

DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

LIQUOR CONTROL COMMISSION

ON-PREMISES LICENSES RULES

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

R 436.1401 Definitions.

Rule 1. The terms defined in R 436.1001 have the same meaning when used in these rules.

History: 1979 AC.

R 436.1403 Hours and days of operation.

Rule 3. (1) Except as provided in subrule (7) of this rule, an on-premises licensee shall not sell, give away, or furnish alcoholic liquor between the hours of 2 a.m. and 7 a.m. on any day nor between the hours of 2 a.m. and 12 noon on Sunday and shall not sell, give away, or furnish spirits between the hours of 2 a.m. and 12 midnight on Sunday, unless issued a Sunday sales permit by the commission which allows the licensee to sell spirits on Sunday between the hours of 12 noon and 12 midnight.

(2) Between the hours of 2:30 a.m. and 12 noon on any Sunday, or from 2:30 a.m. to 7 a.m. on any other day, an on-premises licensee shall not allow the licensed premises to be occupied by anyone except the on-premises licensee, the bona fide employees of the on-premises licensee who are working, or bona fide contractors and employees thereof who are working, except as provided in subrule (8) of this rule or unless such on-premises licensee first obtains a permit approved by the liquor control commission and by the chief of police, sheriff, or other chief law enforcing officer in the community which authorizes the on-premises licensee to remain open for a stated specific purpose for such other hours and during such periods of time as the commission may determine. The permit shall be displayed adjacent to the license. In the case of a class A hotel, a class B hotel, and a club licensee with bedrooms or suites for bona fide club members and their guests, this subrule shall apply only to the following portions of the licensed premises:

(a) Rooms open to the general public or club members and their guests for eating, drinking, or amusement where alcoholic liquor is served.

(b) Rooms used for wedding parties and similar activities where alcoholic liquor is served.

(3) An on-premises licensee shall not allow the consumption of any alcoholic liquor on the licensed premises between the hours of 2:30 a.m. and 7 a.m. on any day, except as provided in subrule (7) of this rule.

(4) An on-premises licensee shall not allow the consumption of any alcoholic liquor on the licensed premises between the hours of 9:30 p.m. on December 24 to 7 a.m. on December 26. This prohibition shall extend to 12 noon on December 26 if December 26 falls on Sunday.

(5) An on-premises licensee shall not allow the consumption of spirits on the licensed premises between the hours of 2:30 a.m. and 12 midnight on Sunday. This subrule does not apply to the consumption of spirits on the licensed premises between the hours of 12 noon and 12 midnight on Sunday if the on-premises licensee possesses a Sunday sales permit issued by the commission.

(6) An on-premises licensee shall not allow the consumption of any alcoholic liquor on the licensed premises between the hours of 2:30 a.m. and 12 noon on Sunday.

(7) An on-premises licensee shall not sell alcoholic liquor on January 1 after 4 a.m. or before the legal hour of sale as provided in subrule (1) of this rule, and alcoholic liquor shall not be consumed on the licensed premises on January 1 after 4:30 a.m. or before the legal hour for consumption as provided in subrules (3), (5), and (6) of this rule.

(8) From 4:30 a.m. on January 1 to the legal hour of sale as provided in subrule (1) of this rule, an on-premises licensee shall not allow the licensed premises to be occupied by anyone other than the on-premises licensee, the bona fide employees of the licensee who are working, or bona fide contractors and employees thereof who are working, unless the on-premises licensee has been granted a specific purpose permit authorized by subrule (2) of this rule. In the case of a class A hotel, a class B hotel,

and a club licensee with bedrooms or suites for bona fide club members and their guests, this subrule applies only to the following portions of the licensed premises:

(a) Rooms open to the general public or club members and their guests for eating, drinking, or amusement where alcoholic liquor is served.

(b) Rooms used for wedding parties and similar activities where alcoholic liquor is served.

(9) The provisions of subrules (3), (4), (5), (6), and (7) of this rule do not apply to the consumption of alcoholic liquor in the bedrooms or suites of registered guests of licensed hotels or in the bedrooms or suites of bona fide members of licensed clubs.

History: 1979 AC.

R 436.1405 Capacity of licensed premises.

Rule 5. (1) An on-premises licensee shall post, in a conspicuous place, a sign stating the total capacity of each public room of the licensed establishment, based upon the capacity established by the state or local authority having jurisdiction.

(2) If the capacity of the licensed establishment or any public room in the licensed establishment has not been determined by a state or local authority, then the total capacity of each room shall be determined as follows:

(a) If tables or booths are provided, then there shall be not more than 1 customer for each 15 square feet of total area.

(b) If tables or booths are not used, then there shall be not more than 1 customer for each 6 square feet of total area.

(c) If there is a combination of tables or booths and an open area, then the provisions of both subdivisions (a) and (b) of this subrule shall be used.

(d) If seating is provided at a bar, then there shall be not more than 1 seat for each 20 inches of bar length.

(3) An on-premises licensee shall not allow a public room of the licensed establishment to be occupied by more persons than are authorized by this rule.

History: 1979 AC; 1998-2000 AACS.

R 436.1407 Temporary entertainment, dance, or dance-entertainment permits; approval.

Rule 7. The commission may issue up to 12 daily temporary dance, entertainment, or dance-entertainment permits to a licensee each calendar year upon written request of the licensee and approval of the chief law enforcement officer who has jurisdiction.

History: 1979 AC; 1998-2000 AACS.

R 436.1409 Rescinded.

History: 1979 AC; 2009 AACS.

R 436.1411 Rescinded.

History: 1979 AC; 2009 AACS.

R 436.1413 Clothing changes by entertainers.

Rule 13. (1) If an on-premises licensee offers entertainment wherein performers are required to change costumes or attire, the licensee shall provide and make use of dressing facilities set aside for use by male and female performers.

(2) An on-premises licensee shall not allow the use of restrooms, public rooms, kitchens, or other similar areas for the changing of clothing by entertainers.

History: 1979 AC.

R 436.1415 Dance floor; requirements.

Rule 15. An on-premises licensee who is the holder of a dance permit shall not allow dancing on the licensed premises, except on a dance floor that is not less than 100 square feet. The dance floor shall be well defined and clearly marked and shall be without tables, chairs, or other obstacles while customers are dancing.

History: 1979 AC.

R 436.1417 Employees serving food or liquor prohibited from eating, drinking, or mingling with customers; licensees, agents, and employees prohibited from soliciting customers; allowing customer to solicit liquor prohibited.

Rule 17. (1) An on-premises licensee shall not allow a person who is engaged in the serving of food or alcoholic liquor to eat, drink, or mingle with the customers.

(2) An on-premises licensee, or the clerk, servant, agent, or employee of an on-premises licensee, shall not solicit a customer for the purchase of alcoholic liquor for himself or herself or for any other person.

(3) An on-premises licensee, or the clerk, servant, agent, or employee of an on-premises licensee, shall not allow a customer to solicit alcoholic liquor for himself or herself or for any other person.

History: 1979 AC.

R 436.1419 Outdoor service without approval prohibited; requirements for outdoor service if approval is granted.

Rule 19. (1) An on-premises licensee shall not have outdoor service without the prior written approval of the commission.

(2) If approval for outdoor service is granted, then the on-premises licensee shall ensure that the outdoor service area is well-defined and clearly marked and the on-premises licensee shall not sell, or allow the consumption of, alcoholic liquor outdoors, except in the defined area.

(3) The commission may issue up to 12 daily temporary outdoor service permits to a licensee each calendar year upon written request of the licensee and approval of the chief law enforcement officer who has jurisdiction.

History: 1979 AC; 1998-2000 AACS.

R 436.1421 Sample bottles or cans; sale prohibited; removal from premises.

Rule 21. (1) An on-premises licensee shall not sell or give away the contents of a sample bottle or can.

(2) An on-premises licensee shall remove sample bottles or cans from the licensed premises within 24 hours of their receipt.

History: 1979 AC.

R 436.1423 Soliciting, accepting, or receiving rebates, refunds, or adjustments from a person other than the commission for broken or defective containers prohibited.

Rule 23. An on-premises licensee who is licensed to sell spirits shall not solicit, accept, or receive rebates, refunds, or adjustments for any broken or defective spirit containers from a person other than the commission or an agent or employee of the commission.

History: 1979 AC.

R 436.1425 Rest room facilities.

Rule 25. (1) An on-premises licensee shall provide separate rest rooms with flush toilets for each sex. An on-premises licensee shall ensure that each toilet is constructed to assure complete privacy. An on-premises licensee shall ensure that each rest room is easily accessible and does not have an entrance through a kitchen or living quarters.

(2) The local governing body shall determine the minimum number of rest room fixtures to be installed in a licensed establishment according to the local building codes as evidenced by a temporary or permanent certificate of occupancy for public accommodation.

(3) An on-premises licensee shall ensure that each rest room has all of the following:

(a) Soap.

(b) Toilet paper.

(c) A covered clean receptacle for accumulated waste.

(d) A sanitary method for drying hands.

(4) An on-premises licensee shall ensure that each of the rest rooms is kept in a clean and sanitary condition, including walls, floors, ceilings, and fixtures.

(5) An on-premises licensee shall ensure that rest rooms required by these rules are unlocked during business hours and are provided by the on-premises licensee without charge.

History: 1979 AC; 1990 AACS; 1998-2000 AACS.

R 436.1427 Washing of drinking containers and draft beer equipment.

Rule 27. (1) An on-premises licensee shall wash, rinse, and sanitize all glasses, mugs, steins, and other reusable drinking containers which are used to serve alcoholic liquor to customers.

(2) An on-premises licensee shall thoroughly cleanse, as often as may be necessary, all beer coils, lines, barrels, tubes, and any other draft beer equipment to keep them in a clean and sanitary condition. An on-premises licensee shall not draw beer through tubes with rubber inner linings.

(3) An on-premises licensee shall pipe all air intakes on pressure pumps used in drawing draft beer in such a manner that only clean air will be used.

History: 1979 AC.

R 436.1429 Rescinded.

History: 1979 AC; 1998-2000 AACS.

R 436.1431 Serving of brand names.

Rule 31. When a person orders a brand name alcoholic liquor sold by an on-premises licensee, the on-premises licensee shall serve and sell only the brand name ordered by that person.

History: 1979 AC.

R 436.1433 Food operation.

Rule 33. (1) An on-premises licensee shall not contract for the services of another person to operate the food portion of the licensed business without the prior written approval of the commission.

(2) If a contract for the services of another person in the operation of the food portion of the licensed business is approved by the commission, the on-premises licensee shall comply with all of the following:

- (a) Receive all profits from the sale of alcoholic liquor.
- (b) Retain control over all portions of the licensed premises.
- (c) Be responsible for the actions of the persons operating the food business.

History: 1979 AC.

R 436.1435 Contests; tournaments.

Rule 35. (1) An on-premises licensee shall not allow contests in which the licensee or any other person gives away anything of value over \$250.00 per day, except upon written order of the commission, and shall not accept or retain anything of value from a person in exchange for sponsoring or promoting a contest or tournament.

(2) An on-premises licensee shall not allow a contest or tournament of any kind in which the sale, use, or consumption of alcoholic liquor is a necessary part of the contest or tournament or in which alcoholic liquor is given as a prize to the participants of the contest or tournament.

(3) An on-premises licensee shall not allow a promotion on the licensed premises in which anything of value over \$250.00 per day or any alcoholic liquor is given away without adequate and appropriate consideration, except as provided in this rule or upon written order of the commission. An on-premises licensee shall not accept or retain anything of value from a person in exchange for sponsoring a promotion, except upon written order of the commission.

History: 1979 AC; 1998-2000 AACS.

R 436.1437 Specific purpose permit.

Rule 37. (1) If all of the following criteria are met, the commission may issue, to an on-premises licensee, a specific purpose permit that allows the licensee to have the premises occupied by customers at times other than the legal hours for sale and consumption:

(a) The licensee has a business that necessitates the establishment being occupied by customers at times other than the legal hours for consumption of alcoholic liquor.

(b) The establishment is equipped with a full-service kitchen, provides rooms for the lodging of guests, or provides recreational facilities that are owned by the licensee on or adjacent to the licensed establishment. This subdivision may be waived by the commission upon a showing of good cause by the licensee.

(c) The commission may issue up to 12 daily temporary specific purpose permits to a licensee each calendar year upon written request of the licensee and approval of the chief law enforcement officer who has jurisdiction.

(2) An on-premises licensee who is issued a specific purpose permit shall not allow customers on the licensed premises during the time period provided by the specific purpose permit, unless the activity, and only that activity, allowed by the specific purpose permit is occurring.

History: 1979 AC; 1998-2000 AACS.

R 436.1438 Sale of unlimited quantity of alcoholic liquor at specific price.

Rule 38. (1) An on-premises licensee shall not sell, offer to sell, or advertise the sale of, an unlimited quantity of alcoholic liquor at a specific price.

(2) No licensee shall sell, offer to sell, or advertise the sale of, 2 or more identical drinks containing alcoholic liquor to a person for that person's consumption for 1 price. When 2 or more identical drinks containing alcoholic liquor are served to a person at 1 time, the price charged for the second and each additional identical drink shall be the same as the price charged for the first drink.

History: 1979 AC; 1985 AACSB.