



# HOUSE BILL No. 5872

November 10, 1994, Introduced by Rep Gubow and referred to the Committee on Liquor Control

A bill to amend Act No 8 of the Public Acts of the Extra Session of 1933, entitled as amended

The Michigan liquor control act  
as amended, being sections 436 1 to 436 58 of the Michigan Compiled Laws, by adding section 17k

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Act No 8 of the Public Acts of the Extra  
2 Session of 1933, as amended being sections 436 1 to 436 58 of  
3 the Michigan Compiled Laws, is amended by adding section 17k to  
4 read as follows /

5 SEC 17K (1) IN ADDITION TO ANY LICENSES FOR THE SALE OF  
6 ALCOHOLIC LIQUOR FOR CONSUMPTION ON THE PREMISES THAT MAY BE  
7 AVAILABLE IN THE LOCAL GOVERNMENTAL UNIT UNDER SECTION 19C(1),  
8 AND THE RESORT LICENSES AUTHORIZED IN SECTION 19C(2), (3) AND  
9 (4), THE COMMISSION MAY ISSUE NOT MORE THAN 50 ADDITIONAL TAVERN

1 LICENSES PER YEAR TO PERSONS WHO OPERATE BUSINESSES THAT MEET ALL  
2 OF THE FOLLOWING CONDITIONS

3 (A) THE BUSINESS IS A FULL SERVICE RESTAURANT, IS OPEN TO  
4 THE PUBLIC, AND PREPARES FOOD ON THE PREMISES

5 (B) THE BUSINESS IS OPEN FOR FOOD SERVICE NOT LESS THAN 10  
6 HOURS PER DAY, 5 DAYS A WEEK

7 (C) AT LEAST 50% OF THE GROSS INCOME OF THE BUSINESS IS  
8 DERIVED FROM THE SALE OF FOOD FOR CONSUMPTION ON THE PREMISES

9 (D) THE BUSINESS HAS DINING FACILITIES TO SEAT NOT LESS THAN  
10 25 PERSONS

11 (E) THE BUSINESS HAS BEEN IN ACTIVE OPERATION FOR AT LEAST 6  
12 MONTHS IMMEDIATELY PRIOR TO THE DATE OF APPLICATION AT THE LOCA-  
13 TION FOR WHICH THE LICENSE IS BEING REQUESTED

14 (F) THE BUSINESS IS LOCATED IN A DEVELOPMENT AREA OF AN  
15 EXISTING DOWNTOWN DISTRICT DEVELOPMENT AUTHORITY CREATED PURSUANT  
16 TO ACT NO 197 OF THE PUBLIC ACTS OF 1975, BEING SECTIONS  
17 125 1651 TO 125 1681 OF THE MICHIGAN COMPILED LAWS IN WHICH THE  
18 AUTHORITY, AFTER A PUBLIC HEARING, HAS FOUND THAT THE ISSUANCE OF  
19 THE TAVERN LICENSE WOULD PREVENT FURTHER DETERIORATION WITHIN THE  
20 DOWNTOWN DISTRICT AND PROMOTE ECONOMIC GROWTH WITHIN THE DOWNTOWN  
21 DISTRICT THE COMMISSION SHALL NOT ISSUE THE LICENSE UNLESS THE  
22 LOCAL UNIT OF GOVERNMENT WITHIN WHICH THE AUTHORITY IS LOCATED  
23 AFTER HOLDING A PUBLIC HEARING, PASSES A RESOLUTION CONCURRING IN  
24 THE FINDINGS OF THE AUTHORITY

25 (2) IF IN ANY QUARTER OF A LICENSING YEAR THE SALE OF FOOD  
26 FOR CONSUMPTION ON THE PREMISES OF THE BUSINESS REPRESENTS LESS  
27 THAN 50% OF THE GROSS RECEIPTS FOR THE BUSINESS, THE COMMISSION,

1 AFTER DUE NOTICE AND PROPER HEARING SHALL REVOKE THE TAVERN  
2 LICENSE

3 (3) NOT MORE THAN 1 TAVERN LICENSE SHALL BE ISSUED UNDER  
4 THIS SECTION TO ANY INDIVIDUAL, PARTNERSHIP, LIMITED PARTNERSHIP  
5 LIMITED LIABILITY COMPANY, CORPORATION, OR ANY COMBINATION OF ANY  
6 OF THE ABOVE, INCLUDING STOCKHOLDERS, GENERAL PARTNERS, OR  
7 LIMITED PARTNERS

8 (4) A TAVERN LICENSE ISSUED UNDER THIS SECTION SHALL NOT BE  
9 RECLASSIFIED TO A CLASS C LICENSE OR A CLASS B HOTEL LICENSE OR  
10 TO ANY OTHER LICENSE WHICH WOULD PERMIT THE SALE OF SPIRITS FOR  
11 CONSUMPTION ON THE PREMISES A TAVERN LICENSE ISSUED UNDER THIS  
12 SECTION IS NOT TRANSFERABLE AS TO LOCATION OR OWNERSHIP AND SHALL  
13 NOT BE HELD IN ESCROW FOR MORE THAN 1 YEAR

14 (5) THE COMMISSION SHALL NOT ISSUE A SPECIALLY DESIGNATED  
15 MERCHANT LICENSE, SPECIALLY DESIGNATED DISTRIBUTOR LICENSE OR  
16 ANY OTHER LICENSE THAT ALLOWS THE SALE OF ALCOHOLIC LIQUOR FOR  
17 CONSUMPTION OFF THE PREMISES IN CONJUNCTION WITH A TAVERN LICENSE  
18 ISSUED UNDER THIS SECTION OR AT THE PREMISES FOR WHICH A TAVERN  
19 LICENSE HAS BEEN ISSUED UNDER THIS SECTION

20 (6) THE LICENSED PREMISES OF A BUSINESS ISSUED A TAVERN  
21 LICENSE PURSUANT TO THIS SECTION SHALL NOT CONTAIN A BAR

22 (7) THE COMMISSION MAY ISSUE THE LICENSES UNDER THIS SECTION  
23 WITHOUT REGARD TO THE ORDER IN WHICH THE APPLICATIONS FOR THE  
24 LICENSES ARE RECEIVED