

HOUSE BILL No. 4151

January 26, 2011, Introduced by Reps. Denby, Kowall, Kurtz, Daley and Rogers and referred to the Committee on Agriculture.

A bill to amend 1996 IL 1, entitled
"Michigan gaming control and revenue act,"
by amending section 4 (MCL 432.204), as amended by 1997 PA 69.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) The Michigan gaming control board is created
2 within the department of treasury. The board ~~shall have~~ **HAS** the
3 powers and duties specified in this act and all other powers
4 necessary and proper to fully and effectively execute and
5 administer this act for the purpose of licensing, regulating, and
6 enforcing the system of casino gambling established under this act.

7 (2) The board shall consist of 5 members, not more than 3 of
8 whom shall be members of the same political party **AND 1 OF WHOM**
9 **SHALL BE A REPRESENTATIVE OF THE EQUINE INDUSTRY, to be appointed**

1 by the governor with the advice and consent of the senate. ~~7-1-ONE~~
2 of ~~whom~~ **THE MEMBERS** shall be designated by the governor to be
3 chairperson. Each member shall be a resident of this state.

4 (3) The members shall be appointed for terms of 4 years,
5 except of those who are first appointed, 1 member shall be
6 appointed for a term of 2 years, 2 members shall be appointed for a
7 term of 3 years and 2 members shall be appointed for a term of 4
8 years. A member's term ~~shall expire~~ **EXPIRES** on December 31 of the
9 last year of the member's term. ~~In the event of~~ **IF THERE IS** a
10 vacancy on the board, the governor shall appoint ~~in like manner a~~
11 successor **PURSUANT TO SUBSECTION (2)** to fill the unexpired term.

12 (4) ~~Each A~~ member ~~of the board~~ shall be reimbursed for all
13 actual and necessary expenses and disbursements incurred in the
14 execution of official duties.

15 (5) A ~~board~~ member shall not hold any other public office for
16 which he or she ~~shall receive~~ **RECEIVES** compensation other than
17 necessary travel or other incidental expenses.

18 (6) ~~A~~ **THE GOVERNOR SHALL NOT APPOINT TO THE BOARD, AND A**
19 **MEMBER SHALL NOT REMAIN ON THE BOARD IF THE MEMBER IS, A** person who
20 is not of good moral character or who has been indicted ~~or~~ **FOR,**
21 charged with, **OR** convicted of, pled guilty or nolo ~~contendere~~
22 **CONTENDERE** to, or forfeited bail concerning a felony or a
23 misdemeanor involving gambling, theft, dishonesty, or fraud under
24 the laws of this state, any other state, or the United States or a
25 local ordinance in any state involving gambling, dishonesty, theft,
26 or fraud that substantially corresponds to a misdemeanor in that
27 state. ~~shall not be appointed or remain as a member of the board.~~

1 (7) ~~Any~~**A** member of the board may be removed by the governor
2 for neglect of duty, misfeasance, malfeasance, nonfeasance, or any
3 other just cause.

4 (8) The governor shall appoint the executive director of the
5 board to serve a 6-year term. ~~After the effective date of the act~~
6 ~~that added this subsection, the~~**THE** appointment of the executive
7 director ~~shall require~~**REQUIRES** the approval of the senate by a
8 record roll call vote. The executive director shall perform ~~any and~~
9 all duties that the board ~~shall assign~~**ASSIGNS TO** him or her. The
10 executive director shall be reimbursed for all actual and necessary
11 expenses incurred by him or her in **THE** discharge of his or her
12 official duties. The executive director shall keep records of all
13 proceedings of the board and shall preserve all records, books,
14 documents, and other papers belonging to the board or entrusted to
15 its care. The executive director shall devote his or her full time
16 to the duties of the office and shall not hold any other office or
17 employment. A vacancy in the position of executive director shall
18 be filled as provided in this subsection for a new 6-year term.

19 (9) The board shall employ personnel as may be necessary to
20 carry out the functions of the board. ~~under this act.~~

21 (10) A person shall not be appointed to or employed by the
22 board if any of the following circumstances exist:

23 (a) During the 3 years immediately preceding appointment or
24 employment, the person held any direct or indirect interest in, or
25 any employment by, a person who is licensed to operate a casino
26 under this act or in another jurisdiction, a person who had an
27 application to operate a casino pending before the board or any

1 other jurisdiction, or a casino enterprise. However, the person may
 2 be employed by the board if his or her interest in ~~any~~**A** casino
 3 licensee or casino enterprise would not, in the opinion of the
 4 board, interfere with the objective discharge of the person's
 5 employment obligations. However, a person shall not be employed by
 6 the board if his or her interest in the casino licensee or casino
 7 enterprise constitutes a controlling interest in that casino
 8 licensee or casino enterprise.

9 (b) The person or his or her spouse, parent, child, child's
 10 spouse, sibling, or spouse of a sibling is a member of the board of
 11 directors of or a person financially interested in any person
 12 licensed as a casino licensee or casino supplier, any person who
 13 has an application for a license pending before the board, or a
 14 casino enterprise.

15 (11) ~~Each~~**AN INDIVIDUAL WHO IS A** member, ~~of the board,~~ the
 16 executive director, ~~and each~~**OR A** key employee as determined by the
 17 board shall file with the governor a financial disclosure statement
 18 listing all assets and liabilities, property and business
 19 interests, and sources of income of the member, executive director,
 20 ~~and each~~**OR** key employee and ~~any of their spouses~~**HIS OR HER SPOUSE**
 21 affirming that the member, executive director, ~~and~~**OR** key employee
 22 ~~are~~**IS** in compliance with subsection (10)(a) and (b). ~~of this act.~~
 23 The financial disclosure statement shall be **MADE** under oath and
 24 ~~shall be~~ filed at the time of employment and annually thereafter.

25 (12) ~~Each~~**AN** employee of the board shall file with the board a
 26 financial disclosure statement listing all assets and liabilities,
 27 property and business interests, and sources of income of the

1 employee and his or her spouse. This subsection does not apply to
2 the executive director or a key employee.

3 (13) A member, ~~of the board,~~ executive director, or key
4 employee shall not hold any direct or indirect interest in, be
5 employed by, or enter into a contract for services with an
6 applicant, a person licensed by or registered with the board, or a
7 casino enterprise for ~~a period of 4~~ years after the date his or her
8 membership on the board terminates.

9 (14) An employee of the board shall not acquire ~~any~~ **A** direct
10 or indirect interest in, be employed by, or enter into a contract
11 for services with ~~any~~ **AN** applicant, person licensed by the board,
12 or casino enterprise for ~~a period of 2~~ years after the date his or
13 her employment with the board is terminated.

14 (15) A ~~board~~ member or a person employed by the board shall
15 not represent ~~any~~ **A** person or party other than ~~the~~ **THIS** state
16 before or against the board for ~~a period of 2~~ years after the
17 termination of his or her office or employment with the board.

18 (16) A business entity in which a former ~~board~~ member or **AN**
19 employee or agent **OF THE BOARD** has an interest, or ~~any~~ **A** partner,
20 officer, or employee of the business entity shall not make ~~any~~ **AN**
21 appearance or representation that is prohibited to ~~that~~ **THE** former
22 member, employee, or agent. As used in this subsection, "business
23 entity" means a corporation, limited liability company,
24 partnership, limited liability partnership, association, trust, or
25 other form of legal entity.

26 (17) The board ~~shall have~~ **HAS THE** general responsibility ~~for~~
27 ~~the implementation of~~ **IMPLEMENTING** this act. The board's duties

1 include, but are not limited to, all of the following:

2 (a) Deciding in a reasonable period of time all casino license
 3 applications. A casino license applicant ~~shall have~~ **HAS** the burden
 4 ~~to establish~~ **OF ESTABLISHING** by clear and convincing evidence ~~their~~
 5 **THE APPLICANT'S** suitability as to integrity, moral character, and
 6 reputation; personal and business probity; financial ability and
 7 experience; responsibility; and other criteria considered
 8 appropriate by the board. The ~~criteria considered appropriate by~~
 9 ~~the board shall not be~~ **ESTABLISH CRITERIA UNDER THIS SUBDIVISION**
 10 **THAT ARE** arbitrary, capricious, or contradictory to the expressed
 11 provisions of this act.

12 (b) To decide in reasonable order all license applications.
 13 Except for casino license applicants granted a hearing under
 14 section 6(7), ~~any~~ **A** party aggrieved by an action of the board
 15 denying, suspending, revoking, restricting, or refusing to renew a
 16 license ~~or imposing a fine~~ ~~may~~ request a hearing before the
 17 board. A request for a hearing shall be made to the board in
 18 writing within 21 days after service of notice of the action of the
 19 board. Notice of the action of the board shall be served either by
 20 personal delivery or by certified mail, postage prepaid, to the
 21 aggrieved party. Notice served by certified mail ~~shall be~~
 22 ~~considered~~ **IS** complete on the business day ~~following~~ **AFTER** the date
 23 of ~~the~~ mailing.

24 (c) Conducting its public meetings in compliance with the open
 25 meetings act, 1976 PA 267, MCL ~~15.231 to 15.246~~ **15.261 TO 15.275**.

26 (d) Promulgating ~~the rules as may be necessary~~ to implement,
 27 administer, and enforce this act. ~~All rules~~ **A RULE** promulgated

1 under this act shall not be arbitrary, capricious, or contradictory
2 to the expressed provisions of this act. The rules may include, but
3 need not be limited to, rules that do 1 or more of the following:

4 (i) Govern, restrict, approve, or regulate the casino gaming
5 authorized in this act.

6 (ii) Promote the safety, security, and integrity of casino
7 gaming authorized in this act.

8 (iii) License and regulate persons participating in or involved
9 with casino gaming authorized in this act.

10 (e) Providing for the establishment and collection of all
11 license and registration fees and taxes imposed by this act and the
12 rules promulgated by the board.

13 (f) Providing for the levy and collection of penalties and
14 fines for the violation of this act and the rules promulgated by
15 the board.

16 (g) Being present through its inspectors, agents, auditors and
17 the ~~Michigan~~ **DEPARTMENT OF** state police or attorney general at any
18 time in ~~any~~ **A** casino ~~and related~~ **OR** casino enterprise for the
19 purpose of certifying the revenue ~~thereof~~ **OF THE CASINO LICENSEE**,
20 receiving complaints from the public, and conducting other
21 investigations into the conduct of the gambling games and the
22 maintenance of the equipment as ~~from time to time~~ the board ~~may~~
23 ~~consider~~ **CONSIDERS** necessary and proper to assure compliance with
24 this act and the rules promulgated by the board and to protect and
25 promote the overall safety, security, and integrity of casino
26 gaming authorized in this act.

27 (h) Reviewing and ruling upon any complaint by a licensee

1 regarding any investigative procedures of ~~the~~**THIS** state ~~which~~**THAT**
 2 are unnecessarily disruptive of gambling operations. The need to
 3 inspect and investigate shall be presumed at all times. A licensee
 4 shall establish by clear and convincing evidence that its
 5 operations were disrupted, the procedures had no reasonable law
 6 enforcement or regulatory purposes, and the procedures were so
 7 disruptive as to unreasonably inhibit gambling operations.

8 (i) Holding at least 1 public meeting each quarter of the
 9 fiscal year. In addition, special meetings may be called by the
 10 chairperson or any 2 ~~board~~ members upon 72 hours' written notice to
 11 each member. Three members ~~of the board shall~~ constitute a quorum,
 12 except ~~when~~**THAT IN** making ~~determinations~~**A DETERMINATION** on
 13 ~~applications~~**AN APPLICATION** for **A** casino licenses ~~when~~**LICENSE**, 4
 14 members ~~shall~~ constitute a quorum. Three votes ~~shall be~~**ARE**
 15 required in support of **A** final ~~determinations~~**DETERMINATION** of the
 16 board on ~~applications~~**AN APPLICATION** for **A** casino licenses **LICENSE**.
 17 The board shall keep a complete and accurate record of all its
 18 meetings and hearings. Upon order of the board, 1 of the ~~board~~
 19 members or a hearing officer designated by the board may conduct
 20 any hearing provided for under this act or by the rules promulgated
 21 by the board and may recommend findings and decisions to the board.
 22 ~~The board~~**A** member or hearing officer conducting ~~the~~**A** hearing
 23 ~~shall have~~**HAS** all powers and rights regarding the conduct of
 24 hearings granted to the board under this act. The **BOARD OR A**
 25 **MAJORITY OF THE MEMBERS SHALL REVIEW A** record made at the time of
 26 the hearing, ~~shall be reviewed by the board, or a majority of the~~
 27 ~~board,~~ and the findings and decision of ~~the~~**A** majority of the ~~board~~

1 ~~shall~~ **MEMBERS** constitute the order of the board in the case.

2 (j) Maintaining records ~~which~~ **THAT** are separate and distinct
3 from the records of any other state board. The records shall be
4 available for public inspection subject to the limitations of this
5 act, and shall accurately reflect all board proceedings.

6 (k) Reviewing the patterns of wagering and wins and losses by
7 persons in casinos under this act and ~~make~~ **MAKING** recommendations
8 to the governor and the legislature in a written annual report ~~to~~
9 ~~the governor and the legislature~~ and additional reports as
10 **REQUESTED BY** the governor. ~~may request.~~ The annual report shall
11 include a statement of receipts and disbursements by the board,
12 actions taken by the board, and any additional information and
13 recommendations that the board considers appropriate or that the
14 governor ~~may request~~ **REQUESTS**.