

Legislative Analysis



PROGRESSIVE BINGO GAME REVISIONS

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House Bill 4265

Sponsor: Rep. Barbara Farrah

Committee: Regulatory Reform

Complete to 3-2-07

A SUMMARY OF HOUSE BILL 4265 AS INTRODUCED 2-13-07

Currently, only one "Michigan Progressive Jackpot" bingo game can be in progress at one time per bingo occasion.

The bill would amend the Traxler-McCauley-Law-Bowman Bingo Act (MCL 432.105c) to allow two Michigan Progressive Jackpot bingo games to be in progress at one time at a bingo occasion, if one of the games is linked together with bingo games conducted by one or more other licensees for the purpose of a common jackpot prize and consolation prize as prescribed by the commissioner.

BACKGROUND INFORMATION:

In the Bingo Act, a "Michigan progressive jackpot" means a bingo game conducted in conjunction with a licensed large bingo occasion, where the value of the prize is carried forward to the next bingo occasion if no player bingos in a predetermined number of allowable calls. "Michigan progressive jackpot" may include bingo games conducted by more than one licensee that are linked together for the purpose of a common jackpot prize and consolation prize as prescribed by the commissioner. "Large bingo" means a series of bingo occasions that occur on a regular basis during which the total value of all prizes awarded through bingo at a single occasion does not exceed \$3,500 and the total value of all prizes awarded for 1 game does not exceed \$1,100, except that a prize awarded through a Michigan progressive jackpot bingo game is not subject to these limitations. "Occasion" means the hours of the day for which a license is issued.

FISCAL IMPACT:

The Bureau of State Lottery's Charitable Gaming Division is self-funded through license fees and charity game ticket revenue. Revenue collected in excess of the division's expenses reverts to the General Fund. To the extent that the bill results in an increase in the number of bingo licenses issued and an increase in the number of charity game tickets sold (many bingo licensees sell tickets), the bill would increase General Fund revenue. This amount, however, is indeterminate. In FY 2006, \$10.5 million was transferred to the General Fund (\$18.56 million in revenue less \$8.07 million in expenses).

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