

Ask the Experts

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Q “As a restaurant owner, am I responsible if my employee violates the Liquor Control Code?”

A Absolutely. For purposes of compliance with the Michigan Liquor Control Commission’s (MLCC’s) rules and regulations, a restaurant is only as good as its employees.

The Michigan Liquor Control Code (Code), for the most part, is considered a “strict responsibility” law. This means that the MLCC will hold the owner/licensee responsible for the actions of its employees. For example, if the MLCC charges the owner with a violation because an employee sold alcohol to a minor, the owner is responsible for its employee’s actions. It does not matter if the employee “made a mistake” or “did not intend” to make the illegal sale. If the MLCC finds an illegal sale at your restaurant, you are on the hook.

The Code also requires a local police department (not the MLCC) to issue the citation to the employee who sold alcohol to a minor, or an intoxicated person, with a



misdemeanor ticket. This means that the employee will be charged in District Court and can be fined up to \$500 and/or be sentenced to up to 93 days in jail.

As employers, the best safeguards against employees subjecting you to costly, dangerous, and license-threatening violations of the Code are:

1. The Interview.

The employer should ask the prospective employee about experience in alcohol service. Have they had an issue of non-compliance in the past? Have they been trained, and if so, are they certified?

2. Employee Training.

The Code requires that only “supervisory personnel” be trained and certified by a training company approved by the MLCC. The best practice, however, is to train and certify every employee who sells or serves alcohol. Even if the owner does not serve or sell alcohol, he or she should be trained.

3. Internal Written Policies.

Every employer should have a written policy stating its requirements for employee

compliance with the Code. It is advisable to include a policy stating that an employee who violates the Code will be terminated. Be sure to mention that if an employee sells to a minor or an intoxicated person, they may be cited as well. Although not required by the Code, the best practice is to prohibit employees from drinking while on the clock. The written policy should be signed by the employee, and kept in the employee’s file.

4. Shift Meetings.

Employers should start each shift with a reminder of the importance of strict compliance with the Code and the employer’s written policies. Restate that the MLCC or the Police Department can come in at any time and try to get them to sell illegally. This is called a “decoy operation.”

5. Local Law Enforcement Presentation.

Consider asking the police department to come to your establishment and make a presentation to your staff. The police are usually anxious to help, and employees tend to respect the uniform. There is no one better to explain “decoy” or “sting” operations than those who conduct them.