

SENATE BILL No. 859

March 17, 2016, Introduced by Senator JONES and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled "Michigan liquor control code of 1998," by amending sections 707 and 901 (MCL 436.1707 and 436.1901), section 707 as amended by 2008 PA 11 and section 901 as amended by 2010 PA 175, and by adding sections 708 and 910.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 707. (1) A vendor shall not sell, serve, or furnish any
2 alcoholic liquor to ~~any person~~ **AN INDIVIDUAL** in an intoxicated
3 condition.

4 (2) A licensee shall not **KNOWINGLY** allow ~~a person~~ **AN**
5 **INDIVIDUAL** who is in an intoxicated condition to consume alcoholic
6 liquor on the licensed premises.

7 (3) A licensee, or the clerk, servant, agent, or employee of a
8 licensee, shall not be in an intoxicated condition on the licensed
9 premises.

1 (4) A licensee shall not **KNOWINGLY** allow an intoxicated ~~person~~
2 **INDIVIDUAL** to frequent or loiter on the licensed premises except
3 where the intoxicated ~~person~~**INDIVIDUAL** has been refused service of
4 further alcoholic liquor and continues to remain on the premises
5 for the purpose of eating food, seeking medical attention,
6 arranging transportation that does not involve driving himself or
7 herself, or any other circumstances where requiring the ~~person~~
8 **INDIVIDUAL** to vacate the premises immediately would be considered
9 dangerous to ~~that person~~**THE INDIVIDUAL** or to the public.

10 (5) A licensee shall not **KNOWINGLY** allow a minor to consume
11 alcoholic liquor or to possess alcoholic liquor for personal
12 consumption on the licensed premises.

13 (6) A licensee shall not allow ~~any person~~**AN INDIVIDUAL** less
14 than 18 years of age to sell or serve alcoholic liquor.

15 (7) A licensee shall not **KNOWINGLY** allow ~~any person~~**AN**
16 **INDIVIDUAL** less than 18 years of age to work or entertain on a paid
17 or voluntary basis on the licensed premises unless the ~~person~~
18 **INDIVIDUAL** is employed in compliance with the youth employment
19 standards act, 1978 PA 90, MCL 409.101 to 409.124. This subsection
20 does not apply to an entertainer under the direct supervision and
21 control of his or her parent or legal guardian.

22 **SEC. 708. (1) AN ON-PREMISES LICENSEE SHALL NOT KNOWINGLY**
23 **ALLOW AN INDIVIDUAL WHO IS ENGAGED IN THE SERVING OF FOOD OR**
24 **ALCOHOLIC LIQUOR TO EAT, DRINK, OR MINGLE WITH THE CUSTOMERS.**

25 **(2) AN ON-PREMISES LICENSEE, OR THE CLERK, SERVANT, AGENT, OR**
26 **EMPLOYEE OF AN ON-PREMISES LICENSEE, SHALL NOT SOLICIT A CUSTOMER**
27 **FOR THE PURCHASE OF ALCOHOLIC LIQUOR FOR THE ON-PREMISES LICENSEE,**

1 CLERK, SERVANT, AGENT, OR EMPLOYEE OR FOR ANY OTHER PERSON.

2 (3) AN ON-PREMISES LICENSEE, OR THE CLERK, SERVANT, AGENT, OR
3 EMPLOYEE OF AN ON-PREMISES LICENSEE, SHALL NOT KNOWINGLY ALLOW A
4 CUSTOMER TO SOLICIT ALCOHOLIC LIQUOR FOR THE ON-PREMISES LICENSEE,
5 CLERK, SERVANT, AGENT, OR EMPLOYEE OR FOR ANY OTHER PERSON.

6 Sec. 901. (1) A person, directly or indirectly, himself or
7 herself or by his or her clerk, agent, or employee, shall not
8 manufacture, manufacture for sale, sell, offer or keep for sale,
9 barter, furnish, import, import for sale, transport for hire,
10 transport, or possess any alcoholic liquor unless the person
11 complies with this act.

12 (2) A licensee shall not **KNOWINGLY** allow unlawful gambling on
13 the licensed premises and shall not **KNOWINGLY** allow on the licensed
14 premises ~~any~~ **A** gaming ~~devices~~ **DEVICE** prohibited by law.

15 (3) A licensee shall not sell, offer or keep for sale,
16 furnish, possess, or **KNOWINGLY** allow a customer to consume
17 alcoholic liquor that is not authorized by the license issued to
18 the licensee by the commission.

19 (4) A person ~~, whether or not a licensee,~~ shall not sell,
20 deliver, or import spirits unless the sale, delivery, or
21 importation is made by the commission, the commission's authorized
22 agent or distributor, an authorized distribution agent certified by
23 order of the commission, a person licensed by the commission, or by
24 prior written order of the commission. A person ~~who~~ **THAT** violates
25 this subsection is subject to the sanctions and penalties ~~contained~~
26 **PROVIDED** in section 909(4) and, ~~in the case of~~ **FOR** a violation of
27 section 909(4) (a), is subject to forfeiture of proceeds or an

1 instrumentality as provided for in chapter XXVA of the Michigan
2 penal code, 1931 PA 328, MCL 750.159f to 750.159x.

3 (5) A licensee shall not **KNOWINGLY** sell or furnish alcoholic
4 liquor to a person ~~who~~**THAT** maintains, operates, or leases premises
5 that are not licensed by the commission and ~~upon~~**ON** which other
6 persons unlawfully engage in the sale or consumption of alcoholic
7 liquor for consideration as prohibited by section 913.

8 (6) A retail licensee shall not, on his or her licensed
9 premises, sell, offer for sale, accept, furnish, possess, or
10 **KNOWINGLY** allow the consumption of alcoholic liquor that has not
11 been purchased by the retail licensee from the commission, the
12 commission's authorized agent or distributor, an authorized
13 distribution agent certified by order of the commission, or a
14 licensee of the commission authorized to sell that alcoholic liquor
15 to a retail licensee. This subsection does not apply to the
16 consumption of alcoholic liquor in the bedrooms or suites of
17 registered guests of licensed hotels or in the bedrooms or suites
18 of bona fide members of licensed clubs.

19 **SEC. 910. (1) A CLERK, SERVANT, AGENT, OR EMPLOYEE OF A**
20 **LICENSEE SHALL NOT ENGAGE IN AN ILLEGAL OCCUPATION OR ILLEGAL ACT**
21 **ON THE LICENSED PREMISES. A CERTIFIED COPY OF A CONVICTION IS PRIMA**
22 **FACIE EVIDENCE OF A VIOLATION.**

23 (2) A LICENSEE, AN OFFICER OF A LICENSED CORPORATION, A
24 STOCKHOLDER OF A PRIVATELY HELD CORPORATION, OR A MEMBER OR MANAGER
25 OF A LIMITED LIABILITY COMPANY SHALL NOT, ON OR OFF ITS LICENSED
26 PREMISES, COMMIT ANY OF THE FOLLOWING:

27 (A) A FELONY.

1 (B) A CRIME INVOLVING THE EXCESSIVE USE OF ALCOHOLIC LIQUOR.

2 (C) A CRIME INVOLVING GAMBLING, PROSTITUTION, WEAPONS,
3 VIOLENCE, TAX EVASION, FRAUDULENT ACTIVITY, OR CONTROLLED
4 SUBSTANCES.

5 (D) A MISDEMEANOR THAT IMPAIRS, OR MAY IMPAIR, THE ABILITY OF
6 THE PERSON TO OPERATE THE LICENSED BUSINESS IN A SAFE AND COMPETENT
7 MANNER.

8 (E) ANY OF THE OFFENSES SPECIFIED IN THIS SUBSECTION THAT
9 RESULT IN SENTENCING AFTER A PLEA OF NOLO CONTENDERE AND FOR WHICH
10 THE LICENSEE IS SUBJECT TO THE PENALTIES IN SECTION 903. A
11 CERTIFIED COPY OF A CONVICTION IS PRIMA FACIE EVIDENCE OF A
12 VIOLATION.

13 (3) SUBSECTIONS (1) AND (2) APPLY TO THE PERSON, THE OFFICER
14 OF A CORPORATE ENTITY, THE STOCKHOLDER OF A PRIVATELY HELD
15 CORPORATE ENTITY, OR THE MEMBER OR MANAGER OF A LIMITED LIABILITY
16 ENTITY OF THE PERSON NAMED AS A PARTICIPANT ON THE LICENSEE'S
17 PARTICIPATION PERMIT.

18 (4) A LICENSEE, OR A CLERK, SERVANT, AGENT, OR EMPLOYEE OF THE
19 LICENSEE, SHALL NOT KNOWINGLY HINDER OR OBSTRUCT A LAW ENFORCEMENT
20 OFFICER OR COMMISSION INSPECTOR OR INVESTIGATOR IN THE COURSE OF
21 MAKING AN INVESTIGATION OR INSPECTION OF THE PREMISES AND SHALL NOT
22 REFUSE, FAIL, OR NEGLECT TO COOPERATE WITH A LAW ENFORCEMENT
23 OFFICER OR A COMMISSION INSPECTOR OR INVESTIGATOR IN THE
24 PERFORMANCE OF HIS OR HER DUTIES TO ENFORCE THIS ACT OR COMMISSION
25 RULES.

26 (5) A LICENSEE, OR A CLERK, SERVANT, AGENT, OR EMPLOYEE OF THE
27 LICENSEE, SHALL NOT IMPERSONATE A COMMISSION EMPLOYEE, A COMMISSION

1 INVESTIGATOR, OR A LAW ENFORCEMENT OFFICER EMPOWERED TO ENFORCE
2 THIS ACT OR COMMISSION RULES.

3 (6) A LICENSEE, OR A CLERK, SERVANT, AGENT, OR EMPLOYEE OF THE
4 LICENSEE, SHALL NOT DO ANY OF THE FOLLOWING:

5 (A) KNOWINGLY ALLOW, ON THE LICENSED PREMISES, THE ANNOYING OR
6 MOLESTING OF CUSTOMERS OR EMPLOYEES BY OTHER CUSTOMERS OR
7 EMPLOYEES.

8 (B) KNOWINGLY ALLOW THE LICENSED PREMISES TO BE USED BY A
9 PERSON FOR THE PURPOSES OF ACCOSTING OR SOLICITING ANOTHER PERSON
10 TO COMMIT PROSTITUTION.

11 (C) KNOWINGLY ALLOW, ON THE PREMISES, FIGHTS, BRAWLS, OR THE
12 IMPROPER USE OF FIREARMS, KNIVES, OR OTHER WEAPONS.

13 (D) KNOWINGLY ALLOW THE SALE, POSSESSION, OR CONSUMPTION ON
14 THE LICENSED PREMISES OF A CONTROLLED SUBSTANCE THAT IS PROHIBITED
15 BY THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.1101 TO 333.25211.

16 (E) KNOWINGLY ALLOW NARCOTICS PARAPHERNALIA TO BE USED,
17 STORED, EXCHANGED, OR SOLD ON THE LICENSED PREMISES.

18 Enacting section 1. This amendatory act takes effect 90 days
19 after the date it is enacted into law.