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STATE OF MICHIGAN
LIQUOR CONTROL COMMISSION
SEMI-ANNUAL PUBLIC HEARING

Proceedings had in the above-entitled matter before Chairperson Patrick Gagliardi and Commissioners Lee Gonzales, Geralyn Lasher, Dennis Olshove and Edward Toma, held via teleconference call on Wednesday, September 22, 2021.

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OTHERS PRESENT:

Jason Canvasser, Attorney
Charlie Cove, MBWWA & Dan Henry Distributing
Mason Doerr, MLBA
Scott Graham, Executive Director, MI Brewers Guild
Jessica Harold, Marketing Director, Woodchips BBQ
Brian Pizzuti, VP of Sales, RNDC
Steve Rochow, Executive Vice President, RNDC
Brett Visner, Michigan Beer & Wine Wholesalers
Barry Schmidt, MCRUD & Bay County Prevention Network

STAFF PRESENT:

Jackie Anthony, Licensing Division
Lori DeClercq, Executive Services Division
Anita Fawcett, Executive Services Division
Tom Hagan, Director, Enforcement Division
Pam Hamilton, Director, Finance Division
Kerry Krone, MLCC Business Manager
Don McGehee, Attorney General's Office
Megan Minnick, Licensing Division
Barb Subastian, Enforcement Division
Jeannie Vogel, Executive Services Division
Julie Wendt, Director, Executive Services Division

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E X H I B I T S

M O R

Written Remarks from Ashley Bergeon
(Coalition Mgr, Prevention Works)

1 Lansing, Michigan

2 Wednesday, September 22, 2021 - 11:01 a.m.

3 CHAIRPERSON GAGLIARDI: Good morning, everybody.

4 This is Pat Gagliardi and joining me today for the
5 Semi-Annual meeting will be Commissioners Lasher, Olshove,
6 Gonzales and Toma; and Kerry, I know you are on as our host
7 for the phones; if you wouldn't mind, please, introducing
8 members of the MLCC staff that are participating today.

9 Can you hear me, Kerry? I don't know if she's on
10 mute. I heard her voice earlier. Can you hear me at all out
11 there? No, I don't think they can hear us.

12 (Off record at about 11:02 a.m.)

13 (Hearing reconvened at about 11:04 a.m.)

14 CHAIRPERSON GAGLIARDI: I would like to call the
15 meeting to order and let everybody know we are a few minutes
16 late because we couldn't figure out how to get the speaker
17 going on this thing and now we have got it going. So Kerry,
18 if you can hear me okay -- let me do this: I will introduce
19 the Commissioners and then I would like to have you introduce
20 the staff that are participating. I am Pat Gagliardi.
21 Joining me today is Commissioner Geralyn Lasher, Commissioner
22 Dennis Olshove, Commissioner Lee Gonzales and Commissioner Ed
23 Toma. And Kerry, if you wouldn't mind letting the public
24 know who is joining us from the MLCC staff.

25 MS. KRONE: I would be happy to. We have with us

1 today, on the phone, Barb Subastian, Jackie Anthony, Megan
2 Minnick, Julie Wendt, Don McGehee from the AG's office,
3 Jeannie Vogel, Tom Hagan and Pam Hamilton.

4 CHAIRPERSON GAGLIARDI: Thank you, Kerry. Joining
5 us, here, in the office today are Anita Fawcett and our
6 trusty recording clerk, Lori DeClercq, who will be making
7 sure that all this gets put into writing.

8 So let me open by saying that we do this
9 semi-annually; have a hearing where we ask people for their
10 comment, their input, their complaints, whatever they have;
11 helpful thoughts to make us better. Anyway, so we are going
12 to open this up with, I think, a few comments from the
13 Commissioners. I would like the administrative commissioners
14 with me to run through some of the accomplishments we feel we
15 have had this year and then I would like Commissioner
16 Gonzales and Commissioner Toma to make comments on the role
17 of the hearing commissioner and what they are doing. Then we
18 will break into the public. Joining us today, for everybody
19 on the phone, we have got, let's see, two, four, six, eight,
20 ten, eleven guests. So we are kind of surprised by that
21 because we haven't met in public with more than one or two
22 people --

23 COMMISSIONER LASHER: Three maybe.

24 CHAIRPERSON GAGLIARDI: -- in the last couple
25 months. Yeah, maybe three. So we will get started and the

1 first accomplishment, I believe, for this year and it is a
2 fiscal year, but we will use it for the calendar year, too,
3 is the fact that the MLCC has two silos. We have a business
4 silo where we are the -- where we are the wholesaler of
5 distilled spirits in the state and we make our profit from
6 going to services. And then we have our public safety
7 regulatory silo. So in our business silo, we are real happy
8 to report that through the end of this last month, August, we
9 are up nine percent over last year. We fluctuated between
10 nine and twelve percent. If, in fact, we just say 10 percent
11 when we close the books at the end of September -- which we
12 won't know for a little while yet -- we will have raised, for
13 services to the public, over \$600 million and that goes to
14 the local units of government; four percent goes directly to
15 the state school aid fund and the rest goes to the
16 Legislature -- the big bulk for the general fund for them to
17 use for services on all of our behalf. So we are real proud
18 of what we have done on that -- on that side, the business
19 side. And then we will turn it over to the commissioners,
20 here, to follow up on some of the other things we have done,
21 like the public health side.

22 COMMISSIONER OLSHOVE: Thank you, Mr. Chairman.
23 This is Commissioner Olshove. I would just like to thank and
24 let everybody know what a good job our Enforcement Division
25 has been doing -- Tom Hagan, Maryanne Donley and Barb

1 Subastian, a shout out to them and their staffs and
2 everything they do and that is reflected in, really, the
3 issue of compliance -- compliance with underage drinking. We
4 can announce that compliance has gone from 82 percent in 2019
5 to 86 percent in 2020; that is an accomplishment that any
6 department would be happy to have, whatever business they are
7 in, but this is a great number for us. So I would just like
8 to give a shout out for them. Again, our issue, here, is
9 public safety. It is an important part of what the
10 Commission does. I know that the Chairman mentioned the
11 business side, but we should never forget the public safety
12 issues.

13 CHAIRPERSON GAGLIARDI: Thank you. Commissioner
14 Lasher?

15 COMMISSIONER LASHER: Yes. And now, kind of,
16 taking it from the Enforcement side over to what our folks
17 over in Finance have been able to do, just over the past
18 year, to really try to make a difference, to make things a
19 little smoother and easier for our licensees, is the online
20 liquor ordering system. So they refer to it as MILO and we
21 launched that in February and that has really modernized the
22 way that those orders are coming in. So it makes it much
23 faster and easier to process. So we have had great feed back
24 from the licensees when we launched it; what we can do to
25 make it better and they were making -- they were implementing

1 changes immediately after launch just to make sure that it
2 was really -- that we were reacting to the comments that we
3 were hearing from the people using the system. So we are
4 really pleased with the staff. They were really able to do
5 that so quickly and to be able to make that a success and
6 obviously, if there is any continuing issues, if people have
7 suggestions, they are always willing to take that to see
8 whatever improvements they can make to the system.

9 CHAIRPERSON GAGLIARDI: Yeah. Nice shout out to
10 our staff. They did a great job.

11 COMMISSIONER OLSHOVE: I'd -- Mr. Chairman, I would
12 really like to go back to another issue as far as underage
13 drinking. I would like to announce that our program, the
14 Michigan Alcohol Responsibility Program, has been in place
15 and we just started that with a grant from NABCA, National
16 Alcohol Beverage Control Association. This is a pilot
17 program that will be in place in my favorite town of East
18 Lansing; went to school there and Ann Arbor and it is really
19 trying to -- how would I say it? Make sure we have college
20 towns, if you will, understand that there are important
21 issues around them; whether it is burning couches in the
22 streets, but mostly alcohol related. The way it will work is
23 we will have what we call mystery shoppers. Now these people
24 would be working with our Enforcement and they are young
25 legal-aged people that go from business to business and they

1 do, kind of, an oversight of how the IDs are being checked;
2 ways they can better improve the way they are checked and
3 they work with our department in trying to bring in the
4 licensee themselves into a discussion. I guess, it would be
5 called improving the best practices that they could have and
6 really watching out for our youth and it is a tough spot for
7 kids to start off with if they are going to go drinking at
8 college. So this is a new program where we try to address
9 that issue.

10 CHAIRPERSON GAGLIARDI: Thank you, Commissioner.
11 Commissioner Lasher?

12 COMMISSIONER LASHER: Just bouncing back over to
13 Finance on the electronic funds transfers, we have had a lot
14 of conversations so far and I know the Chair has had many
15 conversations with some of the retailer community to really
16 make sure that we can do and we can implement the EFT, the
17 electronic funds transfer, for spirit purchases. Again,
18 trying to modernize the process, get things a little more
19 current. It's much safer and securer for licensees. We
20 think it's much safer and securer for our ADA partners. They
21 are still working out some of the logistics as far as how
22 that will be implemented, but we are really pleased. Again,
23 during the course of the pandemic, our staff have really been
24 able to take on these new projects and be able to continue
25 the existing operation and come up with new ways that we can

1 make things a little more modern and a little safer and
2 securer for people to do. So I am not sure of the exact
3 timeline on that, but I know that is still in the works.

4 CHAIRPERSON GAGLIARDI: We are hoping to have an
5 Order before us tomorrow at our business meeting; hoping that
6 it might start on November 1, but we haven't had that
7 discussion with each other, so we will have that tomorrow,
8 but appropriate comment. Dennis, if you wouldn't mind taking
9 the next one, I will take the next two after that and then we
10 will finish up with Geralyn and then go to Commissioner Toma
11 and --

12 COMMISSIONER OLSHOVE: I'm going --

13 CHAIRPERSON GAGLIARDI: -- Gonzales.

14 COMMISSIONER OLSHOVE: -- to Covid and suspended
15 licenses.

16 CHAIRPERSON GAGLIARDI: Okay.

17 COMMISSIONER OLSHOVE: It has been a very difficult
18 year, as we all know. Here, in the room we are all sitting
19 six feet apart. Staff has been working at home and I commend
20 every one of you that is listening. I don't think we have
21 missed a beat, for the most part, in how we have enforced the
22 Liquor Control Act. Last year, early on, 2020, it all
23 started what? In March; there was this little bug and nobody
24 knew much to do -- what it was going to do. There were some
25 tough decisions made by our Governor and the MLCC, I think,

1 stepped up to enforcing some of those executive orders which
2 were nothing more than very difficult to do. We had 40
3 suspensions related to those orders. None of them were easy
4 for us; none of them. People's health was on the line. I
5 think nobody knew early on how bad this could get. There was
6 200 people died and then 300 and then 400. We had licensees
7 who went on as if there was no end to the party. I think we
8 can all look back and reflect on the fact that we are at
9 20,000 people in Michigan that have passed away from Covid
10 and part of that, science tells us, is related to people
11 being in social situations that they should not have been in.
12 Again, I think that has changed a bit now. Obviously, we are
13 opening up a little bit. And I hope for the best in the next
14 year. We still have to be cautious. We ask our licensees to
15 continue to be patient and I know it is tough, but I think
16 things are gradually opening up and I have the best
17 confidence that we can get through this next fall and winter
18 and come out of this in great shape. So the suspensions were
19 tough. I feel it was the right thing to do and I think we
20 are working our way through this. So that is my comments on
21 Covid.

22 CHAIRPERSON GAGLIARDI: Thank you, Commissioner.
23 Just to add to that, we have suspended 40 licensees last
24 year. We won every case at the administrative court level;
25 every case at the circuit court level; and every case at the

1 Court of Claims, which is the State's appeal court level. So
2 I want to throw a shout out to what you saw and what you said
3 and to the Attorney General's office, too, for their help
4 with that.

5 The next issue we have before us that we are
6 starting down the line on is a new delisting policy on our
7 business side for our price list. We have had that out. We
8 have had hearings. We have officially taken a vote on what
9 it will look like so all the manufacturers will know what
10 they are dealing with. The only thing I would add to that is
11 something Pam Hamilton, our Finance Director, said: Our
12 auditors are going to be real happy with our new way of doing
13 business. It is going to be more business -- not friendly,
14 but a way business would do business by monitoring on a
15 monthly basis so we are real excited about that. The
16 manufacturing community and our wholesalers have been very
17 supportive of it.

18 And one other thing I would like to point out
19 following up on Dennis' thoughts on the Covid cases and the
20 fact that we suspended licenses, is that we have also been
21 the first state in the nation to go after companies who are
22 illegally shipping wine into the State, particularly the five
23 cases we have got decisions on. We are not the first
24 company -- excuse me state to do it. We are the first state
25 to get a fine in each and every one of these cases. So we

1 are trying to send a message out to manufacturers who want to
2 come into Michigan; come through our system; do not ship any
3 illegally. We will go after you if you do that. There will
4 be more cases coming, but I think it is a strong message to
5 say we want to try and protect our partners in the wholesale
6 and the retail section as far as their business, here, in
7 Michigan and we want -- and so hopefully, they will be
8 supportive of that.

9 I would like to throw it over to Commissioner
10 Lasher to cover a little licensing.

11 COMMISSIONER LASHER: Just calender year for our
12 Licensing Division, just since January 1, they have issued
13 2,307 -- licenses have been issued, either new or transferred
14 licenses. We have had 3,554 special licenses issued. I
15 know, obviously, earlier in the year, we didn't have a lot of
16 those taking place but they really have accelerated, here, in
17 the summer months; so 3,554 special licenses have been
18 issued; we had 5,249 permits issued, either new or
19 transferred permits, and they have done the work to do 21,487
20 renewal liquor license applications completed. We,
21 obviously, had a very aggressive period of time when we were
22 doing the renewals. And they received 8,332 applications and
23 those are all types of requests outside of renewals. So the
24 Licensing staff have really been trying to turn those things
25 over just as quickly as possible. Obviously, we know, for

1 instance, with the example of the specials, with so many
2 coming in, a lot of those have been a little slower to get
3 done just because of the sheer volume of them; but we are
4 really pleased with all of the work. Those were all just
5 since January 1 through September 21st.

6 CHAIRPERSON GAGLIARDI: Thank you, Commissioner
7 Lasher and Commissioner Olshove for those comments. I would
8 like to now introduce our two hearing commissioners; a very
9 valuable resource for the Commission. They are on the front
10 line of trying to keep the public safe. Why don't we start
11 with Commissioner Lee Gonzales. Commissioner Gonzales, would
12 you mind saying a few words about your job as a Hearing
13 Commissioner, here, at the State of Michigan?

14 COMMISSIONER GONZALES: Yes, Chairman Gagliardi.
15 Thank you for your generous introduction. I am very
16 grateful, here, to participate today with you and our
17 colleagues, Commissioners Lasher, Olshove and Toma.

18 As hearing commissioners, Commissioner Toma and I
19 conduct hearings for licensees that have been cited in a
20 violation report for violating the Michigan Liquor Control
21 Code or the administrative rules. The Hearing Commissioner
22 holds a violation hearing to hear the facts related to a
23 licensee's violation of the Code or administrative rules.
24 These hearings are similar to criminal trials, with the
25 hearing commissioner serving as the judge; an attorney from

1 the Attorney General's office serving as the prosecutor and
2 the licensee as the defendant.

3 Evidence is reviewed in each case and testimony is
4 taken from licensees, law enforcement officers, MLCC
5 investigators and witnesses. We also examine the licensee's
6 record of past violations and compliance or non-compliance
7 with the Code. After hearing a violation case or if the
8 licensee admits to a violation without a hearing, the hearing
9 commissioner will issue a violation order that will stipulate
10 the fine the licensee will be required to pay; any actions
11 the licensee must take to come into compliance with the law
12 and whether or not the licensee will be suspended or revoked.

13 Before Covid-19, hearing commissioners would hold
14 hearings throughout the state to accommodate licensees in
15 both the lower and upper peninsulas. Responding to the
16 pandemic, and as you have said in the past, the MLCC
17 implemented virtual meetings in June 2020 and that is when
18 Hearing Commissioners started conducting violation hearings
19 via the Zoom platform. All things considered, the digital
20 transformation allowed hearings to occur safely, while
21 providing licensees the opportunity for a hearing that does
22 not require travel.

23 As you will hear my colleagues state, for those
24 members of the public listening in, MLCC has the duty to
25 members of the general public in protecting the public

1 health, safety and welfare. Thus, licensees must adhere to
2 their responsibilities and obligations under the law. The
3 sine qua non in our hearings is for hearing commissioners to
4 not have any preconceived notions on a case; to not take
5 sides; and to be fair to the licensee while enforcing the
6 law.

7 Since the previous speakers did include some data,
8 I think I better, as well. So since January 1, 2021, we have
9 adjudicated 814 individual violations. These violations
10 resulted in \$347,987 in fines and 163 suspension days. The
11 largest fine was \$10,350 and smallest was \$50.

12 Thank you, Chairman Gagliardi, for requesting I
13 provide a brief sketch of my duties.

14 CHAIRMAN GAGLIARDI: Thank you, Commissioner
15 Gonzales. On behalf of the State of Michigan, as Chair of
16 the Commission, I want to tell you what a great job you have
17 done for us. Thank you for that update.

18 And another person who has done a great job is our
19 other hearing commissioner, Commissioner Ed Toma.
20 Commissioner Toma?

21 COMMISSIONER TOMA: Good morning; thank you,
22 Chairman Gagliardi. I don't even know how to follow-up. The
23 four of you -- I had a list of 20 things that I was going to
24 say and I have been scratching them off one by one. At this
25 point, I don't know what can be said, other than the fact

1 that, yes, our role is to, you know, hear violation hearings
2 and to be -- at least my understanding -- my approach, and I
3 believe Commissioner Gonzales' approach -- is to be firm and
4 fair. Firm in holding licensees accountable and keeping the
5 public safe and fair in understanding that this
6 year-and-a-half has been very challenging and difficult for a
7 lot of businesses and that mistakes can be made and that
8 depending on the severity of the mistakes, we will address it
9 accordingly.

10 But I would like to follow-up with what
11 Commissioner Olshove was saying earlier. The Enforcement
12 Division has done a phenomenal job; Licensing, as well; but I
13 feel like Enforcement transitioning from working at home and
14 now having to get adjusted to a different style, a different
15 schedule, they have done a tremendous job. I read these
16 violation reports and the detail that is in the reports
17 paints a picture and I appreciate immensely for painting that
18 picture for me and for Commissioner Gonzales because without
19 that picture that is painted in detail, we would have trouble
20 making a decision. We would only be hearing one side. So
21 the testimony that the investigators are providing and the
22 detail in the reports, I really appreciate it and Enforcement
23 has done a tremendous job in assisting us; understanding what
24 we are looking at; so thank you very much, Enforcement
25 Division and again, thank you to Licensing, as well. I know

1 that there has been some challenges there, but thank you to
2 everyone. We take our positions very seriously and we want
3 to make the best decision based on the evidence that is
4 provided. So keep up the good work, guys.

5 CHAIRPERSON GAGLIARDI: Thank you, Commissioner
6 Toma. Right back at you. You and Lee have been terrific and
7 work real hard at this.

8 And back to Commissioner Gonzales' point, the both
9 of you have managed trying to be fair to everybody as you
10 hear these cases. It is a highly responsible position and
11 sometimes understated by the rest of us, but thanks to both
12 of you.

13 I think now, with leave of the Commissioners, we
14 will go out for public comment. My thought being -- if it's
15 okay with everybody -- we will start with the people in the
16 room, you know, as long as they have taken the time to come
17 here. We have got about a dozen people who have joined us
18 and I will see if any of them wish to speak. So if you
19 wouldn't mind coming forward, rather than reading cards
20 because I saw a number of you said you didn't want to speak.
21 You were here to listen, but maybe you have a question or
22 comment now. Please let us pass you one of these mics and
23 you can make your comment or ask your question. Anybody in
24 here wish to make a comment or ask a question?

25 MR. LAUVE: Sure.

1 CHAIRPERSON GAGLIARDI: Why don't you come right
2 over here.

3 MR. LAUVE: Thank you.

4 CHAIRPERSON GAGLIARDI: If you would, would you put
5 your name on the record, Mr. Lauve?

6 COMMISSIONER LASHER: Don't touch anything. Don't
7 touch it.

8 CHAIRPERSON GAGLIARDI: You are fine.

9 COMMISSIONER LASHER: You can speak into it; that's
10 fine.

11 MR. LAUVE: John Lauve. I have, here, a summary.
12 You know, you are the Liquor Control Commission, but it is
13 out of control and it is beyond your ability to influence and
14 so as a consequence, I have written down, here, some facts.
15 I came up -- I went and testified on this 4 a.m. deal and
16 that has been stalled to keep the bars open until four; that
17 is a joke.

18 Then we have the drinks to go program with this
19 virus. Just take your drink; fill it up and go out and park
20 in the parking lot.

21 Here are some other facts: You can get gas in a
22 gas station now and Michigan is the only state east of the
23 Mississippi that allows gas stations to sell booze. There is
24 nine out of 50 states that do that. Grocery stores, we are
25 17 out of 50 allows that to happen. The half-mile rule was

1 ditched in 2018 and now we get -- we are going to 17 states
2 that has computer gambling. The beer tax has been frozen for
3 50 years at 1.9 cents a bottle. The beer lobby runs the
4 state. We don't need the money. That amount of money is the
5 equivalent of 20 cents in today's money because there is no
6 inflation factored in on it. The federal alcohol tax, they
7 cut it by \$3 billion a year in Washington because they don't
8 need the money either. The one bright spot is what happened
9 in Michigan where the drinking age was raised to and kept at
10 21 and that is a real milestone for us; pleased about that.

11 What is happening? There is no money to help
12 people. You can't -- there is no ads on TV to say stop
13 drinking. You got a problem. There is no -- you can't find
14 a help line. Somebody that is drunk, you can't call anybody
15 and say, hey, they need to go somewhere and get cured. What
16 they do is they go on, hit police cars and I looked at the
17 figures for death and the good news is that the people that
18 die from drunk driving are the drunk drivers and their
19 passengers, primarily, although sometimes they go the wrong
20 way on the expressway. So Michigan Transportation brains
21 have come up with a new sign. They don't want to use the
22 standard international road signs. They have a sign that
23 says wrong way. Everybody knows drinking is the wrong way.
24 It isn't news. Instead of having a stop sign, one way arrows
25 and these confusing side by side entry exit ramps with no

1 arrows or any identification at night. You got a real
2 problem but they are not going to work on that. Jails are
3 filled with drunks but we don't need to tax the beer guys
4 that pay for it. We need to have some health -- free health.

5 Also, I find out that Michigan is one of the top
6 drug states in the United States. So we have made some real
7 progress. So that is -- I have written this out in, kind of,
8 a brief form and I will pass it out to the rest of you, but
9 it is hopeless. The beer lobby runs the state and these are
10 the laws. I remember when it was just party stores that sold
11 alcohol; no. We are not going to do that. We are going to
12 get it into grocery stores. So that is my two cents.

13 CHAIRPERSON GAGLIARDI: Well, Mr. Lauve, I sense
14 your frustration and we have to implement the laws the
15 Legislature --

16 MR. LAUVE: No, I --

17 CHAIRPERSON GAGLIARDI: -- puts in. Let me just say
18 to your point about help -- people that need help, I think we
19 have something on our website, but if we don't, we will try
20 and get out information how people who need help can get
21 help. I think we all want to see a safe public area out
22 there, whether it be the roadways, the sidewalks, the
23 shopping areas.

24 I think the one thing that -- reason this industry
25 has expanded, Mr. Lauve, is the fact that the public has

1 allowed it to expand hours, product, where sold, to your
2 point, because they feel we've tried to do a good job of
3 keeping control of it. I think if that control gets out of
4 whack, the public will tell the politicians to draw back in
5 and change the laws. I think that the public has all the
6 cachet in this business as to where we go from here. And let
7 me just say that a number of communities are doing their own
8 individual self studies. One of our largest tourism
9 communities in the state, Traverse City, is undergoing it
10 right now and interesting if you read the report -- and I
11 have read a summary of it -- the police chief there, who --
12 traditionally, police chiefs don't say a lot because they
13 work for city managers and mayors and commissions -- is
14 online in every port saying that nearly every call his
15 department gets in that community has alcohol as the basis
16 for it. So we -- they are taking a look at a whole new way
17 of dealing with it in their community because they have, kind
18 of, been labeled as a party place and everybody can go there
19 and go there and go wild and they don't want to have that in
20 their community. So everybody is looking at this a little
21 differently, but my point once again is: If people don't
22 feel they are safe, they are going to demand that their
23 communities or the state Legislature, along with the
24 Governor, do something about it. And so we have to be very
25 careful moving forward and I think safety is the heat of the

1 growth of this business. If you are safe wherever you go --
2 if you feel safe, this business will grow. If it is not --
3 if safety is not there, businesses are going to lose; social
4 districts and entertainment districts are going to lose;
5 venues will lose also and then the industry will lose. So we
6 want to see the industry stay strong. We make a lot of money
7 for services to the public, but we want it to be safe, to
8 your point, Mr. Lauve. So thank you for that and reminding
9 us, as you always do and I appreciate it. We have --

10 MR. LAUVE: Sir, can I just say one more thing?

11 CHAIRPERSON GAGLIARDI: Sure. Get up here so we
12 can hear you.

13 MR. LAUVE: When I was talking to the people about
14 the four a.m., I talked to my State Representative Mueller
15 about this beer tax freeze -- freeze. And you know what he
16 said to me? He said, I am not going to waste my time on that
17 issue because we know why. It is the money the lawmakers get
18 from the lobbyists. They run it.

19 CHAIRPERSON GAGLIARDI: Okay. Thank you,
20 Mr. Lauve, for your comments.

21 MR. LAUVE: Thank you.

22 CHAIRPERSON GAGLIARDI: Next, we will go to Stephen
23 Burnette.

24 MR. BURNETTE: Yes. Thank you. My name is Steve
25 Burnette. I am an independent, small, one-business grocery

1 store convenience store -- bread, milk, beer, wine, liquor.
2 It is my first time at this meeting so I am not sure -- I
3 really have a question; kind of relates to the supply chain
4 and I think -- I don't know the -- you know, I certainly have
5 struggled in my little one business getting products, not
6 just alcohol products. I mean, the Coke and Pepsi guys, I
7 get half of what I order in a week's time, but particularly,
8 and my reason for coming is a question. I struggle getting
9 some of the more -- higher end, well known -- Blanton's
10 bourbon. Okay? Just as an example. I can't get Blanton's
11 bourbon. I can get all the Kamchatka I want, but I can't get
12 Blanton's. I can't get Booker's. I can't get some of these
13 higher end labels that -- that seem to be out there. And I
14 know they are in short supply and I know everybody struggles
15 to get that stuff, but I have also heard stories from --
16 admittedly, from the delivery drivers for the ADA's that talk
17 about some operations, some retail operations, that when they
18 find that product is available, they are purchasing 50 cases.
19 A driver told me he took 50 cases to one store; 43 cases to
20 another store; 30 cases to another store and wiped out the
21 inventory for the ADA. Is there any efforts or any movement
22 toward putting caps or putting some kind of restrictions on
23 the purchases so that some of those stores that have deep
24 pockets that can go in and buy 50 cases of a high-end
25 product, take it away from the little guys like me that can't

1 get one or two cases? I know there were -- at some time,
2 there was allocations, my understanding. I don't know much
3 about this business. I have been selling spirits since 2015;
4 beer and wine since 2012. So I am relatively new to this.
5 This was sort of a little retirement project for me so I am,
6 kind of, trying to learn my way along, but I struggle. Every
7 week I order my products on the new system. I go in on my
8 Sunday nights and Monday nights and I am ordering products
9 and I'm out of stock, out of stock, out of stock, out of
10 stock. And then I hear stories about, you know, stores
11 buying 50 cases of something and how do I get one? So my
12 curiosity was: Is there any movement toward putting caps on
13 product sales so that everybody -- I can't grow and get
14 bigger if I can't get product to sell. And I can't get
15 product to sell. So I mean, it is -- some of it's supply
16 chain and some of it is just guys that go in every day, order
17 stuff every morning. They find it. They call everybody they
18 know. They wipe out the inventory and I haven't had a bottle
19 of Blanton's for three years.

20 CHAIRPERSON GAGLIARDI: Well, that is a shame. I
21 was just at a national conference last week -- the National
22 Alcohol Beverage Control Association -- all the states that
23 try to control alcohol like we do and it is the number one
24 issue in every state. In fact, while we were there, the
25 gentleman that runs the North Carolina ABC for the Governor

1 there, retired and he said his biggest reason is he is tired
2 of taking flack because they can't get product. We have had
3 these discussions with our wholesalers, our ADAs, the people
4 that warehouse and deliver distilled spirits for the State of
5 Michigan. We contract with them and it has been an ongoing
6 discussion. I would like Commissioner Olshove and Lasher to
7 chime in, but if you just saw it, even this morning on the
8 news, there is a several-month wait just to get product into
9 the largest port in the country, Long Beach, California and
10 there is even a longer wait to get trucks to get it around
11 the country and you know, some of the things we have been out
12 of stock on are the tequilas come from overseas; Cognacs come
13 from overseas and the other thing is glass.

14 MR. BURNETTE: Yes.

15 CHAIRPERSON GAGLIARDI: We had a meeting in about
16 May and Brian, I believe it was you that told us that in
17 Tennessee, where they make Jack Daniels, there were no 750s
18 available for the retailers in Tennessee. So it has been an
19 ongoing problem everywhere, but we have discussed it. But I
20 would like Commissioner Lasher and Commissioner Olshove to
21 chime in.

22 COMMISSIONER OLSHOVE: This has probably been one
23 of the most frustrating issues for me. Locally, I run across
24 the very same issues you do. I have retailers constantly
25 complaining to me of the allotment and who is getting what

1 product. Unfortunately, a lot of these people won't come to
2 us -- to our Enforcement folks. Some of the scams or the
3 deals that they have; how they can find those products
4 because they are afraid of consequences of what is going to
5 happen to them. They may get less than nothing. If you are
6 already getting nothing, you may get less than nothing. So
7 we are looking at that. I know Enforcement is. The most
8 important thing you can do for us, come to us; come to our
9 Enforcement people. If you can find a way or somehow say
10 who, without indicating -- putting you in a tough spot, it
11 certainly helps us. I agree with you. There are some scams
12 out there, but it is frustrating because everybody is afraid
13 to talk because of whatever powers that be -- the
14 consequences that will be used. So I think a lot of our
15 licensees need to come up and speak up and together, we can
16 do it anonymously, if you like. I have offered that to
17 several and they still won't. It has been frustrating. So
18 with that said, that is more of my --

19 COMMISSIONER LASHER: The only thing I would add
20 is -- I think, separate from the supply issues which,
21 obviously, as the Chair discussed, are extensive -- we have
22 had the conversation of, you know, are there one or two
23 handfuls of items that maybe we need to look at a little
24 closer in terms of, you know, limiting the amounts that can
25 be purchased at a time. It is -- honestly, it has really

1 just been that discussion. We haven't moved it anywhere
2 further. I think the more information that we can get about
3 the types of things that are becoming unavailable, again, not
4 because of the supply chain situation, but because maybe some
5 stores are acquiring more than they really need at a given
6 time period, you know. I think that is a continuation --
7 that is a conversation that I think we would continue to have
8 to see if there is something, at least on a handful or two
9 handfuls of items, that we need to look at.

10 CHAIRPERSON GAGLIARDI: Mr. Burnette, any follow-up
11 on that?

12 MR. BURNETTE: No. I mean, I understand. I spent
13 my career in the automotive industry so I understand supply
14 chains and I know, you know, the struggles with glass and the
15 struggles with -- last year it was aluminum cans. This year
16 it is glass. It's drivers. There's not enough drivers to
17 bring the products out. I get all that, but I am just kind
18 of, you know, it is hard for -- as a little one owner store,
19 I am not a chain. I don't have big purchasing power. As a
20 little one owner store, how do I get the stuff to sell so
21 that I can be -- you know, I am not going to turn my little
22 one residential convenience store into a chain of Meijers,
23 but how do I get bigger without having product to sell? And
24 it is, you know, Covid -- Covid, honestly, did me pretty well
25 last year because everybody got sent home and they don't stop

1 drinking so they came in to see me and I went from selling
2 half pints to half gallons. But without the product to sell,
3 I don't, you know, I can't get it; that has been the struggle
4 and I don't get much information. I have been -- I've been a
5 licensee, off premise licensee, since 2012. I have never
6 once had a representative from any of the ADAs come visit me.
7 I don't even know who my representative, if there is one, is.
8 And I have tried repeatedly calling them to try and get
9 someone. I don't need somebody to come out every week; once
10 a year, twice a year. How do you help me get better? I
11 don't get that. I don't get any support from the ADAs.

12 CHAIRPERSON GAGLIARDI: Well, we can try and help
13 you with that. So after this meeting, get in contact with
14 the Commission office and we will try and get somebody to be
15 in contact with you, at least. I don't think that is too
16 much to ask.

17 MR. BURNETTE: You know, it does not seem like it.
18 I only purchase \$150,000 a year of products, but that should
19 get somebody out there once or twice a year to come say, hi;
20 how are you doing? What can we do to help you get better?

21 CHAIRPERSON GAGLIARDI: We look at all this and
22 there are so many businesses that aren't big businesses that
23 are the backbone of what we do. So don't discount yourself
24 because you only have \$150,000 worth of distilled spirits.
25 We appreciate that; stay in contact with us. Commissioner

1 Lasher is absolutely right. We have had the discussion and
2 some states do do a lottery on certain products that are hard
3 to get. I am not sure we are ready to go to that yet, but I
4 think Commissioner Lasher hit upon a theme in our staff that
5 we have been mulling over and that is doing something with
6 these specially allocated items -- items that are tough to
7 get, understanding that some of them may be tough to get
8 because of chain -- the supply chain.

9 MR. BURNETTE: Thank you.

10 CHAIRPERSON GAGLIARDI: Thank you. Patrick Hingst,
11 would you like to say a few words? There is a mic right
12 there if you want to, Patrick.

13 MR. HINGST: Hello, members of the Commission. I
14 appreciate the time and opportunity to speak with you. My
15 name is Patrick Hingst. I am the founder and owner of
16 Woodchips BBQ, one of the aforementioned 40 who did have
17 their license suspended this past November as I made -- my
18 leadership made the very difficult decision to keep my doors
19 open in order to keep my people employed. It is very
20 interesting to hear your reports and see how much different
21 perspective there is between the regulators and the
22 regulated. Your guys' view of things is different than the
23 things that I am seeing on the ground floor and I am not
24 going to be somebody who pretends to speak for every retailer
25 out there, but I would just encourage you guys to have more

1 conversations with us and get our perspective on things
2 because on many of the ways that you laid out stuff today, it
3 is different for us, where we operate.

4 So I am here today mostly to offer comments on the
5 process that I had to go through, the lack of real due
6 process that I had and what felt like an over reach where
7 another executive level department was charged with enforcing
8 something that mostly fell outside of their purview and led
9 to us being persecuted and prosecuted, meanwhile having
10 maintained a stellar track record when it came to safe
11 alcohol service and adhering to the 320 some pages of Liquor
12 Control regulations that we are charged with following.

13 So we chose to stay open and we did it very
14 transparently. We spoke with every available authority
15 figure around, from local police to the Sheriff, the City
16 Commissioners, trying to make the Health Department aware of
17 what we were doing and why we were doing it, explaining all
18 the different safety and health measures that we were
19 implementing to do it and explained that we were open to
20 having conversations with anybody who would make sure that my
21 people were taken care of. But to force my single mothers,
22 to force the bread winners of families onto our unemployment
23 system, which had no enhancements at the time, was
24 unacceptable for me before the holidays. And while I can
25 understand the drive to support health and safety, to ignore

1 the fact that this was going to put single mothers in a
2 position where instead of earning the \$1,000 plus per week
3 they could earn working for me, that they would be taking
4 home barely over \$300 for what ended up stretching into
5 months long, did not put health and safety first. It did not
6 put the health and safety of those children first. All I
7 wanted was to have the conversations, but nobody would have
8 the conversation. The Health Department was dismissive and
9 wouldn't talk to me, even after I was threatened with
10 lawsuits from my employees, as I just needed clarification as
11 they were asking me to what seemed like overstep the rules I
12 was charged with following from the American Disabilities
13 Act.

14 The MLCC would not have conversations with me.
15 When they came to confiscate our license, we adhered to the
16 rules. We immediately stopped selling alcohol. I have
17 always acted responsibly and treated everybody with respect
18 who came there. I was never derogatory, inflammatory or
19 provocative with the inspectors, but when the time came for
20 the hearing, as you alluded to the perfect track record of
21 you guys securing victories in every one -- I hate to use
22 this term because it sounds inflammatory, but from our point
23 of view, it was a kangaroo court. We were not allowed to
24 make any sort of constitutional, federal or Michigan-based
25 argument. We were only allowed to deal with the

1 administrative rules of those 300 plus pages. But the
2 challenge came from we were not even defending against that
3 rule, we were defending against the ability of Liquor Control
4 to enforce the edict of the head of the MDHHS because we
5 never violated any Liquor Control laws. So even though we
6 went through our hearing and presented, we had the sympathy
7 of the Judge, the Attorney General -- it was very
8 discouraging to see the way they acted. In which, during the
9 opening statement alone, where they would say, we are not
10 here because of a violation of the Health Department and he
11 ended his opening statement with: We are here because you
12 violated a Health Department Code. And that was how my trial
13 started off and it was not objected to. The judge would not
14 say anything to it so knowing that in the first opening
15 statement, he was able to contradict himself, I knew that
16 victory was going to have to be measured in a different form.
17 I felt we did do well. We faced -- we were one of the only
18 places to face a single count. The judge did reduce our
19 sentence. We had a \$300 fine and a 45-day continued
20 suspension, which we followed and completed successfully.
21 But my frustration came from within this process. At no
22 point would anybody talk to me. Nobody would have
23 conversations; nobody made sure that my single moms, my
24 regulars and my family, children, all involved, they were
25 taken care of. And then to have to deal with the hypocrisy

1 of when I went to go to physically pick up my license for
2 return -- you know, I am not here to put any individuals on
3 blast or get anybody in trouble -- you know, the gentleman
4 who I dealt with -- you know, I went inside the facility. He
5 -- they were not adhering to their own policies that were
6 supposedly in place at the time and I have documented this,
7 but again, I'm not here to release this or get anybody in
8 trouble. I only did it to protect myself. And he apologized
9 for the whole situation. In each situation that I had,
10 whether dealing with Liquor Control, the MDHHS, MIOSHA, it
11 was always awkward in that you could tell that the regulators
12 didn't want to be there; didn't have the answers and were
13 just there at the behest of the people working above them
14 because at the end of the day, they needed to make sure they
15 got their paycheck and it became disturbing when you could
16 see what amounted to a form of party loyalty where even
17 though these individuals may have had personal objections;
18 maybe even knowing what they were doing was wrong, that there
19 was no platform for them to even voice those objections
20 without risking their ability to maintain their pensions;
21 their benefits and the pay for their family.

22 So I am one for discussion. I am one for open
23 exchange. I think that leads to the best solutions for
24 everybody, but this process, on many levels, has been
25 controlled with a singular narrative and those of us with

1 objections are pushed to the side, including when the
2 lockdown came and the media finally pushed the Health
3 Department to release the data that shows that restaurants
4 are a true threat. They admitted that no data exists; that
5 this was based off our modeling and it's too hard to gather.
6 And even when we got the final order from the MLCC upholding
7 our conviction, the example provided for why restaurants were
8 at risk was an observational study out of Korea, involving
9 three people and that was the foundation for them saying that
10 restaurants were a danger. We completed our period
11 successfully. We never had any contact tracing come back to
12 us; no transmissible cases; no one within our work place
13 family has ever been hospitalized from it; that is not me
14 saying that there is not a risk out there for people, but I
15 am saying that we got through. We took care of our people.

16 We acted as a non-profit, donated thousands of
17 dollars to the community; were able to get Christmas bonuses
18 to our people, keeping them employed so they were able to
19 keep roofs over their family's heads and all I want to do
20 here is give voice to those people and realize that as you
21 guys do take the actions -- and even when you feel it is
22 justified -- please seek out the input from those of us that
23 it truly does effect because we are not all just shaking our
24 fists at government, demanding communism go away. Some of us
25 are reasonable people that just want to be heard and want to

1 do our best to keep everybody safe and comply as much as
2 possible. Thank you.

3 CHAIRPERSON GAGLIARDI: Thank you, Mr. Hingst. The
4 only thing that I would take exception to is we are not a
5 communist form of government.

6 MR. HINGST: No, no. I said I am not that.

7 CHAIRPERSON GAGLIARDI: Oh, okay.

8 MR. HINGST: I said I'm not that guy that --

9 CHAIRPERSON GAGLIARDI: I was a little worried
10 about that because I was going to have a debate with you on
11 that. We appreciate your frustration. Think of what we had
12 to go through, to Commissioner Olshove's point, and then I
13 would like them to chime in. In March, we met here on the --

14 COMMISSIONER LASHER: 13th.

15 CHAIRPERSON GAGLIARDI: -- 13th to do a licensing
16 meeting. It was a Friday and after that, the next week we
17 shut down and we were gone for a long time. It was hard on
18 everybody, including us having to try and do what the
19 Legislature put in law we need to do, you know, so --

20 MR. HINGST: I hate to --

21 CHAIRPERSON GAGLIARDI: Let me finish what I am
22 saying. It is hard on everybody and I am not going to cast
23 any aspersions on you or your feelings. The only thing I
24 would say is that if anybody on this telephone call feels
25 they have a complaint, that they are not being listened to,

1 please call the Commission office; ask for one of us; ask for
2 me. We will get back with you and we will try, just as I
3 have said to Mr. Burnette, here, or Mr. Lauve, number one, to
4 listen to you and number two, to respect what you have the
5 right to say. And hopefully, out of the third thing we can
6 do out of that is help you in some form of communication,
7 whether it be with anyone in our system or any of our staff
8 people. We -- that is what -- all five of the commissioners,
9 we are all appointed by the Governor. We want to do that.
10 We want to respect your opinion. You have the right to your
11 opinion. You handled yourself very well. You weren't
12 confrontational. I misunderstood what you said about
13 communism. I apologize for that. We want to respect you and
14 we want to try to help; that's what we are here for. We are
15 public servants and with that, Commissioners, do you have
16 anything you would like to add?

17 COMMISSIONER LASHER: No. I think you covered it.

18 MR. HINGST: If I can respond?

19 CHAIRPERSON GAGLIARDI: Sure.

20 MR. HINGST: Again, it sort of comes down to, like,
21 the perspective and you know, it was hard on everybody.

22 CHAIRPERSON GAGLIARDI: Yes.

23 MR. HINGST: Can I ask: Were any of your jobs ever
24 in jeopardy? Did anybody ever miss a paycheck, here?

25 CHAIRPERSON GAGLIARDI: Anybody that worked for the

1 State of Michigan did not miss a paycheck that I know of.

2 MR. HINGST: Okay. So it feels disingenuous to say
3 that it was hard on everybody when my business almost
4 completely collapsed; when I almost had to lose my home; when
5 my business almost went bankrupt and my people had to be laid
6 off and there wasn't a safety net for them.

7 CHAIRPERSON GAGLIARDI: It wasn't our fault.

8 MR. HINGST: I am not saying it was your fault, but
9 I'm saying --

10 CHAIRPERSON GAGLIARDI: Wait a second.

11 MR. HINGST: Give me the opportunity.

12 CHAIRPERSON GAGLIARDI: Go ahead.

13 MR. HINGST: All I am saying is it comes off,
14 again, as the difference between the perspective of the
15 regulator and the regulatee. To say that we were all in this
16 together, when there were clearly those of us that had far
17 more difficult paths and a lot of those paths were made
18 because of the choices and decisions that you made. And you
19 have your motivations for that or you felt you had to or you
20 were compelled to and I understand that. All I am asking for
21 is the understanding that there were those of us, many of
22 whom work in my industry, tend to be at the lower end of the
23 socio demographics, who were all treated as second class
24 citizens in a lot of ways and that seems to perpetuate if you
25 say that it was hard on everybody, but I watched what my

1 people went through when they were trying to survive. We
2 were trying to do everything we could to make sure that we
3 took care of them and we felt we had no allies.

4 CHAIRPERSON GAGLIARDI: Let me say, it was hard on
5 everybody in different ways and once again, I offer to you
6 the fact that if you feel frustrated and you need to talk to
7 somebody, call the Commission office and we will respond to
8 it. I will personally respond to it if I need to. But you
9 can tell that we were proud of the way we acted during the
10 course of the last year and that is different from the way
11 you feel. Okay. So we have a difference, but you are right.
12 If we can respect each other's opinion, I appreciate that.
13 Thank you. Please call if you have any problems.

14 COMMISSIONER OLSHOVE: Mr. Chairman?

15 CHAIRPERSON GAGLIARDI: Yes.

16 COMMISSIONER OLSHOVE: Again, I spoke earlier.
17 This is Commissioner Olshove. I understand where you are
18 coming from but early last year, we had no idea where this
19 was going.

20 MR. HINGST: It wasn't early last year,
21 Commissioner.

22 COMMISSIONER OLSHOVE: In the beginning --

23 MR. HINGST: We were shut down --

24 COMMISSIONER OLSHOVE: We can talk afterwards. I
25 don't want to get into a debate, here, but you could have had

1 no customers. We didn't know. We had one instance where I
2 think we had a hearing and we had 800 people listening on the
3 line.

4 MR. HINGST: Well, I appreciate you not closing my
5 business completely.

6 COMMISSIONER OLSHOVE: And it was an event where
7 they call it a super starter but a lot of people got sick and
8 those are the things that we have to think of -- the public
9 health. It is important and again, I will emphasize one more
10 time: We had no idea where this was going. Quite frankly,
11 we don't have an idea where things could go in the future,
12 although, I think through this process, we have learned a lot
13 of better ways to handle it; that was completely out of
14 nowhere it came. You know that. I know that.

15 MR. HINGST: My issue was in November. This was
16 several months after that.

17 COMMISSIONER OLSHOVE: All right. Very good.

18 CHAIRPERSON GAGLIARDI: Okay. Well, this is a
19 discussion that we had internally last winter when we were
20 deciding to go out and enforce public health laws and this is
21 the kind of back and forth that we had with people and I
22 think it is great that you showed up today; to hear from a
23 real live business person, their feelings; that didn't agree
24 with what we were doing; that is fine. Once again, let me
25 say, we are here to respect your opinion -- anybody's opinion

1 here, from Mr. Lauve, to you, to any of the Commissioners and
2 like I said, frustration -- if you have frustration, get a
3 hold of us -- call, email and we will respond. If we don't
4 respond, make sure we know about it, but we will respond.

5 So I think that takes care of everybody. Anybody
6 else in the room that wishes to speak?

7 Put your name on the record and let us know what
8 you have to say.

9 PASTOR AMUNDSEN: I am having a difficult time
10 hearing. I am Bill Amundsen, Assistant Pastor of the United
11 Methodist Church, downtown Lansing and a member -- board
12 member of the Michigan Council on Alcohol Problems. I work
13 sometimes with kids and tell them what they have got to look
14 forward to with this hearing business; you know, not the
15 hearing here, but the hearing here. Okay; got you.

16 I want to say that some of our issues at the
17 Michigan Council on Alcohol Problems deal with the
18 Legislature and I am aware that you are not the Legislature,
19 but -- and I thank you for trying to be the go between
20 between the safety of the community around and the persons
21 also who dispense alcohol and try and broker that thing. But
22 we have a couple concerns and I would share with you one of
23 the reasons that I am here and work with the Michigan Council
24 is because my brother abused himself of alcohol and tobacco
25 and died about, I think, 30 years too early of cancer. So

1 that is my problem, but I still am here because of that, you
2 know. We really appreciate -- and I heard earlier, your
3 report about the number of licensees that you have is just
4 mind boggling and that you deal with all of that, so I want
5 to say thank you for doing all that work on our behalf, here,
6 you know. So your job is a big job, with people coming at
7 you from all sides. I am one of those sides, too, and I
8 understand that you know, but I have a couple concerns if I
9 get my notes straight, here.

10 One of the concerns, and it deals with the
11 Legislature, not necessarily you. I understand that, but it
12 is the 2:00 a.m. sales thing that people want to move to four
13 and I was really interested in the article in the newspaper
14 about Jewell Jones who sat on the Regulatory Reform Committee
15 and voted for that thing; you know, that he move it to four.
16 Well, he evidently is an alcoholic himself and I think he
17 should not have been on that committee. I don't know who to
18 take that to. If anybody has some suggestions on that, I
19 would be glad to hear it.

20 And then my own legislator had talked to me about
21 her father told her that nothing good ever happens in the bar
22 after midnight and so I was counting on her to vote no on
23 that thing, but in the regulatory reform, she voted yes on
24 that so they could move it to four. Now I understand it has
25 not gone through the Legislature yet and we will be working

1 on that.

2 I also have a concern about some areas that might
3 be your bailiwick where there seems to be a plethora of
4 licenses in an area and I understand the trying to weigh
5 between, you know, who gets a license and who does not. I
6 mean, your neighbor down the street -- you got a license so
7 why can't your neighbor have a license and all that kind of
8 business. But when you have license after license after
9 license -- and I know the Legislature took away that half
10 mile rule business -- pretty soon the neighborhood begins to
11 get tacky is the best word I think I can use about it and
12 property values seem to go down also, but beyond that, there
13 is a new normal for kids. They see the booze ads in the
14 window. It is just like a second nature to them, you know,
15 and I don't think we need new normals for kids to pick up on
16 the drinking stuff and I am not opposed to if a person wants
17 to have a drink. MICAP is a temperance organization. It is
18 not a prohibition organization. And so we haven't come down
19 that hard on it, I don't think, and we try to publish
20 information. I hope you all get our newsletter. Do you do
21 that? Thank you for that nod.

22 But those are some instances of our concern, at
23 this point, and I hope you all can hear me. These masks
24 don't help us, but I try to project anyways. So I thank you
25 and I thank you for the public hearings. I think that is

1 important. It gives us a chance to share, also. So thank
2 you very much.

3 CHAIRPERSON GAGLIARDI: Thank you, Mr. Amundsen.

4 PASTOR AMUNDSEN: You are welcome.

5 CHAIRPERSON GAGLIARDI: Appreciate seeing you,
6 again. If I could just do -- before we go out to the public
7 on the phone, it appears that somebody on the phone is
8 driving in a car and is not on mute. If you could put
9 yourself on mute, that would be helpful. Once again, it
10 appears somebody is driving in a car or if you are not on
11 mute, if you could put it on mute so the rest of us could
12 hear; that would be appreciative. Thank you. Thank you.
13 And Mr. Amundsen, I apologize for that, but I didn't want to
14 interrupt you while you were making your points.

15 PASTOR AMUNDSEN: It would have been okay, but
16 thank you.

17 CHAIRPERSON GAGLIARDI: I think, to your point on
18 density, we are concerned. This Commission is concerned on
19 density, not only for the points you made, but for the fact
20 that we are already in partnership with these existing
21 licensees when they get other businesses thrown in on top of
22 them. And so we are concerned that we don't want to unfairly
23 treat people that we are already in business with. These are
24 our partners. So that is a big discussion I think we have
25 had with the retail groups; for instance, the Midwest

1 Independent Retailers, the Restaurant Association, the
2 American -- I mean, the Michigan Retail Association -- all
3 these groups that represent businesses in the State of
4 Michigan, small businesses especially, have had some
5 discussions with us on that. We are trying to figure out the
6 best way to treat each area, understanding where I come from
7 and rural areas are different than more suburban and urban
8 areas as far as density issues and the ability to find the
9 products that we are trying to, you know, provide for the
10 public. So I think stay tuned with us. I think you will see
11 this Commission, over the next year, having more discussions
12 on density for a number of reasons -- business reasons, as
13 well as public health reasons. Is that a fair statement,
14 Commissioners?

15 COMMISSIONER LASHER: Absolutely.

16 PASTOR AMUNDSEN: Thank you.

17 CHAIRPERSON GAGLIARDI: Thank you, Mr. Amundsen. I
18 appreciate everybody being here.

19 Anybody else want to make a comment before we go
20 out to the public or make -- have a question? If not, why
21 don't we go out to the public and ask if you put yourself on
22 star 6, we will be able to hear you if you have any questions
23 or comments you would like to make. As you can see from our
24 first speakers, we are covering a panoply of issues so please
25 don't be afraid to jump on and say your say. Star 6.

1 MS. ALGRIM: Hello?

2 UNIDENTIFIED SPEAKER: Hello?

3 CHAIRPERSON GAGLIARDI: Hello. One of yous start
4 out.

5 MS. ALGRIM: All right. I will jump in first if
6 that is okay.

7 CHAIRPERSON GAGLIARDI: That is fine. Can you put
8 your name on the record, please?

9 MS. ALGRIM: Sure. My name is Heather Algrim. The
10 last name is spelled A-l-g-r-i-m. So thank you for having
11 this today. This is actually my first one of these. I am
12 the coordinator for the Clinton Substance Awareness &
13 Prevention Coalition in Clinton County and I was invited to
14 attend by Mike Tobias from the Michigan Coalition to Reduce
15 Underage Drinking, mostly just to find out more about what
16 you guys do. So it has been really interesting to sit in
17 and, kind of, hear all the topics that you go through. So I
18 appreciate you having the public hearing.

19 I did want to share just a little bit about what we
20 have going on in Clinton County; give you a local take. The
21 vision of our coalition is to prevent and reduce the use of
22 alcohol, tobacco and other drugs among all Clinton County
23 residents, with a special focus on youth. And one of the
24 projects that we do annually is our vendor education, in
25 partnership with our local police department, and I just

1 wanted to give you a little information on how it went for us
2 this summer with our alcohol compliance checks.

3 So our practice is that we have 180 businesses that
4 sell alcohol within our county and 100 percent of those
5 businesses get a vendor education visit. I put together the
6 packet, which includes information about the substance itself
7 and then also the legalities and how to properly ID someone.
8 Those are distributed throughout the County by a police
9 officer and then in July this year, we did checks on those
10 businesses, where the police took a decoy in. Of the 180
11 businesses, they visited 87 of them with a decoy and 21 of
12 those sold to the decoys. So just to kind of give you a
13 local snapshot of what is going on in Clinton County. Then
14 the police do send out letters to all the vendors just
15 letting them know that they completed the checks and whether
16 or not their clerk sold and they, kind of, take it from there
17 on their approach, whether it is kind of like -- we kind of
18 like the term, like, you know, a one-time mistake or a
19 multiple offender; that's kind of based on how they go about
20 reporting those and so that is, kind of, what is going on
21 there.

22 I also wanted to get let you guys know that our
23 coalition is currently in the process of ordering vinyl
24 decals to distribute to our local business partners. We
25 really value having a strong relationship with the alcohol

1 vendors in our county and we are getting some vinyl decals
2 with a positive message about we ID under 21; dedicated to
3 keeping our youth in Clinton County healthy.

4 So those are all I just wanted to share to give you
5 a little bit of take on what we do and I just wanted to say
6 thank you for letting me learn more about what you do.

7 CHAIRPERSON GAGLIARDI: Thank you, Heather. Thank
8 you for the work you do in the community. If I got that
9 right, you tested 87 of your businesses this summer and 21
10 failed?

11 MS. ALGRIM: Correct.

12 CHAIRPERSON GAGLIARDI: So that's between 20, 25
13 percent, which I don't think is very good, and then you go
14 back and follow up with them and try and work with them on
15 best practices or things like that? Is that what happens?

16 MS. ALGRIM: Yep, yep. It is annual and you just,
17 kind of, keep looping every year. So I do think that it was
18 certainly an uptick this summer, which I do think our local
19 police did attribute a lot to a lot of staffing changes.
20 They could tell there was a lot of very new clerks; you know,
21 people still, kind of, in training mode and things like that.
22 So they certainly do a follow-up and we try to approach it
23 very much as a we are here to help, coaching piece. We want
24 everyone to be successful here. So then there is, certainly,
25 the vendors from that approach that the police find

1 uncooperative and they take a follow-up step beyond that.

2 CHAIRPERSON GAGLIARDI: Thank you. It is real
3 interesting. Commissioner Lasher?

4 COMMISSIONER LASHER: I just wanted to point out I
5 think that is such a helpful approach. I think that when you
6 are so active in the community -- in your own community -- I
7 think that that really is a wonderful way to work with your
8 business owners and I really appreciate that you were able to
9 call in and give us that and all the work that you and Mike
10 do through the Michigan Coalition to Reduce Underage
11 Drinking. I think that is -- it is great to see those local
12 efforts and I know that that is happening in 83 counties. So
13 I think that is really exciting to see.

14 CHAIRPERSON GAGLIARDI: Heather, did you have
15 anything else you wanted to add to that? That was very
16 interesting.

17 MS. ALGRIM: I don't at this time, but I hope to,
18 kind of, start attending these regularly so I may have more
19 information to share in March with you guys. So thank you so
20 much.

21 CHAIRPERSON GAGLIARDI: Well, just so you know, we
22 meet twice a week in a forum like this. I know Scott Graham,
23 for one, is on all our phone calls. You are welcome to join.
24 It is this 800 number, I believe. This number, Scott?

25 MR. GRAHAM: Yep.

1 CHAIRPERSON GAGLIARDI: That you joined today. We
2 do our --

3 MS. ALGRIM: Okay.

4 CHAIRPERSON GAGLIARDI: -- licensing meeting and our
5 business meeting and we take public comment on Tuesdays and
6 Thursdays. So you are welcome to listen in, number one. You
7 don't have to say anything. If you want to ask a question
8 after you hear what we are doing or make a comment, we take
9 all that in. But we think one of the -- one of the -- how do
10 I want -- one of the positives of this whole Covid experience
11 has been the expansion of these meetings out on the phones so
12 people can join us from around the State without having to
13 travel. And so you are all welcome to join. Thank you.
14 Appreciate the info.

15 MS. ALGRIM: Thank you.

16 CHAIRMAN GAGLIARDI: That is good data. There was
17 a gentleman, I believe, that tried to hop on at the same
18 time. If you would hit Star 6 and introduce yourself,
19 please.

20 MR. MITCHELL: Yes. This is Mike Mitchell. How
21 are you this morning?

22 CHAIRPERSON GAGLIARDI: Hi, Mr. Mitchell.

23 MR. MITCHELL: I would like to talk about a few
24 things. Did I hear you correctly? Is Ms. Fawcett on the
25 line, as well?

1 MS. FAWCETT: Yes.

2 CHAIRPERSON GAGLIARDI: Yes, Ms. Fawcett is with
3 us.

4 MR. MITCHELL: Anita?

5 CHAIRPERSON GAGLIARDI: Yes.

6 MR. MITCHELL: So one of my stores was lucky enough
7 -- my son runs -- to be chosen as a BETA site. I would like
8 to commend her on the work that she did. The openness to
9 problems we had or things that we felt worked very well. She
10 returned calls and emails promptly and I think she was a
11 large part of the success of that getting done and I just
12 wanted to personally thank her in front of you all.

13 CHAIRPERSON GAGLIARDI: Thank you; that is greatly
14 appreciated. She is a great help to the Commission as our
15 Commission Assistant. Thank you.

16 MR. MITCHELL: You are welcome. And further down
17 the line, Ms. Krone and Ms. Shepard and the AG's office, I
18 have found everybody to be open to returning calls; open to
19 listening and I just wanted to tell you how much that has
20 been appreciated in the past year.

21 I do believe that the EFT is a great move and it is
22 going to help considerably. In talking to some of the retail
23 businesses, I have had a few of them ask if it would make
24 more sense to start this January 1, instead of during the
25 November, December biggest part of our business year. I am

1 not so sure if that's a new issue for you all or if it makes
2 sense, but I have heard that from the folks that I have
3 talked to. Fair enough?

4 CHAIRPERSON GAGLIARDI: Fair enough. I would like
5 to -- we have asked that question. We have not heard that
6 feedback. It is a pretty simple situation to sign up with
7 Comerica. It all runs through Comerica, as I understand it,
8 on behalf of the State, but if Pam Hamilton -- could you get
9 on; just kind of run through how easy it will be for our
10 retailers to join the EFT system? Mike, about a third of our
11 retailers are already on an electronic funds transfer.

12 MR. MITCHELL: Mr. Commissioner, while we are
13 waiting for her to come on, I will tell you that our stores
14 are all on EFT and I'm totally behind this. I think it is
15 going to be safer. I think it is going to be faster. I
16 think it is going to help the accounting from every
17 direction. Once again, I want to make it clear that I am a
18 hundred percent on board.

19 CHAIRPERSON GAGLIARDI: Understand.

20 MR. MITCHELL: Thank you.

21 CHAIRPERSON GAGLIARDI: Pam, do you want to explain
22 how easy, hopefully, it will be for every retailer to hop on
23 this system that is not on it, since we have some retailers
24 in the room today?

25 MS. HAMILTON: Yes. There will be -- there

1 actually is an EFT form online. All you have to do is go
2 online; find that form; fill it out with your name, checking
3 information, routing number; send it to us. The address will
4 be on the form to be able to email it to us and then we go
5 through a process where it's called Prenote, where we send
6 the information to our bank to make sure that the information
7 provided on the form is correct and then within three days,
8 we set you up for EFT and you are good to go.

9 MR. MITCHELL: Thank you. And then further, I
10 would like to ask: It is interesting with the changes of
11 what has happened with Covid, I know that I have talked to
12 some folks in the Commission and there is some issues in what
13 is coming as far as delivery of alcohol and alcoholic
14 beverages and I do believe that this is something we should
15 take our time on and we should get right. I believe it is
16 coming. It's the wave of the future, but in theory, we're
17 opening up -- when we talk about density -- stores to cross
18 boundaries or areas and focus on many different areas and
19 open, potentially, thousands of price point transactions
20 every day that are going to be pretty tough to enforce. I
21 know it is coming, but I would like to continue to have some
22 dialogue on how that works for us.

23 And then, also, I would like to talk to the
24 gentleman on the Covid side. I think that he was very
25 eloquent. I think that he did a great job supporting his

1 position. I personally -- we were not -- we were deemed an
2 essential business. Many of our folks would rather have
3 stayed home than take the chance of catching Covid. I don't
4 have anybody in my inner circle that tested positive, but I
5 did catch Covid from work and unfortunately, I am going to
6 the Mayo Clinic on Thursday. I just tested positive for some
7 COPD lung issues that I did not have prior to Covid. I do
8 believe that it was unprecedented, that people did the best
9 they could with what they had to work with. He is lucky that
10 nobody in his area got sick. But I do believe that you guys
11 and the state government did what they thought was best.
12 Nobody likes to make unpopular decisions. Nobody likes to
13 make things difficult for other people. But I do understand
14 his standpoint. But as somebody who is personally suffering
15 from that, I -- it is a tough issue and I appreciated him
16 coming forward very much, but I would also like to let you
17 know that some of us that were out here, that were forced to
18 work, are paying a price for that.

19 Thank you, once again, for all you do. I am
20 looking forward to another year of working with the
21 Commission and thank you very, very much for allowing me the
22 time to speak.

23 CHAIRPERSON GAGLIARDI: Thank you, Mr. Mitchell,
24 for your nice comments. Mr. Hingst is gone right now, but
25 hopefully, we were able to convey back and forth the proper

1 way to discuss these issues; that is, hopefully, with respect
2 for each other's opinions. So I appreciate what you said.

3 Is there anybody else on the phone -- hit Star 6 --
4 that would like to make some comments? Oh and by the way,
5 Mike, we want to wish you the best considering all the
6 difficulty you had coming out of Covid.

7 MR. MITCHELL: Thank you, sir.

8 CHAIRPERSON GAGLIARDI: Anybody else on Star 6 for
9 comment or questions for us?

10 MS. BALL: Yes. My name is Katie Ball and I was
11 just wondering if you had any suggestions for how we can
12 communicate to our County Commissioners how important
13 compliance checks are?

14 CHAIRPERSON GAGLIARDI: I think doing what you are
15 doing right now would be the most appropriate -- is going to
16 County Commission meetings or committee meetings of the
17 public health committee, or whatever you might have in your
18 county, Katie, and taking some of the information that you
19 have. I think it is very interesting what Heather brought
20 from Clinton County. I can tell you from the national
21 surveys, the public does not want us selling to underage
22 kids. It is at the top of the public's list of don't do when
23 you are in this business and as you can see from what she
24 said, there are some communication problems out there between
25 licensees and the public where we are not getting that

1 message through and they are working in each county. We
2 appreciate the work you do in your county, but I think if
3 sitting down and talking with these business people, most of
4 these business people do not want to do that and do not want
5 their employees to do it and I think the kind of things that
6 are going on now at the county by county level, you, Heather
7 and others, it is going to be helpful. Commissioner Lasher
8 said it. It is going to be very, very helpful --
9 communication; reminding people this is important to their
10 neighbors and themselves. They don't want to do it and their
11 neighbors don't want them to do it. If you can --

12 MS. BALL: Okay.

13 CHAIRPERSON GAGLIARDI: Anybody on the phone that
14 wants to, I mean, these County Commissioners and City
15 Commissions, Village Commissions, all have open meetings. Go
16 regularly and let them know how important you think these
17 issues are and how they can be helpful and they can be
18 helpful in ways of just reminding their own friends in the
19 business, we have got to watch this.

20 MS. BALL: Awesome. Thank you.

21 CHAIRPERSON GAGLIARDI: Thank you, Katie. Anyone
22 else? Star 6. Any other comments for Star 6? Hearing none,
23 I think we will draw --

24 MS. ANDREWS: Good morning.

25 CHAIRPERSON GAGLIARDI: Go ahead.

1 MS. ANDREWS: Hi, there. Can you hear me okay?

2 CHAIRPERSON GAGLIARDI: Yes. I can hear you now.
3 Could you put your name on the record, please?

4 MS. ANDREWS: Sure. My name is Mary Kay Andrews
5 and I am the project coordinator -- new project coordinator
6 and I represent Holly Area Community Coalition. And just
7 wanted to share a little bit about our coalition, similar to
8 the woman from Clinton County. I am new and I am just
9 getting my feet wet and I have been partaking in some Zoom
10 meetings with MCRUD with Mike Tobias and he suggested, you
11 know, let us know about the semi-annual hearing and so I
12 thought I would hop on and listen in and get some education
13 around MLCC.

14 And just a little bit about our coalition. We are
15 a very small coalition in northwest Oakland County. We are a
16 -- Holly is a village of about two square miles and we are
17 quite active in the community and I just wanted to give a
18 little bit of information about our coalition. Our vision is
19 a community of youth who have been empowered to make positive
20 life choices and because of that, we also go out and, you
21 know, part of our grant funding is to go out and do liquor
22 license education with our vendors and I just went out with
23 my partner, Susan Papple, who is our project director and,
24 you know, was introduced to vendor education and we also get
25 some sticker shock and it was, you know, it was, actually,

1 quite surprising to me, you know, the majority of our
2 vendors -- and we don't have very many, but we visited, you
3 know, I think, probably, seven or eight liquor vendors in the
4 Village of Holly and everybody was extremely supportive and
5 happy that we were there and happy to have the education.
6 They chatted with us. They, you know, were extremely
7 supportive of all of our efforts and to comply with the
8 requirements of Michigan and so that was excellent and we,
9 you know, because of Covid, we haven't been able to do some
10 of the things that our coalition normally does; like the -- I
11 am forgetting the term of it -- going out and doing
12 compliance checks. But we still want to continue to do that.
13 We have a new police chief in our -- or semi-new police chief
14 in the Village of Holly -- who is a great advocate for our
15 coalition and so just a little bit about our small little
16 burg of Holly and I am just here representing the coalition
17 to advocate and express concern regarding the number of
18 liquor licenses in the State of Michigan. I, you know, when
19 I was listening to the information, I was -- I put next to my
20 notes, wow, around all of the thousands of -- I mean, the
21 licenses, regular licenses, the special licenses, vendor --
22 forgetting the term that she used -- transfer or youth
23 permits and applications for licenses -- just the amount of
24 work that you all do and we so appreciate your due diligence
25 and your expertise around this and we just really appreciate

1 your efforts toward keeping in mind the safety of our youth
2 in Michigan, in our communities and what you think to approve
3 liquor licenses and we just thank you for your time and your
4 consideration.

5 CHAIRPERSON GAGLIARDI: Thank you, Mary Kay.
6 Commissioner Lasher represents the Commission in meeting with
7 MCRUD regularly. Commissioner, do you want to make a comment
8 on that?

9 COMMISSIONER LASHER: No. I just appreciate --
10 again, I think it is important even whether it is from the
11 county level or village level, as you have explained, really,
12 for the smaller community, just how key that is, I think,
13 being involved not only with your, you know, village or
14 community -- county leadership, but also the businesses
15 themselves. I think that plays a key role. I think whether
16 it is chamber of commerces or some of those downtown
17 development types of authorities that sometimes are in place,
18 I think those are all very willing to work with you and I
19 think that is crucial to get that community support. So I
20 appreciate what you are doing.

21 MS. ANDREWS: Thank you. And just as a final
22 comment, you know, what I noticed was we, you know, how the
23 vendors portray themselves to us and just how they -- we
24 advocate to work in partnership with the vendors to protect
25 the youth of Holly and it definitely shows. The dedication

1 that the coalition has within the Holly area over 20 years --
2 and it shows the dedication and the work -- the current
3 employees and past employees. So I really applaud their work
4 and due diligence, as well. And I thank you for your time.

5 CHAIRPERSON GAGLIARDI: Well, we thank you and
6 everybody that is out there trying to keep the public safe.
7 Anyone else wish to make a comment? Star 6.

8 MR. SCHMIDT: Good morning. This is Barry Schmidt
9 from the Bay County Prevention Network and Chairman of the
10 Michigan Coalition to Reduce Underage Drinking.

11 CHAIRPERSON GAGLIARDI: Hi, Barry.

12 MR. SCHMIDT: Well, thank you. How are you doing?

13 CHAIRPERSON GAGLIARDI: Do you want to spell your
14 last name for us, for the court reporter?

15 MR. SCHMIDT: Yep. S-c-h-m-i-d as in dog; t as in
16 Tom.

17 CHAIRPERSON GAGLIARDI: What do you have to share
18 with us, Barry?

19 MR. SCHMIDT: First and foremost, I wanted to thank
20 you for allowing GERALYN to be a liaison with us for MCRUD.

21 CHAIRPERSON GAGLIARDI: Hold on. I gotta stop you
22 right there. I don't allow her to do anything. She is her
23 own person. We are just laughing with you, Barry, don't
24 worry.

25 COMMISSIONER LASHER: Like you could have stopped

1 me.

2 Leave them there, Mr. Lauve.

3 COURT REPORTER: They are six-foot markers for
4 people.

5 MR. SCHMIDT: We have got to give it some time, you
6 know. But thank you for allowing for the opportunity to be
7 involved from a state perspective, from the coalition -- the
8 Michigan coalition. It has been a pleasure to have that
9 support and understanding and to answer our questions in a
10 timely manner, that is very effective and efficient;
11 providing us all the tools and strategies and different
12 advice and suggestions along the way. As well as, here, in
13 Bay County, this is kind of the biggest reason I am calling
14 is they had talked about the 25 percent. We had 14
15 businesses that were checked in September; 50 percent of the
16 bars and restaurants sold. So we are looking, here, in Bay
17 County -- we are doing a reward to remind program. So we
18 will be visiting all those entities that sold and giving them
19 some information, offering them some training, as well as
20 looking at the possibility of a mystery shopper program that
21 you had mentioned earlier; as well as giving them a community
22 service award for those that did not sell, to their
23 organization, as well, so that they can post in their
24 business. So once again, we thank you for everything you are
25 doing and we know that acceptability is a concern and I have

1 talked many times about the social district issue we have,
2 here, in Bay County and we are working with that to mitigate
3 some of those concerns, as well. Thank you for your time and
4 allowing me to speak today.

5 CHAIRPERSON GAGLIARDI: Thanks for what you do,
6 Barry. And thanks for working with your licensees -- or our
7 licensees -- in your community. It means a lot. They want
8 to do the right thing. They don't want any problems. We all
9 know that and it is just a matter of sometimes when you are a
10 small business person, especially, and you are wearing 10
11 hats, it is hard to focus on or prioritize what you need to
12 focus on because it seems like you have a fire to put out
13 every day, but we appreciate you working with them, trying to
14 give them best practices and that will only help us.

15 Going back to what I said at the beginning of this
16 meeting, safety will grow this industry. If people feel
17 safe; they feel safe about what we are doing, and they are in
18 accordance with what we are doing, this industry will grow.
19 And Michigan is in a unique place because the upper Midwest
20 likes to come here and do tourism, hospitality and
21 entertainment. I live in a little town in the eastern U.P.
22 and my neighbors are from Kentucky and Akron, Ohio. They
23 come a long way to be in Michigan. If you were to look at
24 Michigan's tax roll in many of our communities, you would be
25 shocked at the number of people that come from out-of-state

1 and own property in Michigan. It is a great place where the
2 upper Midwest is the place to be and so we think this
3 industry can grow and grow properly and we just have got to
4 concentrate on the safety aspect and I appreciate what you
5 are doing.

6 MR. SCHMIDT: Thank you.

7 CHAIRPERSON GAGLIARDI: Anyone else wish to make a
8 comment or have a say with us? Star 6.

9 MR. TOBIAS: Yeah. Good afternoon, Chairman
10 Gagliardi and Commissioners. This is Mike Tobias
11 representing the Michigan Coalition to Reduce Underage
12 Drinking. Can you hear me okay?

13 CHAIRPERSON GAGLIARDI: Yes. We can hear you,
14 Mike. What do you have to share with us?

15 MR. TOBIAS: I just want to thank all of you for
16 participating in our annual conference again. Conference
17 attendees always report that this session is helpful and
18 informative.

19 Like Barry mentioned earlier, we really appreciate
20 having Commissioner Lasher as the MLCC MCRUD liaison. She's
21 helped coordinate meetings between our group and MLCC
22 Enforcement staff and Licensing staff and this is much
23 appreciated.

24 I have always been impressed with all of the MLCC
25 staff that I have come in contact with over the years. They

1 do a really great job. I appreciate Barb Subastian. She
2 also helped us out at the conference this year on the alcohol
3 enforcement panel and earlier in the year, she helped
4 coordinate a local compliance check training for Shiawassee
5 County law enforcement.

6 I also want to recognize Don McGehee. He did a
7 great job representing the State of Michigan at the Center
8 for Alcohol Policy conference about a month ago and as was
9 mentioned before, I know he helped win some cases on illegal
10 shipping of alcohol in Michigan. Felt great to have him
11 working for the State of Michigan.

12 I appreciate the Commission's efforts to reduce
13 youth's access to alcohol by limiting what types of places
14 can sell alcohol. I don't think most of the public really
15 want to see alcohol being sold in more zoos or ice cream
16 shops or places where a lot of children and families gather.
17 There are lots of places where people can buy alcohol and I
18 don't believe Michigan necessarily needs anymore retailers.

19 It is great that compliance was increased to 86% in
20 2020 and hopefully, that number will continue to increase.
21 MCRUD is very committed to working with local community
22 coalitions to engage local police departments in regulating
23 retailers in their respective jurisdictions and encourage
24 local police to share relevant information with the MLCC with
25 the goal of increasing compliance. I encourage MLCC and

1 local law enforcement to conduct traditionally controlled buy
2 operations of retailers, as well as controlled buys in social
3 districts and on alcohol delivery, as well.

4 We continue to be concerned about efforts to
5 increase alcohol delivery options in Michigan and would like
6 to be involved in any conversations regarding this issue.

7 I also appreciate that the MLCC has been opposed to
8 the pending legislation that would extend alcohol sales to 4
9 a.m. I also was disappointed to see the change in
10 legislation that lowered the tax rate on mixed spirit drinks
11 and I believe this legislation also made them more available.

12 Lastly, I just want to invite all of you, and any
13 of the MLCC staff, to MCRUD's 25th anniversary celebration.
14 This will take place on Wednesday, October 13 from 12 to
15 3 p.m., hopefully, at Frances Park in Lansing. I'll be sure
16 to get you an invitation, too.

17 Thank you for the opportunity to speak today and
18 let me know if you have any questions.

19 CHAIRPERSON GAGLIARDI: Mike, thank you for that
20 comment or those set of comments and thanks for the shout out
21 to Don McGehee and our AGs. We are very lucky to have a
22 talented group that works with us and thank you -- just thank
23 you for all you do and I know you say that on behalf of
24 yourself and your dear friend who we lost this year, Marie
25 Hanson.

1 Anyone else wish to make a comment? Star 6. Not
2 hearing -- oh, maybe we have somebody? Not hearing anybody,
3 I think we will bring this meeting to a close. I want to
4 thank Commissioners Toma, Gonzales, Olshove and Lasher for
5 being the best group I have ever had to work with. And
6 Dennis made me say that. But no, they are a great group to
7 work with. We work very closely together. And we are like
8 any five people. We don't always agree with everything, but
9 we work with each other and try to respect each other's
10 opinions and I really enjoy the progress we have made with
11 what we have been able to do the last couple of years. Thank
12 you, Ed; thank you, Lee; thank you, Dennis; thank you,
13 Geralyn. And I also want to make sure to thank staff. We
14 have a bunch of staff on the phone and I know people get mad
15 at government but I will tell you what, I work with -- and
16 Geralyn, Dennis and Lee and Ed -- a great staff and let me
17 tell you, they are not overpaid for what they do and we
18 really appreciate you, staff. We can't say it enough, but I
19 guess it is worth saying, these two words: Thank you.

20 And Commissioners, do you have anything to add? I
21 guess with that, we don't need a motion to adjourn. This is
22 a public hearing, but we will do it anyway because it is kind
23 of formal. We do it every Tuesday and Thursday. I want to
24 remind you, join us Tuesdays and Thursdays on that 800
25 number.

1 It is moved by Commissioner Olshove; supported by
2 Commissioner Lasher that we adjourn. Any discussion?
3 Hearing none, all those in favor say aye.

4 COMMISSIONER LASHER: Aye.

5 COMMISSIONER OLSHOVE: Aye.

6 COMMISSIONER GONZALES: Aye.

7 COMMISSIONER TOMA: Aye.

8 CHAIRPERSON GAGLIARDI: Aye. Opposed nay? And we
9 stand adjourned. Thank you.

10 (Hearing concluded at about 12:38 p.m.)

11 * * *

12 I HEREBY CERTIFY that I reported stenographically,
13 the foregoing testimony and proceedings on the date and place
14 hereinbefore set forth; that the same was later reduced to
15 typewritten form, and that the foregoing is a true, full and
16 correct transcript of my stenographic notes so taken.

17

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19

Lori K. DeClercq, CSR-3053

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Dated: November 10, 2021

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25

From: [Declercq, Lori \(LARA\)](#)
To: [Declercq, Lori \(LARA\)](#)
Subject: FW: Semi-Annual Public Hearing/Ashley Bergeon Remarks
Date: Tuesday, November 9, 2021 9:04:25 PM

From: Ashley Bergeon <abergeon@prevention-works.org>
Sent: Wednesday, September 22, 2021 12:04 PM
To: Fawcett, Anita (LARA) <fawcetta@michigan.gov>; Lasher, GERALYN (LARA) <lasherg@michigan.gov>; Olshove, Dennis (LARA) <OlshoveD@michigan.gov>; MLCCINFO2 <mlccinfo2@michigan.gov>; Gagliardi, Patrick (LARA) <GagliardiP1@michigan.gov>
Cc: Mike Tobias (PN/MCRUD) <miket@preventionnetwork.org>
Subject: Semi-Annual Public Hearing

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Commissioners,

My name is Ashley Bergeon and I am a community coalition manager at Prevention Works in Kalamazoo County. I was able to attend the Semi-Annual Public Hearing for a short period of time, but was unable to stay for the entire meeting. I had planned to make a comment, but another work commitment came up.

I wanted to share my planned comments with you. Thank you.

Recently, Western Michigan University announced plans for a brewpub on their campus. Research shows that having a pub on campus can increase alcohol related student code violations. In addition, increased access to alcohol is correlated with increased use. WMU's plans for a pub promote alcohol use to a campus that includes a large population of underage students ages 18-20, and creates a norm that encourages and normalizes use.

While college campuses are social spaces as well as educational spaces, alcohol does not create safe, inclusive spaces. It is being highlighted as "the spot" in a brand new student union building, which sends a message to students in recovery about not belonging, particularly in a space that should be meant to be welcoming for all students.

I am appreciative to the Commission for denying licenses at places that traditionally have not sold alcohol and are meant to be family and community spaces, such as zoos and ice cream shops. My hope is that the Commission continues to look out for the health and safety of communities, including our college and university campuses.

Ashley Bergeon | Task Force and Policy Manager | **Prevention Works**
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