SUNDAY, AN ON-**
14 **PREMISES LICENSEE LOCATED WITHIN A CENTRAL BUSINESS DISTRICT IN**
15 **THAT CITY, VILLAGE, OR TOWNSHIP MAY APPLY FOR AN EXTENDED HOURS**
16 **PERMIT FROM THE COMMISSION TO SELL OR FURNISH ALCOHOLIC LIQUOR**
17 **BETWEEN THE HOURS OF 2 A.M. AND 4 A.M. ON SATURDAY AND SUNDAY. THE**
18 **COMMISSION SHALL NOT ISSUE AN EXTENDED HOURS PERMIT UNDER THIS**
19 **SECTION UNLESS THE APPLICANT HAS ALREADY BEEN APPROVED BY THE LOCAL**
20 **LEGISLATIVE BODY IN WHICH THE APPLICANT'S PLACE OF BUSINESS IS**
21 **LOCATED.**

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

24 (A) SUBMIT A COMPLETED APPLICATION AND A YEARLY PERMIT FEE OF
25 \$10,000.00 TO THE COMMISSION.

26 (B) OBTAIN LOCAL LEGISLATIVE APPROVAL FOR THE EXTENDED HOURS
27 PERMIT FROM THE LOCAL LEGISLATIVE BODY IN WHICH THE LICENSEE'S

1 PLACE OF BUSINESS IS LOCATED AND INCLUDE DOCUMENTATION OF THE
2 APPROVAL.

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

4 (i) UNLESS THE LICENSEE HOLDS A CASINO LICENSE, THE LICENSEE
5 WILL HAVE 1 SECURITY PERSON FOR EVERY 50 CUSTOMERS ON THE LICENSED
6 PREMISES AS REQUIRED UNDER SUBPARAGRAPH (ii).

7 (ii) THAT THE LICENSEE WILL HAVE AT LEAST 1 SECURITY PERSON AT
8 THE LICENSED PREMISES FROM THE HOURS OF 11 P.M. ON FRIDAY TO 4 A.M.
9 ON SATURDAY AND 11 P.M. ON SATURDAY TO 4 A.M. ON SUNDAY.

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

12 (D) MAINTAIN COMPLIANCE WITH THIS ACT AND THE RULES
13 PROMULGATED UNDER THIS ACT.

14 (3) UPON RECEIPT OF AN APPLICATION THAT HAS NOT YET BEEN
15 REVIEWED AND APPROVED BY THE LOCAL LEGISLATIVE BODY IN WHICH THE
16 APPLICANT'S PLACE OF BUSINESS IS LOCATED, THE COMMISSION SHALL
17 IMMEDIATELY NOTIFY THE LOCAL LEGISLATIVE BODY AND PROVIDE THE LOCAL
18 LEGISLATIVE BODY WITH A COPY OF THE APPLICATION TO ACCOMPLISH THE
19 LOCAL LEGISLATIVE REVIEW AS REQUIRED BY THIS SECTION. THE LOCAL
20 LEGISLATIVE BODY SHALL APPROVE OR DENY THE APPLICATION WITHIN 90
21 DAYS AFTER RECEIPT OF THE APPLICATION FROM THE APPLICANT OR THE
22 COMMISSION. UPON DENIAL OF AN APPLICATION, THE LOCAL LEGISLATIVE
23 BODY SHALL NOTIFY THE APPLICANT, IN WRITING, OF THE REASONS FOR THE
24 DENIAL. IF THE LOCAL LEGISLATIVE BODY DOES NOT APPROVE OR DENY AN
25 APPLICATION WITHIN THAT 90-DAY PERIOD, THE COMMISSION MAY ISSUE THE
26 EXTENDED HOURS PERMIT IF THE COMMISSION DETERMINES THAT THE
27 LICENSEE MEETS THE CONDITIONS DESCRIBED IN SUBSECTIONS (1) AND

1 (2) (A), (C), AND (D). THE COMMISSION SHALL APPROVE OR DENY AN
2 APPLICATION SUBMITTED PURSUANT TO THIS SECTION WITHIN 90 DAYS AFTER
3 THE APPLICANT FILES A COMPLETED APPLICATION OR 90 DAYS AFTER THE
4 COMMISSION HAS NOTIFIED AND PROVIDED A COPY OF THE APPLICATION TO
5 THE LOCAL LEGISLATIVE BODY, WHICHEVER IS LATER.

6 (4) THE COMMISSION SHALL DEPOSIT ALL PERMIT FEES COLLECTED
7 UNDER THIS SECTION IN THE EXTENDED HOURS PERMIT FUND CREATED IN
8 SUBSECTION (5).

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

20 (6) ALL MONEY COLLECTED AND DEPOSITED IN THE EXTENDED HOURS
21 PERMIT FUND SHALL BE DISTRIBUTED AS FOLLOWS:

22 (A) 5% SHALL BE RESPECTIVELY DISBURSED BASED ON THE NUMBER OF
23 PERMITS ISSUED WITHIN EACH CITY, VILLAGE, OR TOWNSHIP TO THOSE
24 RESPECTIVE CITIES, VILLAGES, AND TOWNSHIPS WHERE THE EXTENDED HOURS
25 PERMITS ARE LOCATED FOR ADMINISTRATION COSTS RELATED TO THIS
26 SECTION.

27 (B) 85% SHALL BE RESPECTIVELY DISBURSED BASED ON THE NUMBER OF

1 PERMITS ISSUED WITHIN EACH CITY, VILLAGE, OR TOWNSHIP TO THE POLICE
2 DEPARTMENTS OF THOSE CITIES, VILLAGES, AND TOWNSHIPS WHERE THE
3 EXTENDED HOURS PERMITS ARE LOCATED FOR THE SPECIFIC PURPOSE OF
4 ENFORCING THIS SECTION AND THE RULES PROMULGATED UNDER THIS
5 SECTION.

6 (C) 10% SHALL BE DISBURSED TO THE COMMISSION FOR CARRYING OUT
7 THE ADMINISTRATION AND ENFORCEMENT PROVISIONS OF THIS SECTION.

8 (7) AS USED IN THIS SECTION:

9 (A) "CASINO" MEANS THAT TERM AS DEFINED IN SECTION 2 OF THE
10 MICHIGAN GAMING CONTROL AND REVENUE ACT, 1996 IL 1, MCL 432.202.
11 CASINO DOES NOT INCLUDE A CASINO OPERATED UNDER THE INDIAN GAMING
12 REGULATORY ACT, 25 USC 2701 TO 2721.

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