



ADMINISTRATIVE  
MEETING OF THE  
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, April 17, 2012  
Lansing District Office

Present: Andrew J. Deloney, Chairman  
Teri L. Quimby, Commissioner  
Donald B. Weatherspoon, Commissioner

Staff: Steve Robinson, Director of Finance Division  
Sharon Martin, Director of Licensing Division  
Julie Wendt, Director of Executive Services Division  
Megan Thelen, Enforcement Division  
Anita Fawcett, Executive Services Division

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The meeting was called to order by Chairman Deloney at 11:01 a.m., noting a quorum was present.

- I. Moved by Commissioner Weatherspoon, supported by Commissioner Quimby, that the minutes of the Commission meeting of April 10, 2012, be approved as written and presented, motion carried by unanimous vote.
- II. Mr. Robinson presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of February 15, 2006 regarding special price reductions on spirit products. He advised there are two different licensees requesting price reductions; that 10 price reductions should be approved; and that 6 price reductions should be denied for the reasons stated in the attached reports.

**Moved by Chairman Deloney, supported by Commissioner Quimby, that the 10 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.**

**Moved by Chairman Deloney, supported by Commissioner Quimby, that the 6 special price reductions be denied for the reasons stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.**

- III. Mr. Robinson presented the Delisting of Liquor Codes with Minimal Sales report and requested that 521 products listed on the attached sheets, be delisted effective July 1 2012. He advised this process is carried out twice a year in October and April to control the number of products contained in the Michigan Liquor Control Commission Liquor Price Book by no longer offering products that have nominal sales. Mr. Robinson stated the Vendors of Spirits (Vendors) and Vendor Representatives are contacted via email and by letter that their products will be delisted. He advised the Vendors and Vendor Representatives will have an opportunity to demonstrate that their products should continue to be offered in the price book. Mr. Robinson advised the delisting process is currently under review. Commissioner Weatherspoon stated that sending both a letter and email notifications to the Vendors, is redundant and should be looked at during the review process. Chairman Deloney stated this is a good suggestion and he has been speaking with Mr. Robinson and different stakeholders on modifications to the delisting procedure.

**Moved by Chairman Deloney, supported by Commissioner Weatherspoon, that the products listed on the sheets on file in the Commission's supplemental minute record, be delisted effective July 1, 2012, in accordance with the provisions of Bulletin # 3113-17, dated February 20, 2007, motion carried by unanimous vote.**

- IV. Mr. Robinson requested approval of Bulletin No. 2012-07 for the submission of quotations for Price List No. 227, which is effective July 29, 2012. He stated this is a quarterly reminder that is sent to Vendors and Vendor Representatives to remind them of the deadline for the next price book.

**Moved by Chairman Deloney, supported by Commissioner Quimby, that the bulletin be approved as written and presented, motion carried by unanimous vote.**

- V. Ms. Wendt presented a request for a declaratory ruling under administrative rule R 436.1971 from Attorney Michael Brower, on behalf of Wesco, Inc. (Wesco). Wesco states that the Commission has long adhered to an erroneous interpretation of Section 531(5), MCL 436.1531(5) of the Liquor Control Code of 1998 by maintaining that the statute authorizes the issuance of ten additional SDD licenses per year throughout the entire state. Wesco asserts that the plain language of the statute authorizes the issuance of ten additional SDD licenses per local governmental unit each year.

Chairman Deloney stated he believes the language is clear and that the Commission can only approve ten (10) Resort SDD licenses per year throughout the entire state. He does not agree with Wesco's argument that it is ten (10) licenses per local governmental unit per year. Commissioner Quimby added that she agrees that the language is very clear in regards to this issue especially when the statute indicates that the Commission may issue a *total* of not more than ten additional SDD licenses.

**Moved by Chairman Deloney to deny the request for a declaratory ruling, supported by Commissioner Quimby, motion carried by unanimous vote.**

VI. Old Business

There was no Old Business.

VII. New Business

There was no New Business.

VIII. Public Comments

Attorney Michael Brown stated he had a number of issues he wished to address with the Commission. Mr. Brown expressed concerns regarding consideration of requests for extension of time in which to renew escrowed licenses and notifications of any extensions for the timely payment of escrow renewal fees by May 1.

Mr. Brown further stated he would like the Commission to review the procedure for consideration of applicants for SDD licenses under the quota established by the new census figures. Mr. Brown expressed concerns that some of his completed applications are waiting on competing applicants for the same license to finish their investigations. He indicated the Commission should base their decision on who completes their application first not who filed first for the quota SDD license, as this would place licenses into active operation sooner in areas where the increased population reflects an increased need for the licenses.

Lastly, Mr. Brown indicated that he would like the Commission to review its procedures on postponing consideration on a licensing application of a chain store until final disposition of a pending violation at another location.

Chairman Deloney advised that the Commission will review the procedures for considering licensing applications with pending violations at other locations. He further advised that the Commission is in the process of completing the review of the requests for extension of escrow so there will be ample time to renew these escrowed licenses in a timely fashion. Chairman Deloney stated the requirements for processing requests for new SDD quota licenses are very complex. He stated that Mr. Brown made some good points and that the Commission will take his comments under consideration.

**With no further business, moved by Commissioner Weatherspoon, supported by Commissioner Quimby, that the business meeting be adjourned at 11:23 a.m., motion carried by unanimous vote.**

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Anita Fawcett  
Executive Services

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Andrew J. Deloney  
Chairman