

DEPARTMENT OF ENERGY, LABOR, AND ECONOMIC GROWTH

LIQUOR CONTROL COMMISSION

LICENSING QUALIFICATIONS

Filed with the Secretary of State on

This rule becomes effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

(By authority conferred on the liquor control commission by section 215(1) of 1998 PA 58, MCL 436.1215(1))

R 436.1107 of the Michigan Administrative Code is amended as follows:

R 436.1107 Renewal of license.

Rule 7. (1) A license that is not in active operation shall be placed in escrow with the commission.

(2) A licensee shall have only 5 licensing years after the expiration date of the escrowed license to put the license into active operation. If the licensee fails to put the license into active operation within 5 years after its expiration, then all rights to the license shall terminate unless the commission has received written verification of either of the following:

(a) That the license or an interest in the license is the subject of litigation or estate or bankruptcy proceedings in a court of competent jurisdiction.

(b) That the license was placed into escrow as a result of damage to the licensed premises by fire, flood, tornado or other natural event that makes the licensed premises unsuitable for the operation of the business and unsafe for public accommodation.

(3) If the commission extends the length of time for which a licensee may renew the license during the pendency of litigation or estate or bankruptcy proceedings or as a result of damage to the licensed premises for the reasons as stated in subrule (2) of this rule, then the licensee shall pay the required license fee for each elapsed licensing year before placing the license in active operation.

(4) The commission may extend the length of time for which a licensee may renew the license upon written order of the commission after a showing of good cause.

~~(4)~~ **(5)** Except as provided in subrule (3) of this rule, a license held in escrow with the commission shall be renewed in the same manner as an active license, including payment of all required license fees, each year by April 30.

~~(5)~~ **(6)** A licensee who places a license in escrow with the commission shall be responsible for providing the commission with current contact information, in writing, for all correspondence, which includes the name, mailing address, and telephone number.

March 23, 2009

~~(6)~~ **(7)** ~~Not later than 90 days after the effective date of this rule,~~ The commission shall provide or attempt to provide each licensee whose license is in escrow with a copy of this rule.

~~(7)~~ **(8)** A license that is held in escrow with the commission on the effective date of this rule begins the 5-year period allowed by subrule (2) of this rule ~~for a license to be held in escrow on the effective date of this rule~~ **March 24, 2004.**