MICHIGAN LIQUOR CONTROL CODE OF 1998 (EXCERPT) Act 58 of 1998

***** 436.1541.amended THIS AMENDED SECTION IS EFFECTIVE JULY 11, 2016 *****

436.1541.amended Motor vehicle fuel pumps.

Sec. 541. (1) Except as provided in subsections (2) to (6), the commission shall not allow an applicant for or the holder of a specially designated distributor license or specially designated merchant license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises, unless both of the following conditions are met:

- (a) One or both of the following conditions exist:
- (i) The applicant or licensee is located in a neighborhood shopping center.
- (ii) Subject to subsection (9), the applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than \$250,000.00, at cost, of those goods and services customarily marketed by approved types of businesses.
- (b) The site of payment and selection of alcoholic liquor is not less than 5 feet from that point where motor vehicle fuel is dispensed.
- (2) The commission shall not prohibit an applicant for or the holder of a specially designated distributor license or specially designated merchant license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises, if all of the following conditions are met:
- (a) The applicant is located in a township with a population of 7,000 or less that is not contiguous with any other township. For purposes of this subdivision, a township is not considered contiguous by water.
- (b) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than \$12,500.00 at cost, of those goods and services customarily marketed by approved types of businesses.
- (c) The applicant has the approval of the township, as evidenced by a resolution duly adopted by the township and submitted with the application to the commission.
- (3) The commission shall not prohibit an applicant for or the holder of a specially designated merchant license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises if both of the following conditions are met:
 - (a) The applicant or licensee is located in any of the following:
- (i) A city, incorporated village, or township with a population of 3,500 or less and a county with a population of 31,000 or more.
- (ii) A city, incorporated village, or township with a population of 4,000 or less and a county with a population of less than 31,000.
- (iii) A township in which the applicant or licensee is the only person that owns or operates motor fuel pumps within the township on the date of application. The commission shall not revoke a license that was granted under this subparagraph if a second person that owns or operates motor fuel pumps opens within the township after the original application was filed.
- (b) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than \$10,000.00, at cost, of those goods and services customarily marketed by approved types of businesses.
- (4) The commission shall not prohibit an applicant for or the holder of a specially designated distributor license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises if both of the following conditions are met:
 - (a) The applicant or licensee is located in either of the following:
- (i) A city, incorporated village, or township with a population of 3,500 or less and a county with a population of 31,000 or more.
- (ii) A city, incorporated village, or township with a population of 4,000 or less and a county with a population of less than 31,000.
- (b) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than \$12,500.00, at cost, of those goods and services customarily marketed by approved types of businesses.
- (5) A person that was issued a specially designated merchant license or specially designated distributor license at a location at which another person owned, operated or maintained motor vehicle fuel pumps at the same location may have or acquire an interest in the ownership, operation or maintenance of those motor vehicle fuel pumps.
- (6) The commission may transfer ownership of a specially designated merchant license or specially Rendered Friday, July 1, 2016

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designated distributor license to a person that owns or is acquiring an interest in motor vehicle fuel pumps already in operation at the same location at which the license is issued.

- (7) If a specially designated merchant's licensed premises are a primary location, the commission may issue a secondary location permit to the specially designated merchant, as an extension of the specially designated merchant's license, for the sale of beer, wine, or both, at the secondary location. The commission shall issue a secondary location permit only to a specially designated merchant to which both of the following apply:
- (a) The holder of the specially designated merchant license for the primary location premises or a subsidiary or affiliate of the license holder owns or leases the secondary location.
- (b) The holder of the specially designated merchant license for the primary location or a subsidiary or affiliate of the license holder owns or operates motor vehicle fuel pumps at the secondary location under subsection (1).
- (8) An applicant for a secondary location permit shall submit an application to the commission in a format provided by the commission and accompanied by an application and initial permit fee of \$100.00. The application must include a diagram of the secondary location with building dimensions and a depiction of the distance measurement described in subsection (1)(b). The secondary location permit expires on the same date as the specially designated merchant license and may be renewed in conjunction with the specially designated merchant license. The secondary location permit holder may renew the secondary location permit by submitting a permit renewal fee of \$100.00 and a completed renewal application.
- (9) After a specially designated merchant is issued a secondary location permit under subsection (7) and if the specially designated merchant's licensed premises are a primary location that is not a neighborhood shopping center, for purposes of determining the minimum inventory condition described in subsection (1)(a)(*ii*), the primary location and the secondary location are considered 1 premises.
- (10) After a specially designated merchant is issued a secondary location permit under subsection (7), if a subsidiary or affiliate of the specially designated merchant owns or operates the secondary location and the subsidiary or affiliate shares the same ultimate controlling party of the specially designated merchant, the secondary location may receive and sell beer, wine, or both under the specially designated merchant's license.
- (11) The holder of a secondary location permit shall prominently display the secondary location permit at the secondary location in the point-of-sale area.
 - (12) As used in this section:
- (a) "Neighborhood shopping center" means 1 commercial establishment, or a group of commercial establishments organized or operated as a unit, that is related in location, size, and type of shop to the trade area that the unit serves, and consists of not less than 50,000 square feet of leasable retail space, and has access to off-street parking spaces.
 - (b) "Primary location" means licensed premises that meet the conditions under subsection (1).
- (c) "Secondary location" means a business operation of the holder of a specially designated merchant license for a primary location, or a subsidiary or affiliate of that license holder, that takes place on real property, that includes at least 1 building and 1 or more motor vehicle fuel pumps, and that is located on or adjacent to the primary location. Upon commission approval of the secondary location permit, the secondary location is considered licensed premises and an extension of the licensed primary location.

History: 1998, Act 58, Imd. Eff. Apr. 14, 1998;—2006, Act 253, Imd. Eff. July 3, 2006;—Am. 2008, Act 489, Imd. Eff. Jan. 13, 2009;—Am. 2016, Act 84, Eff. July 11, 2016.