



STATE OF MICHIGAN

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LIQUOR CONTROL COMMISSION

In the matter of)
CM II, L.L.C.)
d/b/a THE VILLAGE MARKETT)
16800 S. Chandler, Suite 106)
East Lansing, Michigan 48823)
)
Bath Township Clinton County)
_____)

Request ID No. 718380
Business ID No. 144160

At the February 18, 2014 hearing of the Michigan Liquor Control Commission (Commission) in Lansing, Michigan.

PRESENT: Andrew J. Deloney, Chairman
Teri L. Quimby, Commissioner
Dennis Olshove, Commissioner

SHOW CAUSE HEARING ORDER

On February 21, 2004, CM II, L.L.C. (licensee) was issued a new Specially Designated Merchant license at the above-noted location. The licensee was also issued a new 12-months Resort Specially Designated Distributor license and new Sunday Sales Permit (P.M.) on November 12, 2004 to be held in conjunction with the subject license.

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof under MCL 436.1201(2).

At a meeting held on December 17, 2013, the Commission ordered a Show Cause Hearing be scheduled under administrative rule R 436.1925(1) to determine whether or not the subject 2013 12-months Resort SDD and SDM licenses with Sunday Sales Permit

(P.M.) should be immediately suspended or revoked based on the numerous and additional violations involving non-sufficient funds checks submitted to the Commission for purchases of alcoholic liquor. The Commission held the show cause hearing in this matter on February 18, 2014 at its Lansing office. Representing the licensee at the hearing was Attorney Eric Eggan.

After hearing arguments, reviewing the MLCC file and discussion of the issue on the record, the Commission finds that the licensee has demonstrated good cause in which to suspend the licenses and permit for three (3) day consecutive days, based on the following facts:

- Between December 30, 2009 and November 29, 2013, the licensee has submitted 29 payments to the Commission for purchases of alcoholic liquor that were subsequently dishonored by the financial institution for lack of sufficient funds, totaling \$115,595.70, which includes service charge fees.
- The two (2) most recent NSF checks totaling \$8175.52 + \$40.00 service charge fees were submitted subsequent to a Show Cause Hearing held by the Commission on October 15, 2013, where the licensee was ordered to appear to determine whether or not the licenses and permit should be immediately suspended or revoked based on the numerous violations involving non-sufficient funds checks submitted to the Commission for purchases of alcoholic liquor.
- The Show Cause Hearing Order upheld a hearing order of Commissioner Edward J. Gaffney dated July 15, 2013 that ordered the licensee to pay for the purchases of alcoholic liquor by certified check, cashier's check or money order for a period of 24-months from the mailing date of the order (until July 16, 2015).
- The licensee submitted a payment for violation fines in the amount of \$1,200.00 that was dishonored by the financial institution for lack of sufficient funds on September 12, 2013, which resulted in another violation of

administrative rule R 436.1059 (Complaint No. 3-160776). On December 20, 2013, Commissioner Edward J. Gaffney issued a combined order with Complaint No. 3-162199 ordering a fine of \$300.00 for each charge, for a total fine of \$600.00. The Commissioner further ordered all licenses and permit to be suspended if the dishonored check, service charges, and total fine, previously and currently due, are not paid within forty-five (45) days from the mailing of that order, with the suspension to remain in effect until the licensee is in compliance with that order or the licenses and permit are terminated.

- The licensee was ordered by the Commission on July 15, 2013 to pay for the purchases of alcoholic liquor by certified check, cashier's check or money order until July 16, 2015. By writing two (2) dishonored checks after receiving this Commission Order, the licensee is in violation of administrative rules R 436.1029 and R 436.1059.

THEREFORE, IT IS ORDERED that:

A. The 2013 12-months Resort SDD and SDM licenses with Sunday Sales Permit (P.M.) held by CM II, L.L.C. at the above-noted location are SUSPENDED for three (3) consecutive days, to be served February 28 through March 2, 2014.

B. The suspension is to run consecutively and not concurrently with any other suspension ordered by the Michigan Liquor Control Commission for this licensee.

C. The Commission order of July 15, 2013 ordering the licensee to pay for the purchases of alcoholic liquor by certified check, cashier's check or money order for a period of 24-months from the mailing date of the order (until July 16, 2015) remains in effect.

D. Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as

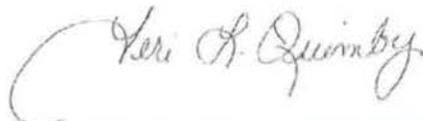
determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this license by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee must obtain all other required state and local licenses, permits, and approvals before serving or selling alcoholic liquor.

E. Failure to comply with all requirements of licensure in the State of Michigan will result in the licensee being charged with a violation of the Michigan Liquor Control Code, MLCC Administrative Rules, and Commission order, which may result in fines, suspension, and/or revocation of the licenses and permit.

MICHIGAN LIQUOR CONTROL COMMISSION



Andrew J. Deloney, Chairman



Teri L. Quimby, Commissioner



Dennis Olshove, Commissioner



Prepared by:
Terri Chase, Commission Aide

Date Mailed: **FEB 20 2014**