

HOUSE BILL No. 5260

November 28, 2017, Introduced by Reps. Barrett, Bellino, Lower, Webber, Tedder, Leutheuser, Inman, Marino, Hughes, Vaupel, Bizon, Farrington, Frederick, LaFave, Hauck, VanderWall, Hornberger, Alexander, VanSingel, Lucido, Wentworth, Albert, Hoitenga, Liberati, Allor, Crawford, Griffin, Miller, Chirkun, Robinson and Yanez and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 532 (MCL 436.1532), as added by 2001 PA 223.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 532. (1) A club license allows the licensee to sell, for
2 consumption on the licensed premises, beer, wine, mixed spirit
3 drink, and spirits only to bona fide members of the club who have
4 attained the age of 21 years. Except as otherwise provided in
5 subsection (2), the commission shall not issue a license to a club
6 unless the club has been in existence for a period of not less than

1 2 years before the application for the license. **AS USED IN THIS**
2 **SUBSECTION, "BONA FIDE MEMBERS" MEANS MEMBERS OF THE CLUB AND**
3 **INCLUDES MEMBERS OF ANY AFFILIATED, SUBSIDIARY, OR PARENT**
4 **ORGANIZATION.**

5 (2) Public notice of the intent of the commission to issue the
6 club license ~~shall~~**MUST** be given by publication in ~~some~~**A** newspaper
7 published or in general circulation within the local governmental
8 unit at least 10 days before the ~~issuance of~~**COMMISSION ISSUES** the
9 license. A club that is a chapter of a national organization that
10 has had a license for 10 or more years may apply for a license
11 without a waiting period. Public notice of the commission's intent
12 to renew the club license is not required.

13 (3) ~~Except in the case of~~**FOR** a club paying a maximum fee,
14 within 10 days after February 1 of each year the club shall file
15 with the commission a list of names and residences of its members
16 and make a similar filing of the name and residence with the
17 commission within 10 days after the election of an additional
18 member. The annual filing ~~shall~~**MUST** also include a statement that
19 the club's annual aggregate membership fees or dues and other
20 income, exclusive of the proceeds from the sale of alcoholic
21 liquor, are sufficient to defray the annual rental of its leased or
22 rented premises or, if the premises are owned by the club, are
23 sufficient to meet the taxes, insurance, repairs, and interest on a
24 mortgage on the premises.

25 (4) The affairs and management of the club ~~shall~~**MUST** be
26 conducted by a board of directors, executive committee, or similar
27 body chosen by the members. A member, officer, agent, or employee

1 of the club ~~shall~~**MUST** not be paid, or directly or indirectly
2 receive in the form of salary or other compensation, profits from
3 the disposition of alcoholic liquor to the club or to the members
4 of the club, beyond the amount of salary fixed and voted at
5 meetings by the members or by its directors or other governing body
6 and as reported by the club to the commission, within 3 months
7 after the meeting.

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