

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4823**

A bill to amend 2019 PA 152, entitled
"Lawful internet gaming act,"
by amending section 15 (MCL 432.315).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 15. (1) The tax imposed under section 14 must be
2 allocated as follows:

3 (a) Thirty percent to the city in which the internet gaming
4 operator licensee's casino is located, for use in connection with
5 the following:

6 (i) The hiring, training, and deployment of street patrol
7 officers in that city.

8 (ii) Neighborhood development programs designed to create jobs
9 in that city with a focus on blighted neighborhoods.



1 (iii) Public safety programs such as emergency medical services,
2 fire department programs, and street lighting in that city.

3 (iv) Anti-gang and youth development programs in that city.

4 (v) Other programs that are designed to contribute to the
5 improvement of the quality of life in that city.

6 (vi) Relief to the taxpayers of the city from 1 or more taxes
7 or fees imposed by the city.

8 (vii) The costs of capital improvements in that city.

9 (viii) Road repairs and improvements in that city.

10 (b) Sixty-five percent to this state to be deposited in the
11 fund.

12 (c) Five percent to ~~the Michigan agriculture equine industry~~
13 ~~development fund created under section 20 of the horse racing law~~
14 ~~of 1995, 1995 PA 279, MCL 431.320. However, if the 5% allocated~~
15 ~~under this subdivision to the Michigan agriculture equine industry~~
16 ~~development fund created under section 20 of the horse racing law~~
17 ~~of 1995, 1995 PA 279, MCL 431.320, exceeds \$3,000,000.00 in a~~
18 ~~fiscal year, the amount in excess of \$3,000,000.00 must be~~
19 ~~allocated and deposited in the fund created under section 16.~~**be**
20 **used for grants to race meeting licensees and certified horsemen's**
21 **organizations under the horse racing law of 1995, 1995 PA 279, MCL**
22 **431.301 to 431.336. The total amount of the money awarded to**
23 **certified horsemen's organizations must equal the amount awarded to**
24 **race meeting licensees. Grants may be used for any of the**
25 **following:**

26 (a) Purses for horse races conducted by race meeting
27 licensees.

28 (b) Capital improvements or debts associated with capital
29 improvements of a racetrack where a race meeting licensee conducts



1 its race meeting.

2 (c) Operational expenses of a racetrack where a race meeting
3 licensee conducts its race meeting.

4 (2) By September 30, 2020 and each September 30 after that
5 date, if the combined amount of money received in the preceding
6 city fiscal year by the city in which the internet gaming
7 operator's casino is located from money allocated under subsection
8 (1)(a), from the wagering tax allocated under section 12 of the
9 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212,
10 from the wagering tax allocated under section 15 of the lawful
11 sports betting act, **2019 PA 149, MCL 432.415**, and all payments
12 received under existing development agreements with internet gaming
13 operators, is less than \$183,000,000.00, the board shall distribute
14 from the fund to the city in which the internet gaming operator's
15 casino is located an amount equal to the difference between
16 \$183,000,000.00 and the combined amount of money the city in which
17 the internet gaming operator's casino is located received in the
18 preceding fiscal year from money allocated under subsection (1)(a),
19 from the wagering tax allocated under section 12 of the Michigan
20 Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212, from the
21 wagering tax allocated under section 15 of the lawful sports
22 betting act, **2019 PA 149, MCL 432.415**, and all payments received by
23 the city under existing development agreements with internet gaming
24 operators. The calculations set forth in this subsection must not
25 include any payments made under section 14(5) or any payments made
26 under section 13(1) of the Michigan Gaming Control and Revenue Act,
27 1996 IL 1, MCL 432.213, or any payments made under section 14(5) of
28 the lawful sports betting act, **2019 PA 149, MCL 432.414**. However,
29 the total amount the city in which the internet gaming operator's



1 casino is located receives for the preceding fiscal year under
2 subsection (1) (a) and this subsection must not be more than 55% of
3 the total received from the tax imposed under section 14 in the
4 state fiscal year.

