432.24.added Conviction or administrative disqualification of person holding lottery sales license; transactions; actions by commissioner; definitions.

Sec. 24. (1) A person who holds a lottery sales license is subject to licensing action as provided in subsection (2) if the person is convicted or administratively disqualified as the result of a transaction to which all of the following apply:

(a) The transaction is a transaction for food assistance program benefits.
(b) The transaction involves an item other than eligible foods.
(c) The transaction is related to the sale of a lottery ticket under the lottery sales license.

(2) The commissioner shall take the following action under section 23 with respect to the license of a person described in subsection (1):

(a) For a first offense under this section by the person, suspend the license for at least 30 and up to 60 days.
(b) For a second offense under this section by the person, suspend the license for at least 61 and up to 120 days.
(c) For a third or subsequent offense under this section by the person, revoke the license.

(3) As used in this section:

(a) "Administratively disqualified" means administratively disqualified from acting as a merchant under the food and nutrition act of 2008, 7 USC 2011 to 2036a, or 7 CFR 278.6 because the person has engaged in trafficking as that term is defined in 7 CFR 271.2. A person is not administratively disqualified until any administrative or judicial review under 7 CFR 279 is complete.

(b) "Convicted" means that the person either was convicted of or pled guilty to a crime under section 300a(1)(c) of the Michigan penal code, 1931 PA 328, MCL 750.300a.

(c) "Eligible foods" means that term as defined in 7 CFR 271.2.