

SENATE BILL No. 1080

April 19, 2012, Introduced by Senator JONES and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 382, entitled "Traxler-McCauley-Law-Bowman bingo act," by amending sections 2, 3, 3a, 4, 4a, 5c, 7a, 7d, 8, 9, 10, 10a, 11a, 11b, 11c, 16, and 19 (MCL 432.102, 432.103, 432.103a, 432.104, 432.104a, 432.105c, 432.107a, 432.107d, 432.108, 432.109, 432.110, 432.110a, 432.111a, 432.111b, 432.111c, 432.116, and 432.119), sections 2 and 9 as amended by 2008 PA 401, section 3 as amended by 2009 PA 41, sections 3a, 5c, 8, 10, 10a, and 11b as amended by 2006 PA 427, sections 4, 7a, and 16 as amended and sections 4a, 7d, 11a, and 11c as added by 1999 PA 108, and section 19 as amended by 1995 PA 263, and by adding section 8a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Active service" and "active state service" mean those
3 terms as defined in section 105 of the Michigan military act,
4 1967 PA 150, MCL 32.505.

5 (b) "Advertising" means all printed matter, handouts,
6 flyers, radio, television, advertising signs, billboards, and
7 other media used to promote an event licensed under this act.

8 (c) "Bingo" means a game of chance commonly known as bingo
9 in which prizes are awarded on the basis of designated numbers or
10 symbols conforming to numbers or symbols selected at random.

11 (d) "Bureau" means the bureau of state lottery as created by
12 section 5 of the McCauley-Traxler-Law-Bowman-McNeely lottery act,
13 1972 PA 239, MCL 432.5.

14 **(E) "CHARITABLE GAMING SERVICE PROVIDER" MEANS A PERSON**
15 **LICENSED UNDER THIS ACT TO PROVIDE ANY OF THE FOLLOWING SERVICES**
16 **TO A QUALIFIED ORGANIZATION:**

17 **(i) THE RENTING, SELLING, OR LEASING OF EQUIPMENT.**

18 **(ii) THE SELLING OF CHARITY GAME TICKETS OR NUMERAL GAME**
19 **TICKETS.**

20 **(iii) OPERATION FOR AN EVENT.**

21 **(F) ~~(e)~~**"Charity game" means the random resale of a series
22 of charity game tickets.

23 **(G) ~~(f)~~**"Charity game ticket" means a ticket commonly
24 referred to as a break-open ticket or pull-tab that is approved
25 and acquired by the bureau and is distributed and sold by the
26 bureau or a licensed ~~supplier~~ **CHARITABLE GAMING SERVICE PROVIDER**
27 to a qualified organization, a portion of which is removed to

1 discover whether the ticket is a winning ticket and whether the
2 purchaser may be awarded a prize.

3 (H) ~~(g)~~—"Commissioner" means the commissioner of state
4 lottery appointed under section 7 of the McCauley-Traxler-Law-
5 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.7.

6 ~~(h) "Coverall pattern" means a pattern required to win a~~
7 ~~bingo game in which all numbers on a bingo card are required to~~
8 ~~be called.~~

9 (I) "EDUCATIONAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
10 STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, WHOSE PRIMARY
11 PURPOSE IS EDUCATIONAL IN NATURE AND DESIGNED TO DEVELOP THE
12 CAPABILITIES OF INDIVIDUALS BY INSTRUCTION IN ANY PUBLIC OR
13 PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT COMPLIES WITH THE
14 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852, OR ANY
15 PRIVATE OR PUBLIC COLLEGE OR UNIVERSITY THAT IS ORGANIZED NOT FOR
16 PECUNIARY PROFIT AND THAT IS APPROVED BY THE STATE BOARD OF
17 EDUCATION.

18 (J) "EQUIPMENT" MEANS THE OBJECTS AND MECHANICAL,
19 ELECTROMECHANICAL, OR ELECTRONIC DEVICES USED TO DETERMINE OR
20 ASSIST IN DETERMINING THE WINNERS OF PRIZES AT EVENTS LICENSED
21 UNDER THIS ACT.

22 (K) "EVENT" MEANS EACH OCCASION OF A BINGO, MILLIONAIRE
23 PARTY, RAFFLE, CHARITY GAME, OR NUMERAL GAME LICENSED UNDER THIS
24 ACT.

25 (L) "FRATERNAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
26 STATE, EXCEPT A COLLEGE FRATERNITY OR SORORITY, THAT IS ORGANIZED
27 NOT FOR PECUNIARY PROFIT; THAT IS A BRANCH, LODGE, OR CHAPTER OF

1 A NATIONAL OR STATE ORGANIZATION; AND THAT EXISTS FOR THE COMMON
2 PURPOSE, BROTHERHOOD, OR OTHER INTERESTS OF ITS MEMBERS.

3 Sec. 3. As used in this act:

4 ~~—— (a) "Educational organization" means an organization within
5 this state that is organized not for pecuniary profit, whose
6 primary purpose is educational in nature and designed to develop
7 the capabilities of individuals by instruction in any public or
8 private elementary or secondary school that complies with the
9 revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or any
10 private or public college or university that is organized not for
11 pecuniary profit and that is approved by the state board of
12 education.~~

13 ~~—— (b) "Fraternal organization" means an organization within
14 this state, except a college fraternity or sorority, that is
15 organized not for pecuniary profit; that is a branch, lodge, or
16 chapter of a national or state organization; and that exists for
17 the common purpose, brotherhood, or other interests of its
18 members.~~

19 (A) "LARGE BINGO" MEANS A SERIES OF BINGO OCCASIONS THAT
20 OCCUR ON A REGULAR BASIS DURING WHICH THE TOTAL VALUE OF ALL
21 PRIZES AWARDED THROUGH BINGO AT A SINGLE OCCASION DOES NOT EXCEED
22 \$3,500.00 AND THE TOTAL VALUE OF ALL PRIZES AWARDED FOR 1 GAME
23 DOES NOT EXCEED \$1,100.00, EXCEPT THAT A PRIZE AWARDED THROUGH A
24 MICHIGAN PROGRESSIVE JACKPOT BINGO GAME IS NOT SUBJECT TO THESE
25 LIMITATIONS.

26 (B) "LARGE RAFFLE" MEANS AN EVENT WHERE THE TOTAL VALUE OF
27 ALL PRIZES AWARDED THROUGH RAFFLE DRAWINGS EXCEEDS \$500.00 PER

1 OCCASION.

2 (c) "Licensee" means a ~~person or~~ qualified organization
3 licensed under this act.

4 (D) "LOCATION" MEANS A BUILDING, ENCLOSURE, PART OF A
5 BUILDING OR ENCLOSURE, OR A DISTINCT PORTION OF REAL ESTATE THAT
6 IS USED FOR THE PURPOSE OF CONDUCTING EVENTS LICENSED UNDER THIS
7 ACT. LOCATION ALSO MEANS ALL COMPONENTS OR BUILDINGS THAT COMPOSE
8 1 ARCHITECTURAL ENTITY OR THAT SERVE A UNIFIED FUNCTIONAL
9 PURPOSE.

10 (E) "MANAGEMENT" MEANS HANDLING CASH, CHIPS, AND HOUSE RAKES
11 AND COMPLETING GAME RECORDS AND FINANCIAL STATEMENTS AT AN EVENT.

12 (F) "MANUFACTURER" MEANS A PERSON LICENSED UNDER SECTION 11C
13 WHO MANUFACTURES NUMERAL GAME TICKETS FOR SALE TO CHARITABLE
14 GAMING SERVICE PROVIDERS FOR USE IN AN EVENT.

15 (G) ~~(d)~~—"Member" means an individual who qualified for
16 membership in a qualified organization under its bylaws, articles
17 of incorporation, charter, rules, or other written statement.

18 (H) ~~(e)~~—"Michigan national guard" and "military" mean those
19 terms as defined in section 105 of the Michigan military act,
20 1967 PA 150, MCL 32.505.

21 ~~——(f) "Person" means a natural person, firm, association,~~
22 ~~corporation, or other legal entity.~~

23 ~~——(g) "Qualified organization" means, subject to subdivision~~
24 ~~(h), either of the following:~~

25 ~~——(i) A bona fide religious, educational, service, senior~~
26 ~~citizens, fraternal, or veterans' organization that operates~~
27 ~~without profit to its members and that either has been in~~

1 ~~existence continuously as an organization for a period of 5 years~~
2 ~~or is exempt from taxation under 26 USC 501(c).~~

3 ~~—— (ii) Only for the purpose of conducting a small raffle or a~~
4 ~~large raffle under this act, a component of the military or the~~
5 ~~Michigan national guard whose members are in active service or~~
6 ~~active state service.~~

7 ~~—— (h) "Qualified organization" does not include a candidate~~
8 ~~committee, political committee, political party committee, ballot~~
9 ~~question committee, independent committee, or any other committee~~
10 ~~as defined by, and organized under, the Michigan campaign finance~~
11 ~~act, 1976 PA 388, MCL 169.201 to 169.282.~~

12 ~~—— (i) "Religious organization" means any of the following:~~

13 ~~—— (i) An organization, church, body of communicants, or group~~
14 ~~that is organized not for pecuniary profit and that gathers in~~
15 ~~common membership for mutual support and edification in piety,~~
16 ~~worship, and religious observances.~~

17 ~~—— (ii) A society of individuals that is organized not for~~
18 ~~pecuniary profit and that unites for religious purposes at a~~
19 ~~definite place.~~

20 ~~—— (iii) A church related private school that is organized not~~
21 ~~for pecuniary profit.~~

22 ~~—— (j) "Senior citizens organization" means an organization~~
23 ~~within this state that is organized not for pecuniary profit,~~
24 ~~that consists of at least 15 members who are 60 years of age or~~
25 ~~older, and that exists for their mutual support and for the~~
26 ~~advancement of the causes of elderly or retired persons.~~

27 ~~—— (k) "Service organization" means either of the following:~~

1 ~~—— (i) A branch, lodge, or chapter of a national or state~~
2 ~~organization that is organized not for pecuniary profit and that~~
3 ~~is authorized by its written constitution, charter, articles of~~
4 ~~incorporation, or bylaws to engage in a fraternal, civic, or~~
5 ~~service purpose within the state.~~

6 ~~—— (ii) A local civic organization that is organized not for~~
7 ~~pecuniary profit, that is not affiliated with a state or national~~
8 ~~organization; that is recognized by resolution adopted by the~~
9 ~~local governmental subdivision in which the organization conducts~~
10 ~~its principal activities; whose constitution, charter, articles~~
11 ~~of incorporation, or bylaws contain a provision for the~~
12 ~~perpetuation of the organization as a nonprofit organization;~~
13 ~~whose entire assets are used for charitable purposes; and whose~~
14 ~~constitution, charter, articles of incorporation, or bylaws~~
15 ~~contain a provision that all assets, real property, and personal~~
16 ~~property shall revert to the benefit of the local governmental~~
17 ~~subdivision that granted the resolution upon dissolution of the~~
18 ~~organization.~~

19 ~~—— (l) "Veterans' organization" means an organization within~~
20 ~~this state, or a branch, lodge, or chapter within this state of a~~
21 ~~state organization or of a national organization chartered by the~~
22 ~~congress of the United States, that is organized not for~~
23 ~~pecuniary profit, the membership of which consists of individuals~~
24 ~~who were members of the armed services or armed forces of the~~
25 ~~United States. Veterans' organization includes an auxiliary of a~~
26 ~~veterans' organization that is a national organization chartered~~
27 ~~by the congress of the United States.~~

1 (I) "MICHIGAN PROGRESSIVE JACKPOT" MEANS A BINGO GAME
2 CONDUCTED IN CONJUNCTION WITH A LICENSED LARGE BINGO OCCASION IN
3 WHICH THE VALUE OF THE PRIZE IS CARRIED FORWARD TO THE NEXT BINGO
4 OCCASION IF NO PLAYER BINGOS IN A PREDETERMINED NUMBER OF
5 ALLOWABLE CALLS. MICHIGAN PROGRESSIVE JACKPOT MAY INCLUDE BINGO
6 GAMES CONDUCTED BY MORE THAN 1 LICENSEE THAT ARE LINKED TOGETHER
7 FOR THE PURPOSE OF A COMMON JACKPOT PRIZE AND CONSOLATION PRIZE
8 AS PRESCRIBED BY THE COMMISSIONER.

9 (J) "MILLIONAIRE PARTY" MEANS AN EVENT AT WHICH WAGERS ARE
10 PLACED ON GAMES OF CHANCE CUSTOMARILY ASSOCIATED WITH A GAMBLING
11 CASINO THROUGH THE USE OF IMITATION MONEY OR CHIPS THAT HAVE A
12 NOMINAL VALUE EQUAL TO OR GREATER THAN THE VALUE OF THE CURRENCY
13 FOR WHICH THEY CAN BE EXCHANGED.

14 (K) "NUMERAL GAME" MEANS THE RANDOM RESALE OF A SERIES OF
15 NUMERAL GAME TICKETS BY A QUALIFIED ORGANIZATION UNDER A NUMERAL
16 GAME LICENSE OR IN CONJUNCTION WITH A LICENSED MILLIONAIRE PARTY
17 OR LARGE RAFFLE.

18 (L) "NUMERAL GAME TICKET" MEANS A PAPER STRIP ON WHICH
19 PREPRINTED NUMERALS ARE COVERED BY FOLDING THE STRIP AND BANDING
20 THE FOLDED STRIP WITH A SEPARATE PIECE OF PAPER, IF ON BREAKING
21 THE PAPER STRIP THAT BANDS THE TICKET THE PURCHASER DISCOVERS
22 WHETHER THE TICKET IS A WINNING TICKET AND THE PURCHASER MAY BE
23 AWARDED A MERCHANDISE PRIZE.

24 (M) "OPERATION" MEANS, WITH RESPECT TO A CHARITABLE GAMING
25 SERVICE PROVIDER, PROVIDING TO A QUALIFIED ORGANIZATION A
26 LOCATION, STAFFING, AND SERVICES COMMONLY ASSOCIATED WITH GAMES
27 OF CHANCE FOR A MILLIONAIRE PARTY EVENT LICENSED UNDER THIS ACT.

1 (N) "OCCASION" MEANS THE HOURS OF THE DAY FOR WHICH A
2 LICENSE IS ISSUED.

3 Sec. 3a. ~~(1) "Equipment" means the objects and mechanical or~~
4 ~~electromechanical devices used to determine or assist in~~
5 ~~determining the winners of prizes at events licensed under this~~
6 ~~act.~~

7 ~~(2) "Event" means each occasion of a bingo, millionaire~~
8 ~~party, raffle, charity game, or numeral game licensed under this~~
9 ~~act.~~

10 ~~(3) "Large bingo" means a series of bingo occasions that~~
11 ~~occur on a regular basis during which the total value of all~~
12 ~~prizes awarded through bingo at a single occasion does not exceed~~
13 ~~\$3,500.00 and the total value of all prizes awarded for 1 game~~
14 ~~does not exceed \$1,100.00, except that a prize awarded through a~~
15 ~~Michigan progressive jackpot bingo game is not subject to these~~
16 ~~limitations.~~

17 ~~(4) "Large raffle" means an event where the total value of~~
18 ~~all prizes awarded through raffle drawings exceed \$500.00 per~~
19 ~~occasion.~~

20 ~~(5) "Location" means a building, enclosure, part of a~~
21 ~~building or enclosure, or a distinct portion of real estate that~~
22 ~~is used for the purpose of conducting events licensed under this~~
23 ~~act. Location also means all components or buildings that~~
24 ~~comprise 1 architectural entity or that serve a unified~~
25 ~~functional purpose.~~

26 ~~(6) "Manufacturer" means a person licensed under section 11e~~
27 ~~who manufactures numeral game tickets for sale to suppliers for~~

1 use in an event.

2 ~~—— (7) "Michigan progressive jackpot" means a bingo game~~
3 ~~conducted in conjunction with a licensed large bingo occasion,~~
4 ~~where the value of the prize is carried forward to the next bingo~~
5 ~~occasion if no player bingos in a predetermined number of~~
6 ~~allowable calls. Michigan progressive jackpot may include bingo~~
7 ~~games conducted by more than 1 licensee that are linked together~~
8 ~~for the purpose of a common jackpot prize and consolation prize~~
9 ~~as prescribed by the commissioner.~~

10 ~~—— (8) "Millionaire party" means an event at which wagers are~~
11 ~~placed upon games of chance customarily associated with a~~
12 ~~gambling casino through the use of imitation money or chips that~~
13 ~~have a nominal value equal to or greater than the value of the~~
14 ~~currency for which they can be exchanged.~~

15 ~~—— (9) "Numeral game" means the random resale of a series of~~
16 ~~numeral game tickets by a qualified organization under a numeral~~
17 ~~game license or in conjunction with a licensed millionaire party~~
18 ~~or large raffle.~~

19 ~~—— (10) "Numeral game ticket" means a paper strip on which~~
20 ~~preprinted numerals are covered by folding the strip and banding~~
21 ~~the folded strip with a separate piece of paper, if upon breaking~~
22 ~~the paper strip that bands the ticket, the purchaser discovers~~
23 ~~whether the ticket is a winning ticket and the purchaser may be~~
24 ~~awarded a merchandise prize.~~

25 ~~—— (11) "Occasion" means the hours of the day for which a~~
26 ~~license is issued.~~ **AS USED IN THIS ACT:**

27 **(A) "PERSON" MEANS A NATURAL PERSON, FIRM, ASSOCIATION,**

1 CORPORATION, OR OTHER LEGAL ENTITY.

2 (B) ~~(12)~~—"Principal officer" means the highest ranking
3 officer of the qualified organization according to its written
4 constitution, charter, articles of incorporation, or bylaws.

5 (C) ~~(13)~~—"Prize" means anything of value, including, but not
6 limited to, money or merchandise that is given to a player for
7 attending or winning a game at an event. A nonmonetary item is
8 valued at its retail value. Prize does not include advertising
9 material given away by a qualified organization in accordance
10 with rules promulgated under this act.

11 (D) "QUALIFIED ORGANIZATION" MEANS, SUBJECT TO SUBDIVISION
12 (E), EITHER OF THE FOLLOWING:

13 (i) A BONA FIDE RELIGIOUS, EDUCATIONAL, SERVICE, SENIOR
14 CITIZENS, FRATERNAL, OR VETERANS' ORGANIZATION THAT OPERATES
15 WITHOUT PROFIT TO ITS MEMBERS AND THAT EITHER HAS BEEN IN
16 EXISTENCE CONTINUOUSLY AS AN ORGANIZATION FOR A PERIOD OF 5 YEARS
17 OR IS EXEMPT FROM TAXATION UNDER 26 USC 501(C).

18 (ii) ONLY FOR THE PURPOSE OF CONDUCTING A SMALL RAFFLE OR A
19 LARGE RAFFLE UNDER THIS ACT, A COMPONENT OF THE MILITARY OR THE
20 MICHIGAN NATIONAL GUARD WHOSE MEMBERS ARE IN ACTIVE SERVICE OR
21 ACTIVE STATE SERVICE.

22 (E) "QUALIFIED ORGANIZATION" DOES NOT INCLUDE A CANDIDATE
23 COMMITTEE, POLITICAL COMMITTEE, POLITICAL PARTY COMMITTEE, BALLOT
24 QUESTION COMMITTEE, INDEPENDENT COMMITTEE, OR ANY OTHER COMMITTEE
25 AS DEFINED BY, AND ORGANIZED UNDER, THE MICHIGAN CAMPAIGN FINANCE
26 ACT, 1976 PA 388, MCL 169.201 TO 169.282.

27 (F) "RELIGIOUS ORGANIZATION" MEANS ANY OF THE FOLLOWING:

1 (i) AN ORGANIZATION, CHURCH, BODY OF COMMUNICANTS, OR GROUP
2 IN THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT AND THAT
3 GATHERS IN COMMON MEMBERSHIP FOR MUTUAL SUPPORT AND EDIFICATION
4 IN PIETY, WORSHIP, AND RELIGIOUS OBSERVANCES.

5 (ii) A SOCIETY OF INDIVIDUALS IN THIS STATE THAT IS ORGANIZED
6 NOT FOR PECUNIARY PROFIT AND THAT UNITES FOR RELIGIOUS PURPOSES
7 AT A DEFINITE PLACE.

8 (iii) A CHURCH RELATED PRIVATE SCHOOL IN THIS STATE THAT IS
9 ORGANIZED NOT FOR PECUNIARY PROFIT.

10 (G) "SENIOR CITIZENS ORGANIZATION" MEANS AN ORGANIZATION IN
11 THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, THAT
12 CONSISTS OF AT LEAST 15 MEMBERS WHO ARE 60 YEARS OF AGE OR OLDER,
13 AND THAT EXISTS FOR THEIR MUTUAL SUPPORT AND FOR THE ADVANCEMENT
14 OF THE CAUSES OF ELDERLY OR RETIRED PERSONS.

15 (H) "SERVICE ORGANIZATION" MEANS EITHER OF THE FOLLOWING:

16 (i) A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A NATIONAL
17 OR STATE ORGANIZATION THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT
18 AND THAT IS AUTHORIZED BY ITS WRITTEN CONSTITUTION, CHARTER,
19 ARTICLES OF INCORPORATION, OR BYLAWS TO ENGAGE IN A FRATERNAL,
20 CIVIC, OR SERVICE PURPOSE IN THIS STATE.

21 (ii) A LOCAL CIVIC ORGANIZATION IN THIS STATE THAT IS
22 ORGANIZED NOT FOR PECUNIARY PROFIT; THAT IS NOT AFFILIATED WITH A
23 STATE OR NATIONAL ORGANIZATION; THAT IS RECOGNIZED BY RESOLUTION
24 ADOPTED BY THE LOCAL GOVERNMENTAL SUBDIVISION IN WHICH THE
25 ORGANIZATION CONDUCTS ITS PRINCIPAL ACTIVITIES; WHOSE
26 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS
27 CONTAIN A PROVISION FOR THE PERPETUATION OF THE ORGANIZATION AS A

1 NONPROFIT ORGANIZATION; WHOSE ENTIRE ASSETS ARE USED FOR
2 CHARITABLE PURPOSES; AND WHOSE CONSTITUTION, CHARTER, ARTICLES OF
3 INCORPORATION, OR BYLAWS CONTAIN A PROVISION THAT ALL ASSETS,
4 REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE BENEFIT
5 OF THE LOCAL GOVERNMENTAL SUBDIVISION THAT GRANTED THE RESOLUTION
6 OR ANOTHER NONPROFIT ORGANIZATION ON DISSOLUTION OF THE
7 ORGANIZATION.

8 (I) ~~(14)~~—"Single gathering" means 1 scheduled assembly or
9 meeting with a specified beginning and ending time that is
10 conducted or sponsored by the qualified organization. Single
11 gathering does not include the regular operating hours of a club
12 or similar facility and does not include a meeting conducted
13 solely for the purpose of conducting a raffle.

14 (J) ~~(15)~~—"Small bingo" means a series of bingo occasions
15 that occur on a regular basis during which the total value of all
16 prizes awarded through bingo at a single occasion does not exceed
17 \$300.00 and the total value of all prizes awarded for a single
18 bingo game does not exceed \$25.00.

19 (K) ~~(16)~~—"Small raffle" means an event during which the
20 total value of all prizes awarded through raffle drawings does
21 not exceed \$500.00 during 1 occasion.

22 (L) ~~(17)~~—"Special bingo" means a single or consecutive series
23 of bingo occasions during which the total value of all prizes
24 awarded through bingo at a single occasion does not exceed
25 \$3,500.00 and the total value of all prizes awarded for a single
26 bingo game does not exceed \$1,100.00.

27 ~~——(18) "Supplier" means a person licensed under this act to~~

1 ~~rent, sell, or lease equipment or to sell charity game or numeral~~
 2 ~~game tickets to qualified organizations licensed under this act.~~

3 (M) "VETERANS' ORGANIZATION" MEANS AN ORGANIZATION IN THIS
 4 STATE, OR A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A STATE
 5 ORGANIZATION OR OF A NATIONAL ORGANIZATION CHARTERED BY THE
 6 CONGRESS OF THE UNITED STATES, THAT IS ORGANIZED NOT FOR
 7 PECUNIARY PROFIT, THE MEMBERSHIP OF WHICH CONSISTS OF INDIVIDUALS
 8 WHO WERE MEMBERS OF THE ARMED SERVICES OR ARMED FORCES OF THE
 9 UNITED STATES. VETERANS' ORGANIZATION INCLUDES AN AUXILIARY OF A
 10 VETERANS' ORGANIZATION THAT IS A NATIONAL ORGANIZATION CHARTERED
 11 BY THE CONGRESS OF THE UNITED STATES.

12 Sec. 4. (1) Each applicant for a license to conduct a bingo,
 13 millionaire party, raffle, charity game, or numeral game shall
 14 submit to the bureau a written application on a form prescribed
 15 by the commissioner.

16 (2) The application shall include all of the following:

17 (a) The name and address of the applicant organization.

18 (b) The name and address of each officer of the applicant
 19 organization.

20 (c) The location at which the applicant will conduct the
 21 event.

22 (D) THE NAME OF THE CHARITABLE GAMING SERVICE PROVIDER THAT
 23 WILL BE USED, IF ANY.

24 (E) ~~(d)~~—The day or dates of the event.

25 (F) ~~(e)~~—The member or members of the applicant organization
 26 who will be responsible for the conduct of the event.

27 (G) ~~(f)~~—Sufficient facts relating to the applicant's

1 incorporation or organization to enable the commissioner to
2 determine whether the applicant is a qualified organization.

3 (H) ~~(g)~~—A sworn statement attesting to the nonprofit status
4 of the applicant organization, signed by the principal officer of
5 ~~that~~ **THE** organization.

6 (I) ~~(h)~~—Other information the commissioner considers
7 necessary.

8 Sec. 4a. (1) Except as provided in subsections (2) and (3),
9 if the commissioner determines that the applicant is a qualified
10 organization and is not ineligible under section 18 and the
11 applicant has paid to the bureau the appropriate fee, the
12 commissioner may issue 1 or more of the following licenses:

13	<u>License Fee</u>
14	(a) Large bingo.....\$ 150.00
15	(b) Small bingo.....\$ 55.00
16	(c) Special bingo.....\$ 25.00
17	(d) Millionaire party.....\$ 50.00 per day
18	(e) Large raffle.....\$ 50.00 per
19	drawing date
20	(f) Small raffle:
21	(i) One to 3 drawing dates.....\$ 15.00
22	(ii) Four or more drawing dates.....\$ 5.00 per
23	drawing date
24	(g) Annual charity game.....\$ 200.00
25	(h) Special charity game.....\$ 15.00 per day
26	(i) Numeral game.....\$ 15.00 per day

1 (2) Under extreme hardship conditions as determined by the
2 commissioner, the commissioner may waive 1 or more requirements
3 of a qualified organization ~~described in section 3~~ **CONTAINED IN**
4 **SECTION 3A** to permit the licensing of a special bingo,
5 millionaire party, or raffle, if all of the following conditions
6 are met:

7 (a) The organization applying for the license is a nonprofit
8 organization.

9 (b) The entire proceeds of the event, less the actual
10 reasonable expense of conducting the event, are donated or used
11 for a charitable purpose, organization, or cause.

12 (c) None of the individuals connected with the ~~conduct~~
13 **MANAGEMENT** of the event is compensated in any manner for his or
14 her participation.

15 (d) The organization complies with all other provisions of
16 this act and rules promulgated under this act.

17 (3) Under extreme hardship conditions as determined by the
18 commissioner, the commissioner may allow an individual or a group
19 of individuals to obtain a license to conduct a special bingo,
20 millionaire party, or raffle if all of the following conditions
21 are met:

22 (a) The entire proceeds of the event, less the actual
23 reasonable expense of conducting the event, are donated or used
24 for a charitable purpose, organization, or cause.

25 (b) None of the individuals connected with the ~~conduct~~
26 **MANAGEMENT** of the event is compensated in any manner for his or
27 her participation.

1 (c) The individual or group of individuals complies with all
2 other provisions of this act and the rules promulgated under this
3 act.

4 (4) Each event license issued to a qualified organization is
5 valid for only the location included on the license.

6 (5) A license **ISSUED UNDER THIS SECTION** is not assignable or
7 transferable.

8 (6) ~~The~~ **A licensee is responsible for ensuring SHALL ENSURE**
9 that the events **CONDUCTED UNDER A LICENSE** are conducted in
10 compliance with this act and rules **PROMULGATED UNDER THIS ACT.**

11 (7) ~~A~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, A**
12 licensee shall only conduct events licensed under this act during
13 the hours and on the day and date or dates stated on the license.

14 (8) **THE COMMISSIONER MAY ALLOW A CHANGE IN THE LOCATION,**
15 **DATE, OR TIME OF AN EVENT UNDER AN ISSUED LICENSE OR MAY ISSUE A**
16 **DUPLICATE LICENSE IF THE LICENSEE PAYS A NONREFUNDABLE \$35.00**
17 **FEE.**

18 (9) **THE COMMISSIONER SHALL ESTABLISH CRITERIA UNDER WHICH A**
19 **QUALIFIED ORGANIZATION MAY RECEIVE AN EXPEDITED LICENSE AND**
20 **ESTABLISH A FEE STRUCTURE FOR EXPEDITED LICENSES. A FEE FOR AN**
21 **EXPEDITED LICENSE SHALL NOT EXCEED 150% OF THE STANDARD LICENSE**
22 **FEE.**

23 Sec. 5c. (1) The value of a prize or consolation prize
24 awarded during a Michigan progressive jackpot bingo game is not
25 subject to the prize limitations of section ~~3a(3)~~-3 (A).

26 (2) The prize awarded to the winner of a Michigan
27 progressive jackpot bingo game may be a predetermined amount ~~that~~

1 ~~shall not exceed \$500.00 or 50% OR A PREDETERMINED PERCENTAGE~~ of
2 the card sales on the first bingo occasion.

3 (3) If a Michigan progressive jackpot prize is not won in
4 the predetermined number of allowable calls, the game ~~shall~~ **MAY**
5 be played to its conclusion for a predetermined consolation
6 prize. ~~that shall not exceed \$100.00.~~

7 (4) If a Michigan progressive jackpot prize is not won in
8 the predetermined number of allowable calls, the entire prize
9 amount shall be carried forward to the next scheduled bingo
10 occasion.

11 (5) When a Michigan progressive jackpot prize has been
12 carried forward from a previous bingo occasion, the new prize
13 amount shall include the entire amount carried forward, plus 50%
14 **A PREDETERMINED PERCENTAGE** of the card sales for the Michigan
15 progressive jackpot bingo game for the current bingo occasion.

16 ~~—— (6) No arrangement of numbers other than a coverall pattern~~
17 ~~shall be required or allowed to win a Michigan progressive~~
18 ~~jackpot bingo game.~~

19 (6) ~~(7)~~ A Michigan progressive jackpot bingo game shall be
20 played only on bingo cards that are approved by the commissioner.

21 ~~—— (8) All cards for the Michigan progressive jackpot bingo~~
22 ~~game shall be sold by the licensee at a uniform price with no~~
23 ~~discount for the purchase of more than 1 card.~~

24 (7) ~~(9)~~ Whenever a Michigan progressive jackpot bingo game
25 is conducted, the licensee shall post a notice and announce the
26 following information:

27 (a) The maximum number of allowable calls in which the

1 player must complete a ~~overall~~ **THE PREDETERMINED** pattern in
2 ~~order~~ to win a Michigan progressive jackpot prize on that
3 occasion.

4 (b) The prize amount offered to the winner of the Michigan
5 progressive jackpot game and the consolation prize, **IF ANY**, for
6 that bingo occasion.

7 (c) The date the next bingo occasion will occur in that
8 particular progression if the jackpot is not awarded.

9 **(8)** ~~(10)~~ A Michigan progressive jackpot bingo game shall be
10 conducted in the following manner:

11 (a) On the first bingo occasion a player shall not be
12 required to obtain bingo in less than the number of allowable
13 calls as prescribed by the commissioner to win the jackpot prize.

14 (b) The number of allowable calls required to win the
15 jackpot shall be increased by 1 number on each successive bingo
16 occasion for that licensee in a particular progression.

17 (c) Once a Michigan progressive jackpot bingo game has been
18 started, the progressive jackpot prize shall be offered at each
19 successive bingo occasion for that licensee until the jackpot
20 prize has been won.

21 (d) A Michigan progressive jackpot progression shall only be
22 terminated or interrupted by 1 of the following:

23 (i) Determining a winner of the Michigan progressive jackpot
24 prize.

25 (ii) Expiration, suspension, revocation, or surrender of the
26 license to conduct bingo.

27 (iii) A previously announced scheduled interruption, such as a

1 legal holiday or other temporary closing.

2 (iv) A valid emergency condition under which the licensee is
3 unable to conduct the game.

4 (9) ~~(11)~~ Only 1 Michigan progressive jackpot bingo game
5 shall be in progress at 1 time per bingo occasion **UNLESS 1 OF THE**
6 **PROGRESSIVE BINGO GAMES IS A LINKED GAME.**

7 (10) ~~(12)~~ Prizes for a Michigan progressive jackpot bingo
8 game shall be awarded as follows:

9 (a) The Michigan progressive jackpot prize shall be awarded
10 to the player or players who complete the ~~overall~~ **PREDETERMINED**
11 pattern within the predesignated number of allowable calls.

12 (b) A consolation prize, **IF OFFERED**, shall be awarded on
13 each bingo occasion at which a Michigan progressive jackpot game
14 is played. ~~, except on the bingo occasion that the jackpot prize~~
15 ~~is won.~~

16 (c) The consolation prize, **IF OFFERED**, shall be awarded to
17 the player or players who complete a ~~overall~~ **THE PREDETERMINED**
18 pattern on each bingo occasion, regardless of the number of calls
19 in excess of the predesignated number of allowable calls required
20 to win the Michigan progressive jackpot bingo game.

21 (11) ~~(13)~~ The jackpot prize shall be awarded by a check
22 written from the licensee's financial account or in the manner
23 prescribed by the commissioner.

24 (12) ~~(14)~~ Except as otherwise provided in this section, all
25 other provisions of this act or rules promulgated under this act
26 apply to the conduct of a Michigan progressive jackpot game.

27 (13) ~~(15)~~ If an organization's bingo license will expire or

1 is suspended, revoked, or surrendered before the last bingo
2 occasion of a particular progression, the jackpot prize shall be
3 awarded and the winner determined on the last authorized bingo
4 occasion regardless of the number of calls required to determine
5 the winner.

6 Sec. 7a. (1) All charity game tickets used in the conduct of
7 a charity game shall be purchased by the qualified organization
8 from the bureau or a ~~supplier~~-**CHARITABLE GAMING SERVICE PROVIDER**.

9 (2) The bureau shall determine the number of charity game
10 tickets that constitute a charity game.

11 (3) The bureau shall determine the price at which the
12 qualified organization shall resell each charity game ticket and
13 shall have that price printed on each charity game ticket.

14 (4) The bureau or a ~~supplier~~-**CHARITABLE GAMING SERVICE**
15 **PROVIDER** shall sell charity game tickets to a qualified
16 organization that is eligible to conduct a charity game at a
17 percentage, to be determined by the bureau, of the gross revenues
18 that are realized by the resale of all the charity game tickets
19 for that game at the price established by the bureau.

20 (5) The qualified organization shall retain 60% and the
21 bureau shall retain 40% of the money obtained from the sale of
22 charity game tickets.

23 (6) A qualified organization that conducts a charity game
24 shall be solely responsible for paying prizes won by purchasers
25 of winning charity game tickets.

26 (7) When all charity game tickets for a single charity game
27 are resold, prizes distributed shall have an aggregate value of,

1 as near as practicable, not less than 60% of the resale value of
2 all the charity game tickets for that charity game.

3 (8) The bureau shall determine the number of winning charity
4 game tickets provided on a random basis for resale for any 1
5 charity game and shall establish the value of the prize won by
6 each winning charity game ticket.

7 (9) A charity game ticket shall not have a price for resale
8 by a qualified organization of less than 30 cents.

9 (10) The bureau shall have a bureau control number for
10 identification purposes imprinted upon each charity game ticket.

11 (11) A value of prizes awarded for a charity game shall not
12 be included within the prize limitations of a licensed bingo game
13 or millionaire party in conjunction with which the charity game
14 is held.

15 (12) A charity game ticket shall not be sold to a person
16 under 18 years of age. This subsection ~~shall~~ **DOES** not prohibit
17 the purchase of a charity game ticket by a person 18 years of age
18 or older for the purpose of making a gift to a person under 18
19 years of age, and ~~shall~~ **DOES** not prohibit a person under 18 years
20 of age from receiving a prize or prizes won in a charity game
21 conducted ~~pursuant to~~ **UNDER** this act.

22 Sec. 7d. (1) ~~All~~ **A QUALIFIED ORGANIZATION SHALL PURCHASE ALL**
23 numeral game tickets used in the conduct of a numeral game ~~shall~~
24 ~~be purchased by the qualified organization from a supplier.~~
25 **CHARITABLE GAMING SERVICE PROVIDER.** The logo or name of the
26 manufacturer and the serial number must be visible before
27 breaking the band on the ticket.

1 (2) The value of merchandise prizes offered at a numeral
2 game shall be a minimum of 50% of the ideal gross receipts from
3 the game. For the purposes of this subsection, "ideal gross
4 receipts" means the total amount of receipts that would be
5 received if every individual ticket in a series is sold at face
6 value.

7 (3) Winning numbers for a numeral game shall be determined
8 by use of a series of common ending numbers contained within the
9 pool of numbers making up the numeral game. The winning numbers
10 may not be determined randomly.

11 (4) The prize list, associated winning numbers, the total
12 number of tickets offered, and rules of play shall be posted
13 before the numeral game is offered for sale or any tickets are
14 opened.

15 (5) A numeral game ticket shall not be sold to a person
16 under 18 years of age. This subsection ~~shall~~**DOES** not prohibit
17 the purchase of a numeral game ticket by a person 18 years of age
18 or older for the purpose of making a gift to a person under 18
19 years of age, and ~~shall~~**DOES** not prohibit a person under 18 years
20 of age from receiving a prize or prizes won in a numeral game
21 conducted under this act.

22 (6) The licensee shall have available for inspection by an
23 authorized representative of the bureau a copy of the invoice
24 from the ~~supplier~~**CHARITABLE GAMING SERVICE PROVIDER** showing the
25 manufacturer's name and serial number for each numeral game being
26 conducted at the site where the numeral game is being conducted.

27 Sec. 8. (1) All fees and revenue collected by the

1 commissioner or bureau under this act shall be paid into the
2 state lottery fund. All necessary expenses incurred by the bureau
3 in the administration and enforcement of any activity authorized
4 by this act and in the initiation, implementation, and ongoing
5 operation of any activity authorized by this act shall be
6 financed from the state lottery fund. The amount of ~~these~~
7 necessary expenses **FINANCED FROM THE STATE LOTTERY FUND** shall not
8 exceed the amount of revenues received from the sale of charity
9 game tickets and all fees collected under this act. ~~At~~

10 (2) **SUBJECT TO SUBSECTION (3), AT** the end of each fiscal
11 year all money, including interest, in the state lottery fund
12 ~~which~~**THAT** is attributable to fees and revenue collected under
13 this act ~~but which~~**THAT** has not been expended under this section
14 shall be deposited in the state general fund.

15 (3) **AT THE END OF EACH FISCAL YEAR, ALL MONEY, INCLUDING**
16 **INTEREST, COLLECTED UNDER SECTION 4A(1) THAT HAS NOT BEEN**
17 **EXPENDED UNDER THIS SECTION SHALL BE DEPOSITED INTO THE**
18 **CHARITABLE GAMING PROMOTION AND REGULATION FUND CREATED UNDER**
19 **SECTION 8A.**

20 **SEC. 8A. (1) THE CHARITABLE GAMING PROMOTION AND REGULATION**
21 **FUND IS CREATED WITHIN THE STATE TREASURY.**

22 (2) **THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS**
23 **UNDER SECTION 8(3) AND FROM ANY OTHER SOURCE FOR DEPOSIT INTO THE**
24 **CHARITABLE GAMING PROMOTION AND REGULATION FUND. THE STATE**
25 **TREASURER SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE**
26 **TREASURER SHALL CREDIT TO THE FUND INTEREST AND EARNINGS FROM**
27 **FUND INVESTMENTS.**

1 (3) MONEY IN THE CHARITABLE GAMING PROMOTION AND REGULATION
2 FUND AT THE CLOSE OF THE FISCAL YEAR SHALL REMAIN IN THE FUND AND
3 SHALL NOT LAPSE TO THE GENERAL FUND.

4 (4) THE BUREAU SHALL BE THE ADMINISTRATOR OF THE CHARITABLE
5 GAMING PROMOTION AND REGULATION FUND FOR AUDITING PURPOSES.

6 (5) THE BUREAU SHALL EXPEND MONEY FROM THE CHARITABLE GAMING
7 PROMOTION AND REGULATION FUND, UPON APPROPRIATION, ONLY FOR THE
8 PROMOTION AND REGULATION OF CHARITABLE GAMING.

9 Sec. 9. (1) Except as provided in subsection (2), the entire
10 net proceeds of an event shall be devoted exclusively to the
11 lawful purposes of the licensee. A licensee shall not incur or
12 pay an item of expense in connection with ~~the holding~~ ^r
13 ~~operating~~, or conducting ~~of~~ an event except the following
14 expenses in ~~reasonable~~ amounts **THAT THE COMMISSIONER DETERMINES**
15 **TO BE REASONABLE:**

16 (a) ~~The purchase or rental of equipment necessary for~~
17 ~~conducting an event and payment of services reasonably necessary~~
18 ~~for the repair of equipment.~~ **OPERATION FEES, INCLUDING ANY OF THE**
19 **FOLLOWING:**

20 (i) **FEES FOR THE PURCHASE OF EQUIPMENT NECESSARY FOR**
21 **CONDUCTING THE EVENT.**

22 (ii) **FEES FOR SERVICES REASONABLY NECESSARY FOR THE REPAIR OF**
23 **EQUIPMENT.**

24 (iii) **FEES PAID TO A CHARITABLE GAMING SERVICE PROVIDER FOR**
25 **ANY OF THE FOLLOWING:**

26 (A) **RENTAL OF EQUIPMENT.**

27 (B) **OPERATION OF AN EVENT.**

1 (C) PURCHASE OF CHARITABLE GAME OR NUMERAL TICKETS.

2 (D) SECURITY MEASURES TO PROTECT STAFF, VOLUNTEERS, AND
3 PATRONS OF THE EVENT.

4 (b) Cash prizes or the purchase of prizes of merchandise.

5 (c) Rental of the location at which the event is conducted.

6 (d) Janitorial services.

7 (e) The fee required for issuance or reissuance of a license
8 to conduct the event.

9 (F) SECURITY MEASURES TO PROTECT VOLUNTEERS AND PATRONS OF
10 THE EVENT.

11 (G) ~~(f)~~—Other reasonable expenses incurred by the licensee,
12 not inconsistent with this act, as permitted by rule of the
13 commissioner.

14 (H) REASONABLE ADVERTISING.

15 (2) A qualified organization described in section ~~3(g)(ii)~~
16 **3A(D)(ii)** shall use the entire net proceeds of an event, after
17 paying items of expense incurred in reasonable amounts in
18 connection with the holding, operating, or conducting of the
19 event and listed in subsection (1), only for the expense of
20 training or purchasing goods or services for the support of the
21 activities of the component.

22 Sec. 10. (1) Only a member of the qualified organization
23 shall participate in the management of an event.

24 (2) A person shall not receive any commission, salary, pay,
25 profit, or wage for participating in the management ~~or operation~~
26 of bingo, a millionaire party, a raffle, or a charity game except
27 as provided by rule promulgated under this act.

1 (3) Except by special permission of the commissioner, a
2 licensee shall conduct bingo or a millionaire party only with
3 equipment that it owns, ~~uses under a bureau approved rental~~
4 ~~contract, or is purchasing or renting at a reasonable rate from a~~
5 ~~supplier.~~ **OR THAT IS PROVIDED BY A CHARITABLE GAMING SERVICE**
6 **PROVIDER.**

7 (4) ~~A licensee shall not advertise bingo except to the~~
8 ~~extent and in the manner permitted by rule promulgated under this~~
9 ~~act. If the commissioner permits a licensee to advertise bingo,~~
10 ~~the licensee shall indicate in the advertisement the purposes for~~
11 ~~which the net proceeds will be used by the licensee.~~ **THE**
12 **COMMISSIONER SHALL PROMULGATE RULES REGARDING THE ADVERTISING OF**
13 **AN EVENT. ANY ADVERTISING OF AN EVENT UNDER THE RULES SHALL**
14 **INDICATE THE PURPOSES FOR WHICH THE NET PROCEEDS OF THE EVENT**
15 **WILL BE USED.**

16 ~~(5) The holder of a millionaire party license shall not~~
17 ~~advertise the event, except to the extent and in the manner~~
18 ~~permitted by rule promulgated under this act. If the commissioner~~
19 ~~permits a licensee to advertise the event, the licensee shall~~
20 ~~indicate in the advertising the purposes for which the net~~
21 ~~proceeds will be used by the licensee.~~

22 Sec. 10a. ~~All of the following apply in the conduct of a~~
23 ~~millionaire party:~~

24 ~~(a) A person less than 18 years of age shall not be~~
25 ~~permitted to wager.~~

26 ~~(b) A wager may not be placed on a contest other than a game~~
27 ~~of chance taking place at the location and during the time period~~

1 approved for the event, and in no event shall a wager be placed
2 upon an athletic event or upon a game involving personal skill.

3 ~~—— (c) The licensee under the millionaire party license shall
4 be responsible for insuring that the requirements of this section
5 are met.~~

6 ~~—— (d) A qualified organization shall not receive more than
7 \$15,000.00 in exchange for imitation money or chips in 1 day of a
8 millionaire party.~~

9 (1) AN EVENT HELD UNDER A MILLIONAIRE PARTY LICENSE SHALL BE
10 HELD AT A LOCATION THAT MEETS ALL OF THE FOLLOWING REQUIREMENTS:

11 (A) THE LOCATION IS OWNED OR RENTED ON A CONTINUAL BASIS AND
12 OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
13 MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE LOCATION IS
14 OWNED BY THE LICENSEE.

15 (B) THE LOCATION IS RENTED OR CONTROLLED BY A QUALIFIED
16 ORGANIZATION FOR THE EVENT AND THE EQUIPMENT USED FOR GAMING AT
17 THE LOCATION IS OWNED BY THE LICENSEE.

18 (C) THE LOCATION IS OWNED OR RENTED OR LEASED ON A CONTINUAL
19 BASIS AND OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR
20 USE OF ITS MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE
21 LOCATION IS RENTED FROM A CHARITABLE GAMING SERVICE PROVIDER.

22 (D) THE LOCATION IS RENTED OR CONTROLLED BY A QUALIFIED
23 ORGANIZATION FOR THE EVENT AND THE EQUIPMENT USED FOR GAMING AT
24 THE LOCATION IS RENTED FROM A CHARITABLE GAMING SERVICE PROVIDER.

25 (E) THE LOCATION IS OWNED, RENTED, LEASED, OR OPERATED BY A
26 CHARITABLE GAMING SERVICE PROVIDER.

27 (2) AT AN EVENT HELD UNDER A MILLIONAIRE PARTY LICENSE, THE

1 LICENSEE SHALL ENSURE ALL OF THE FOLLOWING:

2 (A) THAT A PERSON LESS THAN 18 YEARS OF AGE IS NOT PERMITTED
3 TO WAGER.

4 (B) THAT A WAGER IS NOT PLACED ON A CONTEST OTHER THAN A
5 GAME OF CHANCE TAKING PLACE AT THE LOCATION AND DURING THE TIME
6 PERIOD APPROVED FOR THE EVENT AND THAT A WAGER IS NOT PLACED ON
7 AN ATHLETIC EVENT OR A GAME INVOLVING PERSONAL SKILL.

8 (C) THAT THE LICENSEE DOES NOT RECEIVE MORE THAN \$20,000.00
9 IN EXCHANGE FOR IMITATION MONEY OR CHIPS IN 1 DAY OF THE
10 MILLIONAIRE PARTY.

11 (D) THAT A SIGN ON WHICH A TOLL-FREE COMPULSIVE GAMING
12 HELPLINE NUMBER IS PRINTED IS POSTED SO AS TO BE VISUALLY
13 PROMINENT AT EACH ENTRANCE AND EXIT OF THE LOCATION.

14 (3) IF A LICENSEE HAS ENGAGED A CHARITABLE GAMING SERVICE
15 PROVIDER TO SUPPLY OPERATION OF AN EVENT HELD UNDER A MILLIONAIRE
16 PARTY LICENSE, THE CHARITABLE GAMING SERVICE PROVIDER SHALL
17 ENSURE ALL OF THE FOLLOWING:

18 (A) THAT ALL STAFF PROVIDED BY THE CHARITABLE GAMING SERVICE
19 PROVIDER HAVE UNDERGONE A CRIMINAL BACKGROUND CHECK.

20 (B) THAT AN INDIVIDUAL PROVIDED BY THE CHARITABLE GAMING
21 SERVICE PROVIDER IS PROHIBITED FROM PLACING A WAGER AT A
22 MILLIONAIRE PARTY HELD AT A LOCATION WHERE AND ON A DATE THAT THE
23 INDIVIDUAL IS ASSIGNED TO PROVIDE SERVICES. THE INDIVIDUAL MAY
24 PLACE A WAGER AT A MILLIONAIRE PARTY HELD AT A LOCATION WHERE AND
25 ON A DATE THAT THE INDIVIDUAL IS NOT PERFORMING SERVICES.

26 (C) THAT A PERSON LESS THAN 18 YEARS OF AGE IS NOT PERMITTED
27 TO WAGER.

1 (D) THAT A WAGER NOT BE PLACED ON A CONTEST OTHER THAN A
2 GAME OF CHANCE TAKING PLACE AT THE LOCATION AND DURING THE TIME
3 PERIOD APPROVED FOR THE EVENT AND THAT A WAGER IS NOT PLACED ON
4 AN ATHLETIC EVENT OR A GAME INVOLVING PERSONAL SKILL.

5 (E) THAT A QUALIFIED ORGANIZATION DOES NOT RECEIVE MORE THAN
6 \$20,000.00 IN EXCHANGE FOR IMITATION MONEY OR CHIPS IN 1 DAY OF A
7 MILLIONAIRE PARTY.

8 (F) THAT A SIGN ON WHICH A TOLL-FREE COMPULSIVE GAMING
9 HELPLINE NUMBER IS PRINTED IS POSTED SO AS TO BE VISUALLY
10 PROMINENT AT EACH ENTRANCE AND EXIT OF THE LOCATION.

11 (4) TWO OR MORE QUALIFIED ORGANIZATIONS THAT ARE USING THE
12 SAME CHARITABLE GAMING SERVICE PROVIDER AND THAT HOLD LICENSES
13 FOR THE SAME DATE, TIME, AND LOCATION MAY COMBINE THE EVENTS INTO
14 A TOURNAMENT, IF EACH LICENSEE DOES NOT RECEIVE MORE THAN THE
15 LIMIT UNDER SUBSECTION (2) (C) .

16 Sec. 11a. (1) ~~Each~~**AN** applicant for a license or renewal of
17 a license to operate a bingo hall under this act shall submit a
18 written application to the bureau on a form prescribed by rule
19 promulgated under this act.

20 (2) If the commissioner determines that an applicant **UNDER**
21 **THIS SECTION** is eligible and the applicant pays an appropriate
22 fee, the bureau may issue a bingo hall license to operate a
23 facility that will be rented to bingo licensees.

24 (3) A bingo hall license expires at 12 midnight on the last
25 day of February, or, if the applicant does not own the facility,
26 on the expiration date of ~~their~~**THE APPLICANT'S** lease or rental
27 agreement if that date is ~~prior to~~**BEFORE** the last day of

1 February of the ~~current~~ licensing period.

2 (4) The annual bingo hall licensing fee is ~~\$50.00~~ **\$75.00**
 3 multiplied by the number of large or small bingo occasions that
 4 will be conducted during ~~the~~ **A** 7-day week.

5 (5) To increase the number of large or small bingo occasions
 6 conducted under a bingo hall licensee's original or renewal
 7 application, ~~a hall~~ **THE** licensee shall submit a written request
 8 on a form provided by the commissioner, ~~plus~~ **AND** an additional
 9 \$50.00 for each large or small bingo occasion that will be
 10 conducted during the 7-day week ~~that is~~ in addition to the number
 11 of ~~these~~ occasions calculated under subsection (4).

12 Sec. 11b. (1) ~~Each~~ **AN** applicant for a license ~~or renewal of~~
 13 a license to operate as a supplier of equipment, charity game
 14 tickets, ~~or numeral game tickets~~ **CHARITABLE GAMING SERVICE**
 15 **PROVIDER** to qualified organizations licensed under this act shall
 16 submit a written application to the bureau on a form prescribed
 17 by the commissioner.

18 (2) ~~The applicant shall pay an annual license fee of \$300.00~~
 19 ~~at the time of the application.~~ **IF THE COMMISSIONER DETERMINES**
 20 **THAT AN APPLICATION AND SUPPORTING INFORMATION SUBMITTED UNDER**
 21 **THIS SECTION COMPLY WITH THIS ACT AND RULES PROMULGATED UNDER**
 22 **THIS ACT, THE APPLICANT HAS NOT MATERIALLY MISREPRESENTED OR**
 23 **OMITTED REQUIRED INFORMATION OR VIOLATED THIS ACT OR A RULE**
 24 **PROMULGATED UNDER THIS ACT, AND THE APPLICANT HAS PAID THE ANNUAL**
 25 **LICENSE FEE, THE BUREAU SHALL ISSUE A CHARITABLE GAMING SERVICE**
 26 **PROVIDER LICENSE TO THE APPLICANT.**

27 (3) A ~~supplier's~~ **CHARITABLE GAMING SERVICE PROVIDER** license

1 ~~expires at 12 midnight on September 30 of each year.~~ **SHALL STATE**
 2 **THAT THE CHARITABLE GAMING SERVICE PROVIDER IS LICENSED TO DO 1**
 3 **OR MORE OF THE FOLLOWING:**

4 (A) **SELL CHARITY GAME TICKETS.**

5 (B) **SELL NUMERAL GAME TICKETS.**

6 (C) **RENT EQUIPMENT.**

7 (D) **PROVIDE OPERATION SERVICES.**

8 (4) **A CHARITABLE GAMING SERVICE PROVIDER SHALL PAY AN ANNUAL**
 9 **LICENSE FEE OF \$300.00.**

10 (5) ~~(4) The commissioner shall require suppliers~~ **A**
 11 **CHARITABLE GAMING SERVICE PROVIDER THAT IS** authorized to sell
 12 charity game tickets, numeral game tickets, or both, to post a
 13 performance bond of not less than \$50,000.00 and not ~~greater~~ **MORE**
 14 than ~~\$1,000,000.00~~ **\$1,500,000.00.**

15 (6) ~~(5) A supplier~~ **CHARITABLE GAMING SERVICE PROVIDER**
 16 **AUTHORIZED TO SELL CHARITY GAME TICKETS** shall remit to the bureau
 17 an amount equal to the qualified organization's purchase price of
 18 the charity game tickets less an amount that ~~shall~~ **IS** not ~~be~~ less
 19 than ~~the sum of~~ \$.008 for each ticket sold plus 1.0% of the total
 20 resale value for all charity game tickets sold.

21 (7) ~~(6) For each numeral game sold, the supplier~~ **A**
 22 **CHARITABLE GAMING SERVICE PROVIDER** shall issue to the ~~licensed~~
 23 **QUALIFIED** organization an invoice listing the manufacturer and
 24 serial number of each game.

25 (8) ~~(7) The fee collected by a supplier~~ **CHARITABLE GAMING**
 26 **SERVICE PROVIDER** from the qualified organization for each game of
 27 numeral **GAME** tickets sold shall be \$5.00 per 1,000 tickets or any

1 portion of 1,000 tickets.

2 (9) ~~(8)~~ The fees collected by ~~the supplier~~ **A CHARITABLE**
 3 **GAMING SERVICE PROVIDER** for each numeral game sold shall be
 4 remitted to the bureau by the fifteenth day of the month
 5 following the month in which the numeral game is sold. A late fee
 6 of 25% of the amount due may be assessed by the commissioner
 7 against ~~any supplier~~ **A CHARITABLE GAMING SERVICE PROVIDER** who
 8 fails to remit the fees by the required filing date.

9 (10) ~~(9)~~ A ~~supplier~~ **CHARITABLE GAMING SERVICE PROVIDER** shall
 10 only display, offer for sale, sell, or otherwise make available
 11 to a qualified organization numeral game tickets that have been
 12 obtained from a manufacturer.

13 (11) ~~(10)~~ A person who is directly or indirectly connected
 14 to the sale, rental, or distribution of bingo ~~or millionaire~~
 15 ~~party~~ equipment, ~~or~~ the sale of charity game tickets or numeral
 16 game tickets, ~~or~~ a person residing in the same household as ~~the~~
 17 ~~supplier~~ **AN INDIVIDUAL WHO IS DIRECTLY OR INDIRECTLY CONNECTED TO**
 18 **THE SALE, RENTAL, OR DISTRIBUTION OF BINGO EQUIPMENT OR THE SALE**
 19 **OF CHARITY GAME TICKETS OR NUMERAL GAME TICKETS** shall not be
 20 involved directly or indirectly with the rental or leasing of a
 21 facility used for an event, **EXCEPT AS PERMITTED BY RULE**
 22 **PROMULGATED BY THE COMMISSIONER.**

23 (12) ~~(11)~~ A ~~supplier~~ **CHARITABLE GAMING SERVICE PROVIDER**
 24 shall submit to the bureau a report as required by the
 25 commissioner regarding the sale or rental of equipment, **PROVISION**
 26 **OF OPERATION SERVICES**, and ~~the~~ sale of charity game tickets and
 27 numeral game tickets.

1 Sec. 11c. (1) ~~Each~~**AN** applicant for a license or renewal of
2 a license to act as a manufacturer shall submit to the bureau a
3 written application on a form prescribed by the commissioner.

4 (2) The annual **MANUFACTURER'S** license fee ~~shall be~~**IS**
5 \$300.00.

6 (3) ~~The~~**A MANUFACTURER'S** license expires at 12 midnight on
7 June 30 of each year.

8 (4) Only numeral games and numeral game tickets approved by
9 the commissioner may be distributed to ~~suppliers within~~
10 **CHARITABLE GAMING SERVICE PROVIDERS IN** this state.

11 (5) All records supporting the sale of numeral game tickets
12 to ~~suppliers~~**CHARITABLE GAMING SERVICE PROVIDERS** shall be
13 available upon request to an authorized representative of the
14 bureau for inspection or audit and shall be kept by the
15 manufacturer for not less than the calendar year in which the
16 sale is made plus 3 additional years.

17 (6) ~~Each~~**A** manufacturer shall submit to the bureau a report
18 as required by the commissioner regarding the sale of numeral
19 **GAME** tickets to ~~suppliers~~**CHARITABLE GAMING SERVICE PROVIDERS**.

20 Sec. 16. (1) The commissioner may deny, suspend, summarily
21 suspend, or revoke any license issued under this act if the
22 licensee or an officer, director, agent, member, or employee of
23 the licensee violates this act or **A** rule promulgated under this
24 act. The commissioner may summarily suspend a license for a
25 period of not more than 60 days pending prosecution,
26 investigation, or public hearing. **HOWEVER, THE COMMISSIONER SHALL**
27 **ONLY SUSPEND A LICENSE OF A CHARITABLE GAMING SERVICE PROVIDER**

1 BASED ON INFORMATION THAT THE CHARITABLE GAMING SERVICE PROVIDER
2 HAS VIOLATED THIS ACT OR A RULE PROMULGATED UNDER THIS ACT AND
3 THE VIOLATION IS LIKELY TO RESULT IN HARM TO THE PUBLIC OR THE
4 PUBLIC'S TRUST. THE COMMISSIONER MAY SUMMARILY SUSPEND THE
5 LICENSE OF THE CHARITABLE GAMING SERVICE PROVIDER FOR A PERIOD OF
6 NOT MORE THAN 60 DAYS PENDING PROSECUTION, INVESTIGATION, OR
7 PUBLIC HEARING.

8 (2) A proceeding to suspend or revoke a license ~~shall be~~
9 ~~considered~~ **UNDER THIS ACT IS** a contested case and ~~shall be~~
10 governed by the administrative procedures act of 1969, 1969 PA
11 306, MCL 24.201 to 24.328.

12 (3) Upon petition of the commissioner, the circuit court
13 after a hearing may issue subpoenas to compel the attendance of
14 witnesses and the production of documents, papers, books,
15 records, and other evidence before it in a matter over which it
16 has jurisdiction, control, or supervision. If a person subpoenaed
17 to attend in any such proceeding or hearing fails to obey the
18 command of the subpoena without reasonable cause, or if a person
19 in attendance in any such proceeding or hearing refuses, without
20 lawful cause, to be examined or to answer a legal or pertinent
21 question or to exhibit a book, account, record, or other document
22 when ordered to do so by the court, that person may be punished
23 as a ~~BEING IN~~ contempt of the court.

24 (4) With approval of the commissioner, a hall licensee, in
25 lieu of a suspension of its license, may elect to pay a fine
26 equal to the amount of rent that would have been paid by ~~the~~
27 bingo licensees during the period of the suspension. This fine

1 shall be paid to the bureau on or before the date agreed to in
2 the suspension agreement entered into by the bureau and the hall
3 licensee.

4 (5) WITH THE APPROVAL OF THE COMMISSIONER, A CHARITABLE
5 GAMING SERVICE PROVIDER, IN LIEU OF SUSPENSION OF ITS LICENSE,
6 MAY ELECT TO PAY A FINE BASED ON THE AMOUNT OF OPERATION SERVICE
7 FEES OR EQUIPMENT RENTAL FEES THAT WOULD HAVE BEEN PAID BY
8 QUALIFIED ORGANIZATIONS DURING THE PERIOD OF THE SUSPENSION. A
9 FINE UNDER THIS SUBSECTION SHALL BE WHICHEVER OF THE FOLLOWING IS
10 APPLICABLE:

11 (A) FOR THE FIRST VIOLATION, 1/4 OF THE AVERAGE OPERATION
12 SERVICE FEE OR RENTAL FEE FOR THE CHARITABLE GAMING SERVICE
13 PROVIDER.

14 (B) FOR THE SECOND VIOLATION WITHIN A 2-YEAR PERIOD, 1/2 OF
15 THE AVERAGE OPERATION SERVICE FEE OR RENTAL FEE FOR THE
16 CHARITABLE GAMING SERVICE PROVIDER.

17 (C) FOR THE THIRD VIOLATION WITHIN A 2-YEAR PERIOD, 100% OF
18 THE AVERAGE OPERATION SERVICE FEE OR RENTAL FEE FOR THE
19 CHARITABLE GAMING SERVICE PROVIDER.

20 (6) SUBSECTION (5) DOES NOT APPLY FOR A FOURTH OR SUBSEQUENT
21 VIOLATION BY A CHARITABLE GAMING SERVICE PROVIDER, REGARDLESS OF
22 THE TIME PERIOD IN WHICH THE VIOLATIONS OCCUR.

23 Sec. 19. (1) Except as provided in subsection (2), any other
24 law providing a penalty or disability upon a person who conducts
25 or participates in a **RAFFLE**, bingo game, millionaire party, or
26 charity game; who sells or possesses equipment used in conducting
27 **A RAFFLE**, bingo, or a millionaire party; who permits **A RAFFLE**,

1 bingo, a millionaire party, or a charity game to be conducted on
2 his or her premises; or who does other acts in connection with **A**
3 **RAFFLE**, bingo, a millionaire party, or a charity game does not
4 apply to that conduct if done pursuant to this act or rules
5 promulgated under this act.

6 (2) Subsection (1) does not limit in any way the application
7 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~
8 ~~Acts of 1976, being sections 1976 PA 388, MCL 169.201 to 169.282~~
9 ~~of the Michigan Compiled Laws, including, but not limited to,~~
10 section 41 of ~~Act No. 388 of the Public Acts of 1976, being~~
11 ~~section~~ **THE MICHIGAN CAMPAIGN FINANCE ACT, 1976 PA 388, MCL**
12 **169.241, of the Michigan Compiled Laws, to fundraising events**
13 **conducted by or for the benefit of a committee that has filed or**
14 **is required to file a statement of organization pursuant to Act**
15 ~~No. 388 of the Public Acts of 1976.~~ **UNDER THE MICHIGAN CAMPAIGN**
16 **FINANCE ACT, 1976 PA 388, MCL 169.201 TO 169.282.**

17 Enacting section 1. Section 20 of the Traxler-McCauley-Law-
18 Bowman bingo act, 1972 PA 382, MCL 432.120, is repealed.