MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT

Act 239 of 1972

AN ACT to establish and operate a state lottery and to allow state participation in certain lottery-related joint enterprises with other sovereignties; to create a bureau of state lottery and to prescribe its powers and duties; to prescribe certain powers and duties of other state departments and agencies; to license and regulate certain sales agents; to create funds; to provide for the distribution of lottery revenues and earnings for certain purposes; to provide for an appropriation; and to provide for remedies and penalties.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1981, Act 40, Imd. Eff. May 13, 1981 ;-- Am. 1987, Act 55, Imd. Eff. June 22, 1987 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 2012, Act 293, Imd. Eff. Aug. 1, 2012
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

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The People of the State of Michigan enact:

432.1 Short title.

Sec. 1.

This act shall be known and may be cited as the "McCauley-Traxler-Law-Bowman-McNeely lottery act".

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1981, Act 40, Imd. Eff. May 13, 1981
Compiler's Notes: For expiration of act, see MCL 432.5(3). For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.3 Definitions.

Sec. 3.

As used in this act:

(a) "Bureau" means the bureau of state lottery created by this act.

(b) "Commissioner" means the commissioner of state lottery.

(c) "Joint enterprise" means any lottery activity in which the bureau participates pursuant to a written agreement between the state of Michigan and any state, territory, country, or other sovereignty as executed by the commissioner. Joint enterprise does not include the state lottery created pursuant to this act.

(d) "Lottery" or "state lottery" means the lottery created pursuant to this act and operated exclusively by or under the exclusive control of the bureau of state lottery.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.5 Bureau of state lottery; creation; transfer of bureau to department of management and budget as autonomous entity; commissioner as head of bureau; commissioner exempt from civil service; legislative

intent.

Sec. 5.

(1) A bureau is created to be known as the bureau of state lottery. The bureau of state lottery created by this act in 1972, with all its authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations, or other funds, including the functions of budgeting and procurement and management related functions, is transferred to and shall be an autonomous entity in the department of management and budget.

(2) The head of the bureau is the commissioner. The commissioner shall be exempt from civil service. It is the intent of the legislature that the commissioner should be responsible directly to the governor to ensure accountability and integrity of the bureau and accordingly should be 1 of the positions within the department of management and budget which is exempt from the classified state civil service.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1974, Act 210, Imd. Eff. July 11, 1974 ;-- Am. 1976, Act 177, Imd. Eff. June 29, 1976 ;-- Am. 1980, Act 18, Imd. Eff. Feb. 27, 1980 ;-- Am. 1984, Act 144, Imd. Eff. June 25, 1984 ;-- Am. 1987, Act 62, Imd. Eff. June 25, 1987
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.7 Commissioner; qualifications; appointment; vacancy; salary.

Sec. 7.

The commissioner shall be qualified by training and experience to direct the work of the bureau. The commissioner shall be appointed by the governor, by and with the advice and consent of the senate, and shall serve at the pleasure of the governor. A vacancy occurring in the office of the commissioner shall be filled in the same manner as the original appointment. The commissioner shall devote his entire time and attention to the duties of his office and shall not be engaged in any other profession or occupation. He shall receive a salary as provided by annual appropriation.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act
Admin Rule: R 423.401 et seq. of the Michigan Administrative Code.

432.9 State lottery; establishment and operation; maximum revenues; bids and contracts for equipment and services; prohibited activity; joint enterprises; education and treatment of compulsive gamblers.

Sec. 9.

(1) The commissioner shall initiate, establish, and operate a state lottery at the earliest feasible and practicable time. The lottery shall produce the maximum amount of net revenues for the state consonant with the general welfare of the people. The commissioner shall solicit bids from financially responsible vendors of data processing equipment and services for the operation of the lottery and may contract with the approval of the state administrative board.

(2) The commissioner shall not conduct a lottery based upon an activity that utilizes the mechanical, physical, or mental skills of the participant and that is traditionally regarded as a sporting event.

(3) The commissioner may participate in joint enterprises with other sovereignties so long as the commissioner determines that the joint enterprise is designed to produce the maximum amount of net revenues for the state consonant with the general welfare of the people. The commissioner shall only participate in a joint enterprise agreement that provides that the commissioner may discontinue participation in the agreement if he or she determines it to be necessary. The commissioner shall report to the legislature every 6 months on the progress of the joint enterprise agreement.

(4) The commissioner shall submit a proposal to develop a program for the education and treatment of compulsive gamblers to the legislature within 6 months after the effective date of this amendatory act.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1987, Act 62, Imd. Eff. June 25, 1987 ;-- Am. 1991, Act 165, Imd. Eff. Dec. 19, 1991 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.11 Rules.

Sec. 11.

(1) The commissioner shall promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, as necessary to implement this act.

(2) The rules authorized under this section may include any of the following, subject to requirements and limitations in this act:

(a) The type of lottery to be conducted.

(b) The price of tickets or shares in the lottery.

(c) The number and size of the prizes on the winning tickets or shares.

(d) The manner of selecting the winning tickets or shares.

(e) The manner of payment of prizes to the holders of winning tickets or shares.

(f) The frequency of the drawings or selections of winning tickets or shares.

(g) Without limit as to number, the type or types of locations at which tickets or shares may be sold.

(h) The method to be used in selling tickets or shares, except that a person's name, other than a name used in advertising or a promotion under section 18(2) or (3), shall not be printed on the tickets or shares.

(i) The licensing of agents to sell tickets or shares, but a person under the age of 18 shall not be licensed as an agent.

(j) The manner and amount of compensation to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.

(k) The apportionment of the total annual revenues accruing from the sale of lottery tickets or shares and from all other sources for the payment of prizes to the holders of winning tickets or shares, for the payment of costs incurred in the operation and administration of the lottery, including the expenses of the bureau and the costs resulting from any contract or contracts entered into for promotional, advertising, consulting or operational services or for the purchase or lease of lottery equipment and materials, for the repayment of the money appropriated to the state lottery fund, and for transfer to the general fund.

(3) The commissioner may promulgate rules incorporating by reference existing rules or regulations of any joint enterprise as required as a condition for participation in that joint enterprise. Any subsequent changes or additions to the rules or regulations of the joint enterprise may be adopted by the commissioner through the promulgation of a rule.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1973, Act 86, Imd. Eff. Aug. 5, 1973 ;-- Am. 1987, Act 55, Imd. Eff. June 22, 1987 ;-- Am. 1991, Act 165, Imd. Eff. Dec. 19, 1991 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 2004, Act 272, Imd. Eff. July 23, 2004 ;-- Am. 2004, Act 383, Imd. Eff. Oct. 12, 2004 ;-- Am. 2012, Act 293, Imd. Eff. Aug. 1, 2012
Compiler's Notes: In separate opinions, the Michigan Supreme Court held that Section 45(8), (9), (10), and (12) and the second sentence of Section 46(1) ("An agency shall not file a rule ... until at least 10 days after the date of the certificate of approval by the committee or after the legislature adopts a concurrent resolution approving the rule.") of the Administrative Procedures Act of 1969, in providing for the Legislature's reservation of authority to approve or disapprove rules proposed by executive branch agencies, did not comply with the enactment and presentment requirements of Const 1963, Art 4, and violated the separation of powers provision of Const 1963, Art 3, and, therefore, were unconstitutional. These specified portions were declared to be severable with the remaining portions remaining effective. Blank v Department of Corrections, 462 Mich 103 (2000).For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act
Admin Rule: R 432.1 et seq. of the Michigan Administrative Code.

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432.12 Apportionment of revenue for payment of prizes; percentage.

Sec. 12.

(1) Except as otherwise provided in subsection (2), as nearly as is practicable, not less than 45% of the total annual revenue accruing from the sale of lottery tickets or shares shall be apportioned for payment of prizes to the holders of winning tickets or shares.

(2) Notwithstanding subsection (1), the prize money from the sale of tickets or shares of any joint enterprise is that percentage of the total annual revenue accrued from that game as prescribed by the joint enterprise participation agreement executed by the commissioner.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1995, Act 53, Imd. Eff. May 22, 1995 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 1998, Act 393, Imd. Eff. Dec. 17, 1998 ;-- Am. 2002, Act 471, Imd. Eff. June 21, 2002 ;-- Am. 2006, Act 625, Imd. Eff. Jan. 3, 2007 ;-- Am. 2011, Act 279, Imd. Eff. Dec. 20, 2011

Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.

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432.13 Reports; monthly and annual; contents.

Sec. 13.

The commissioner shall make a monthly report to the governor, the state treasurer and the legislature. The monthly report shall include the total lottery revenues, prize disbursements and other expenses for the preceding month. The commissioner shall make an annual report to the governor, the state treasurer and the legislature. The annual report shall include a full and complete statement of lottery revenues, prize disbursements and other expenses and recommendations for changes in this act as the commissioner deems necessary or desirable.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972

Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.

Popular Name: Lottery Act

432.15 Reports, studies, investigations, and recommendations.

Sec. 15.

(1) The commissioner shall report immediately to the governor, the state treasurer and the legislature any matters that require immediate changes in the laws of this state in order to prevent abuses or evasions of this act or rules promulgated hereunder or to rectify undesirable conditions in connection with the administration or operation of the lottery.

(2) The commissioner shall make a continuous study and investigation of the lottery:

(a) To ascertain any defects in this act or in the rules by reason whereof any abuses in the administration and operation of the lottery or any evasion of this act or the rules may arise or be practiced.

(b) To formulate recommendations for changes in this act and the rules.

(c) To guard against the use of this act and the rules as a cloak for the carrying on of organized gambling and crime.

(d) To insure that this act and the rules are in a form and are administered as to serve the true purposes of this act.

(3) The commissioner shall make a continuous study and investigation of the operation and the administration of similar laws which may be in effect in other states or countries, any literature on the subject which may be published or available, any federal laws which may affect the operation of the lottery, and the reaction of citizens to existing and potential features of the lottery with a view to recommending or effecting changes that will tend to serve the purposes of this act.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.16 Compulsive gambling; study; toll-free compulsive gaming helpline number.

Sec. 16.

(1) The commissioner shall conduct a study of compulsive gambling and the extent to which persons with compulsive gambling disorders participate in gambling activities. The commissioner shall submit a written summary of the findings of the study to the clerk of the house of representatives and the secretary of the senate not later than 1 year after the effective date of this section.

(2) The toll-free compulsive gaming helpline number shall be printed on all lottery tickets, printed advertisements, and promotional materials and posted at each location where lottery tickets are sold.

History: Add. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 1997, Act 72, Imd. Eff. July 17, 1997
Popular Name: Lottery Act

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432.17 Supervision and administration of lottery; licensing of lottery sales agents.

Sec. 17.

The commissioner shall:

(a) Supervise and administer the operation of the lottery in accordance with this act and the rules.

(b) License as agents to sell lottery tickets such persons whom he deems will best serve the public convenience and promote the sale of tickets or shares.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.18 Contracts for operation and promotion of lottery; assignment; limitations; contracts for advertising or promotional material relating to club keno game; "NASCAR" defined.

Sec. 18.

(1) The commissioner, subject to the applicable laws relating to public contracts, may enter into contracts for the operation of the lottery, or any part of the lottery, and into contracts for the promotion of the lottery. A contract awarded or entered into by the commissioner shall not be assigned by the other contracting party except by specific approval of the commissioner.

(2) The commissioner may contract with 1 or more persons to allow the placement of advertising or promotional material, including, but not limited to, the placement of discount coupons for retail goods and NASCAR logos, images, and drivers' pictures and names, on lottery tickets, shares, and other available media under the control of the bureau. However, except for advertising that promotes responsible consumption of alcoholic beverages, the commissioner shall not allow the placement of advertising for the promotion of the consumption of alcoholic beverages or tobacco products on lottery tickets under the control of the bureau under this subsection.

(3) The commissioner may contract with 1 or more persons to allow the placement of advertising or promotional material on available media related to the bureau's club keno game or to sponsor individual draws in the club keno game. If the commissioner enters into a contract under this subsection, the commissioner shall allow at least 1 minute between games of club keno during which 1 or more advertisements may be exhibited.

(4) A contract entered into under subsection (3) shall provide that any advertisements exhibited between club keno games shall comply with content regulations for televised broadcasts adopted by the federal communications commission, with the exception that the advertising under subsection (3) may include advertisements for alcoholic beverages with only any restrictions imposed by the commissioner, or the administrative commissioners of the liquor control commission acting under the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303, and rules promulgated under the code.

(5) If a contract under subsection (3) will involve advertisements for alcoholic beverages, 10 days or more before entering into the contract the bureau shall provide the administrative commissioners of the liquor control commission, as described in section 209 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1209, with all available information about the proposed contract, the contracting party, and the proposed advertisements. Within 10 days after the information is provided by the bureau, the administrative commissioners shall advise the bureau of any objections or any proposed conditions to be placed on the contract or advertising. Objections and proposed conditions under this subsection shall relate only to matters under the jurisdiction of the liquor control commission. The commissioner shall comply with all objections and require the contractor to comply with any proposed conditions under this subsection. The failure of the administrative commissioners to respond to information under this subsection constitutes a waiver of any objections or proposed conditions.

(6) In considering a proposed contract and advertising under subsection (5), if the proposed contractor is a licensee under the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303, the administrative commissioners shall, among other relevant factors, consider whether the licensee has a history of violations of the code or rules promulgated under the code.

(7) The commissioner shall solicit bids from responsible persons for advertising or promotional contracts under subsection (3). The commissioner shall select from among the bids received so as to produce the maximum amount of net revenues for this state consonant with the general welfare of the citizens of this state. In deciding whether to enter into a contract under subsection (3), the commissioner shall consider whether the terms of the contract are comparable to the terms of similar advertising or promotional contracts relating to lottery or other gaming in other states.

(8) Money from an advertising contract under subsection (3) shall be deposited in the club keno advertising fund created in section 45.

(9) As used in this section, "NASCAR" means the national association for stock car auto racing, inc.

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History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 2004, Act 383, Imd. Eff. Oct. 12, 2004 ;-- Am. 2012, Act 293, Imd. Eff. Aug. 1, 2012
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.19 Personnel; governmental assistance.

Sec. 19.

(1) The commissioner shall employ personnel as necessary to implement this act at least 2 of whom shall not be in the classified service.

(2) The departments, boards, commissions or other governmental subdivisions of this state shall provide assistance to the bureau upon the bureau's request.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.20 Subpoenas.

Sec. 20.

The circuit court upon petition of the commissioner after a hearing may issue subpoenas to compel the

attendance of witnesses and the production of documents, papers, books, records and other evidence before it in any matter over which it has jurisdiction, control or supervision. If a person subpoenaed to attend in any such proceeding or hearing fails to obey the command of the subpoena without reasonable cause, or if a person in attendance in any such proceeding or hearing refuses, without lawful cause, to be examined or to answer a legal or pertinent question or to exhibit any book, account, record or other document when ordered to do so by the court may be punished as a contempt of the court.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
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432.23 License as lottery sales agent; issuance; consideration of factors; receipt of completed application; issuance of certificate within certain period of time; report; nonassignable and nontransferable; bond; display of license; suspension or revocation; terminal placement; prohibited conduct; definitions.

Sec. 23.

(1) The commissioner shall not issue a license to a person to engage in business exclusively as a lottery sales agent. Before issuing a lottery sales license, the commissioner shall consider factors such as the financial responsibility and security of the person and his or her business or activity, the accessibility of his or her place of business or activity to the public, the sufficiency of existing licenses to serve the public convenience, and the volume of expected sales.

(2) The commissioner shall issue an initial or renewal lottery sales license not later than 90 days after the applicant files a completed application. Receipt of the application is considered the date the application is received by any agency or department of this state. If the commissioner determines that the application is incomplete, the commissioner shall notify the applicant in writing, or make information electronically available, within 30 days after receipt of the incomplete application, describing the deficiency and requesting the additional information. The 90-day period is tolled upon notification by the commissioner of a deficiency until the date the requested information is received by the commissioner. The determination of the completeness of an application does not operate as an approval of the application for the license and does not confer eligibility of an applicant determined otherwise ineligible for issuance of a license.

(3) If the commissioner fails to issue or deny a lottery sales license within the time required by this section, the commissioner shall return the license fee and shall reduce the license fee for the applicant's next renewal application, if any, by 15%. The failure to issue a lottery sales license within the time required under this section does not allow the commissioner to otherwise delay the processing of the application, and that application, upon completion, shall be placed in sequence with other completed applications received at that same time. The commissioner shall not discriminate against an applicant in the processing of the application based upon the fact that the license fee was refunded or discounted under this subsection.

(4) The commissioner shall submit a report by December 1 of each year to the standing committees and appropriations subcommittees of the senate and house of representatives concerned with gaming issues. The commissioner shall include all of the following information in the report concerning the preceding fiscal year:

(a) The number of initial and renewal applications the commissioner received and completed within the 90-day time period described in subsection (2).

(b) The number of applications denied.

(c) The number of applicants not issued a license within the 90-day time period and the amount of money returned to licensees and applicants under subsection (3).

(5) Notwithstanding any other provision of law, a person licensed as a lottery sales agent may sell lottery tickets and shares. A person lawfully engaged in nongovernmental business on state property may be licensed as a lottery sales agent.

(6) A lottery sales license is not assignable or transferable.

(7) A licensed agent or his or her employee may sell lottery tickets or shares only on the premises stated in the lottery sales license. A licensed agent who violates this subsection is, at the commissioner's discretion, subject to 1 or more of the following:

(a) Probation for not more than 2 years.

(b) A fine of not more than $1,000.00.

(c) Removal of his or her lottery terminal.

(8) The commissioner may require a bond from a licensed agent in an amount provided in rules promulgated

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under this act.

(9) A licensed agent shall display his or her license or a copy of the license conspicuously in accordance with rules promulgated under this act.

(10) The commissioner may suspend or revoke the license of an agent who violates this act or a rule promulgated under this act.

(11) For purposes of terminal placement, the commissioner shall take into account with equal emphasis both of the following:

(a) The total instant game sales for the 3 months immediately preceding a market evaluation.

(b) The need to maximize net lottery revenues from the total number of terminals placed.

(12) A licensed lottery sales agent shall not offer to give or give any money or other thing of value to the holder of a lottery ticket or share for winning the lottery, other than the prize if payment of the prize by the agent is authorized by the commissioner.

(13) As used in this section:

(a) "Completed application" means an application complete on its face and submitted with any applicable licensing fees and any other information, records, approval, security, or similar item required by law or rule from a local unit of government, a federal agency, or a private entity but not from another department or agency of this state.

(b) "Person" means an individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, referee, or other person acting in a fiduciary or representative capacity who is appointed by a court, or any combination of individuals. Person includes a department, commission, agency, or instrumentality of the state, including a county, city, village, or township and an agency or instrumentality of the county, city, village, or township.

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History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 2004, Act 272, Imd. Eff. July 23, 2004 ;-- Am. 2008, Act 142, Imd. Eff. May 28, 2008

Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.

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432.24 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.

History: Add. 2013, Act 56, Eff. Sept. 10, 2013

432.25 Single payment or installments; right to prize nonassignable; discharge of liability; payment to person pursuant to judicial order; payment to state pursuant to MCL 432.32; death of prizewinner; findings required for judicial order; rights to lottery prize payments; fee; effect of voluntary assignment on federal income tax treatment of prizewinners; disclosure of personal information.

Sec. 25.

(1) The bureau shall give a prizewinner in the Michigan lotto game the option of receiving his or her prize in a single payment or in installments. This option shall be made available to and exercised by the purchaser of a Michigan lotto game ticket at the point of purchase. As used in this subsection, "Michigan lotto game" means a game administered by the bureau in which the matrix is 6 out of 49 numbers drawn.

(2) The right of any person to a prize drawn from the state lottery is not assignable, except as provided in this section. The commissioner shall be discharged of all further liability upon payment of a prize pursuant to this section.

(3) Payment of any prize drawn may be made to a person pursuant to an appropriate judicial order.

(4) Payment of any prize drawn may be made to the state pursuant to section 32.

(5) If a prizewinner dies before collecting the full amount of his or her prize drawn from the state lottery, the bureau shall continue to make the remaining prize payments to the prizewinner's surviving spouse and the prizewinner's living children, in equal proportions, unless otherwise directed by the prizewinner. If there is not a surviving spouse or living children or other designated beneficiaries, the remaining prize payments shall be made to the prizewinner's estate.

(6) Except as provided in subsection (11), payment of any prize drawn may be made to any person pursuant to a voluntary assignment of the right to receive future prize payments, in whole or in part, if the assignment is made to a person or entity designated pursuant to an appropriate judicial order of a court of competent jurisdiction located in either the county in which the assignor resides or the county in which the bureau is located. An order approving the assignment and directing the commissioner to pay the assignee all or a part of future prize payments is properly issued if the court finds that all of the following circumstances exist:

(a) The assignment is in writing, executed by the assignor in accordance with the laws of this state, and the terms of the assignment are disclosed, including the identity of the assignee, the portion or portions of prize payments to be assigned, and the amounts and dates of any payments that shall be given in exchange for the assignment.

(b) The assignor provides a sworn affidavit to the court attesting that the assignor is of sound mind, is not acting under duress, has been advised regarding the assignment by his or her legal counsel, and understands and agrees that the state and the commissioner will have no further liability or responsibility to make prize payments to the assignor.

(c) The proposed assignment does not include or cover payments or portions of payments that are subject to section 32.

(d) Not less than 5 days after filing a petition for a judicial order that approves a voluntary assignment under this subsection and not less than 10 days before a hearing on the petition, the petitioner shall cause a copy of the petition and notice of hearing on the petition to be served upon the attorney general. The attorney general or his or her assistant shall be permitted to appear and take action that is in the best interests of the bureau and this state.

(7) Soliciting or offering rights to lottery prize payments, either by assignment or through pledge as collateral for a loan, shall not be considered selling or offering for sale lottery tickets or shares under this act.

(8) The commissioner is authorized to establish a reasonable fee to defray the cost of any administrative expenses associated with assignments made pursuant to this section, including the cost of a processing fee that may be imposed by a private annuity provider. The amount of the fee shall reflect the direct and indirect costs associated with processing the assignments.

(9) Except as otherwise provided by state or federal law, the commissioner or an officer or employee of the bureau shall not disclose the name, address, or any other personal information concerning a winner of a prize greater than $10,000.00 drawn from the state lottery, unless the winner of a prize agrees in writing to allow the disclosure. Subject to subsection (10), the information protected against disclosure under this section is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(10) Notwithstanding subsection (9), the commissioner or an officer or employee of the bureau may disclose the name, address, or any other personal information concerning a winner of a prize awarded under a game played pursuant to a joint enterprise to the extent required under the joint enterprise participation agreement executed by the commissioner.

(11) If at any time the federal internal revenue service or a court of competent jurisdiction issues a determination letter, revenue ruling, other public ruling of the internal revenue service, or published decision to any state lottery or state lottery prizewinner declaring that the voluntary assignment of prizes will affect the federal income tax treatment of prizewinners who do not assign their prizes, the commissioner shall immediately file a copy of that letter, ruling, or published decision with the secretary of state and the office of the state court administrator. A

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court shall not issue a voluntary assignment order under subsection (6) after the date the ruling, letter, or published decision is filed.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1987, Act 55, Imd. Eff. June 22, 1987 ;-- Am. 1988, Act 243, Imd. Eff. July 11, 1988 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 1997, Act 199, Imd. Eff. Jan. 2, 1998 ;-- Am. 1998, Act 465, Imd. Eff. Jan. 4, 1999
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.27 Price of lottery ticket; sales by person other than licensed agent; lottery ticket as gift; penalty.

Sec. 27.

(1) A person shall not sell a ticket or share at a price greater than that fixed by rule of the commissioner. A person other than a licensed lottery sales agent shall not sell lottery tickets or shares. This section shall not be construed to prevent a person from giving lottery tickets or shares to another as a gift.

(2) A person violating this section is guilty of a misdemeanor.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

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432.29 Sale or gift of lottery ticket to minor; penalty.

Sec. 29.

A ticket or share shall not be sold to any person under the age of 18. This does not prohibit the purchase of a ticket or share for the purpose of making a gift by a person 18 years of age or older to a person less than age 18. A licensee who knowingly sells or offers to sell a lottery ticket or share to a person under the age of 18 is guilty of a misdemeanor.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.30 Falsely making, altering, forging, uttering, passing, or counterfeiting lottery ticket; violation as felony; penalty.

Sec. 30.

(1) A person, with the intent to defraud, shall not falsely make, alter, forge, utter, pass, or counterfeit a state lottery ticket or share.

(2) A person, with the intent to defraud, shall not falsely make, alter, forge, utter, pass, or counterfeit a ticket or share of any joint enterprise entered into by the commissioner.

(3) A person convicted of violating this section is guilty of a felony punishable by imprisonment for not more than 5 years or by a fine of not more than $1,000.00, or both.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity

within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.31 Ineligibility of bureau officers, employees, or relatives thereof.

Sec. 31.

A ticket or share shall not be purchased by and a prize shall not be paid to an officer or employee of the bureau or to any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of an officer or employee.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

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432.32 Payment of prize of $1,000.00 or more; determination by bureau; compilation of persons having current liability to state; application of prize to liability; notice; hearing; application of amount to support arrearage; confidentiality; names provided by office of friend of the court; definitions.

Sec. 32.

(1) Before payment of a prize of $1,000.00 or more, the bureau shall determine both of the following:

(a) Whether department of treasury records show that the lottery winner has a current liability to this state or a support arrearage.

(b) Whether unemployment insurance agency records show that the lottery winner has any current liability for restitution of unemployment benefits, penalty, or interest under section 15 of the Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.15.

(c) Whether records of the department of human services show that the lottery winner has any current liability to the department of human services.

(2) The department of treasury shall provide the bureau with a list or computer access to a compilation of persons known to the department to have a current liability to this state, including a delinquent account of money owed to a court that has been assigned to this state for collection, or a support arrearage. The information shall be updated not less than once a month.

(3) If a liability to this state, a support arrearage, an unemployment compensation debt, or a debt to the department of human services is identified under subsection (1), the bureau shall ascertain the amount owed from the department of treasury, the unemployment insurance agency, or the department of human services, as applicable.

(4) After ascertaining the amount owed by the lottery winner under subsection (3), the bureau shall pay the amount determined under subsection (3) to the department of treasury and pay the balance, if any, to the lottery winner. The department of treasury shall apply the amount as determined under subsection (3) as follows:

(a) First to any liability to this state other than an assigned delinquent account of money owed to a court, an unemployment compensation debt, or a debt to the department of human services.

(b) Next to any support arrearage.

(c) Next to any unemployment compensation debt.

(d) Next to any debt to the department of human services.

(e) Next to any assigned delinquent accounts of money owed to a court.

(5) Except for a payment applied to a liability under subsection (4)(c) or (d), a lottery winner shall be given notice and an opportunity for a hearing before the department of treasury or its designee with respect to the liability to which the prize is to be applied if the liability has not been reduced to judgment or has not been finalized under statutory review provisions of the statute under which the liability arose. The notice shall be given by regular mail. The lottery winner may request a hearing before the department of treasury within 15 days after the date of the notice by making a written request to the state treasurer.

(6) An amount applied to pay a support arrearage shall be paid by the department of treasury to the state disbursement unit for disbursement as provided in section 48 of the support and parenting time enforcement act,

1982 PA 295, MCL 552.648.

(7) In regard to information provided by the department of treasury to the bureau under this section, the bureau is subject to the confidentiality restrictions and penalties provided in section 28(1)(f) and (2) of 1941 PA 122, MCL 205.28. In regard to information provided by the unemployment insurance agency to the bureau under section 15 of the Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.15, the bureau is subject to the confidentiality restrictions and penalties provided in sections 11 and 54 of the Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.11 and 421.54. In regard to information provided by the department of human services to the bureau, the bureau is subject to the same extent as is the department of human services to restrictions prescribed by federal regulations governing temporary assistance to needy families or other federal programs, by rules of the department of human services, or otherwise, for preventing the disclosure of confidential information to any person not authorized by law to receive the information.

(8) The office of child support shall provide the names of persons who have a current support arrearage to the department of treasury.

(9) As used in this section:

(a) "State disbursement unit" means the entity established by section 6 of the office of child support act, 1971 PA 174, MCL 400.236.

(b) "Support" means that term as defined in section 2a of the friend of the court act, 1982 PA 294, MCL 552.502a.

History: Add. 1987, Act 55, Imd. Eff. June 22, 1987 ;-- Am. 1994, Act 11, Imd. Eff. Feb. 24, 1994 ;-- Am. 1996, Act 13, Eff. June 1, 1996 ;-- Am. 2012, Act 428, Imd. Eff. Dec. 21, 2012 ;-- Am. 2014, Act 388, Eff. Mar. 22, 2015
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

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432.32a Notification of name and identification information to department of human services.

Sec. 32a.

Within 7 days after paying a prize of $1,000.00 or more, the bureau shall notify the department of human services of the name of and other available identifying information regarding the winner of the prize and the amount of the prize.

History: Add. 2012, Act 77, Imd. Eff. Apr. 11, 2012

432.33 Unclaimed prize money; disposition.

Sec. 33.

(1) Unclaimed prize money for the prize on a winning ticket or share of the state lottery shall be retained by the commissioner for the person entitled to the prize money for 1 year after the drawing in which the prize was won. If a claim is not made for the prize money within the year, the prize money shall be deposited in the state school aid fund and distributed pursuant to law.

(2) Unclaimed prize money for the prize on a winning ticket or share of any joint enterprise shall be treated in the manner provided for in the joint enterprise participation agreement executed by the commissioner. To the extent that the state of Michigan is entitled to any unclaimed prize money, that money received shall be deposited into the state school aid fund and distributed pursuant to law.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1981, Act 40, Imd. Eff. May 13, 1981 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.34 Repealed. 1988, Act 516, Eff. Jan. 1, 1988.

Compiler's Notes: Section 2 of Act 516 of 1988 provides: "Section 34 of the McCauley-Traxler-Law-Bowman-McNeely lottery act, Act No. 239 of the Public Acts of 1972, being section 432.34 of the Michigan Compiled Laws, is repealed effective January 1, 1988."The repealed section exempted proceeds from prize from taxation.
Popular Name: Lottery Act

432.35 Deposit of moneys collected from sale of lottery tickets; report; lawful functions, activities, and services; "financial institution" defined.

Sec. 35.

(1) The commissioner shall require that all moneys collected from the sale of lottery tickets be deposited in 1 or more financial institutions to the credit of the state as designated by the state treasurer. Each deposit shall be accompanied by a report of the agent's receipts and transactions in the sale of lottery tickets and containing such information as the commissioner may require.

(2) The commissioner may make arrangements for a financial institution to perform functions, activities, or services in connection with the operation of the lottery as he or she considers advisable under this act and the functions, activities, or services shall constitute lawful functions, activities and services of the financial institution.

(3) As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this state under the laws of this state or the United States.

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History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1997, Act 40, Imd. Eff. June 30, 1997
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.37 Other penalties or disabilities inapplicable.

Sec. 37.

Any other law providing any penalty or disability for the sale of lottery tickets or any acts done in connection with a lottery shall not apply to the sale of tickets or shares performed pursuant to this act.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.39 Payment of prize to minor; discharge of liability.

Sec. 39.

If the person entitled to a prize or any winning ticket is under the age of 18 years, and the prize is more than $1,000.00, the commissioner shall direct payment of the prize by transfer to the guardian of the minor of a check or draft payable to the order of the guardian. If less than $1,000.00, the commissioner may direct payment of the prize

to the adult member of the minor's family who is legally responsible for the care and custody of the minor. The commissioner shall be discharged of all further liability upon payment of a prize to a minor pursuant to this section.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.41 State lottery fund; creation; payment of prizes; prize structure; investment authority of state treasurer; review of status of installment prize investments; reserves; disposition of earnings.

Sec. 41.

(1) The state lottery fund is created in the department of treasury. Except as provided in subsection (3), the state lottery fund consists of all money received from the sale of state lottery tickets or shares and all other money credited or transferred to the fund from any other fund or source pursuant to law including interest earnings on common cash attributable to the state lottery fund. Money derived from the sale of tickets or shares of any joint enterprise must be treated in the manner provided for in the joint enterprise participation agreement executed by the commissioner. The commissioner shall deposit net revenue from any joint enterprise in the state lottery fund. Earnings resulting from installment payment of any lottery prizes must be used for payment of prizes to lottery winners and the prize structure formulated under sections 11 and 12 must be established accordingly.

(2) The investment authority of the state treasurer with regard to the state lottery fund is the same as the state treasurer's investment authority with regard to retirement system funds. The state treasurer may also invest all or part of the money in the state lottery fund in obligations issued by this state under section 14, 15, or 16 of article IX of the state constitution of 1963 if the treasurer determines that the obligations are full faith and credit obligations of this state and provide a rate of return at the time of investment that is not less than the rate of return at the time of investment on United States Treasury obligations of comparable maturity. The state treasurer shall comply with the divestment from terror act, 2008 PA 234, MCL 129.291 to 129.301, in making investments under this act. To assure a continuing availability of money with which to pay state lottery prize installments and to compensate for variations in the yield on investments, every 6 months the commissioner and the state treasurer shall review the status of the installment prize investments and shall agree on an amount to be restricted out of the total revenues of the state lottery fund as a reserve against a drop in yield. If the commissioner and the state treasurer fail to agree on the amount to be reserved, the matter must be referred to the state administrative board for a decision on the amount to be reserved.

(3) Except as provided in subsection (4), after the payment of prizes to the holders of winning state lottery tickets or shares or the payment under section 32 of the liabilities to this state of holders of winning state lottery tickets or shares, and the payment of the reasonable expenses of the bureau in its operation of the lottery, the net revenue in the state lottery fund and any money or interest generated by the state lottery fund and share of common cash must be deposited in the state school aid fund and distributed as provided by law.

(4) Ten percent of each year's state lottery advertising budget but not more than $2,000,000.00 must be deposited in the compulsive gaming prevention fund created in section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL 432.253.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1973, Act 68, Imd. Eff. July 23, 1973 ;-- Am. 1981, Act 40, Imd. Eff. May 13, 1981 ;-- Am. 1987, Act 55, Imd. Eff. June 22, 1987 ;-- Am. 1994, Act 123, Imd. Eff. May 16, 1994 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 1997, Act 72, Imd. Eff. July 17, 1997 ;-- Am. 2008, Act 274, Imd. Eff. Sept. 29, 2008 ;-- Am. 2009, Act 25, Imd. Eff. May 12, 2009 ;-- Am. 2024, Act 139, Eff. Apr. 2, 2025
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.43 Appropriation of money in state lottery fund.

Sec. 43.

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Subject to section 41(1), the money in the state lottery fund is appropriated only for the payment of prizes to the holders of winning state lottery tickets or shares, for the payment pursuant to section 32 of the liabilities to this state of holders of winning state lottery tickets or shares, for reasonable expenses of the bureau in its operation of the state lottery, for deposit in the compulsive gaming prevention fund as provided in section 41(4), and for deposit in the state school aid fund as provided in section 41(3).

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1981, Act 40, Imd. Eff. May 13, 1981 ;-- Am. 1987, Act 55, Imd. Eff. June 22, 1987 ;-- Am. 1996, Act 95, Eff. Mar. 31, 1997 ;-- Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996 ;-- Am. 1997, Act 72, Imd. Eff. July 17, 1997
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

432.45 Club keno advertising fund; creation; receipt of money or other assets; money remaining in fund at close of fiscal year; bureau as administrator; distribution and deposit of money.

Sec. 45.

(1) The club keno advertising fund is created within the state treasury.

(2) The commissioner may receive money or other assets from any source for deposit into the club keno advertising fund. The state treasurer shall direct the investment of the club keno advertising fund. The state treasurer shall credit to the club keno advertising fund interest and earnings from fund investments.

(3) Money in the club keno advertising fund at the close of the fiscal year shall remain in the club keno advertising fund and shall not lapse to the general fund.

(4) The bureau shall be the administrator of the club keno advertising fund for auditing purposes.

(5) Money in the club keno advertising fund shall be distributed as follows:

(a) If the advertising conducted under section 18(3) involves advertisements for alcoholic beverages, 20% of the first $400,000.00 deposited into the fund in each state fiscal year or 0.4% of the money deposited into the fund in each state fiscal year, whichever is less, shall be paid to the liquor control commission for reimbursement of the commission's costs related to the advertising.

(b) If subdivision (a) applies, the balance or, if subdivision (a) does not apply, all of the first $400,000.00 deposited into the fund in each state fiscal year or 2% of the money deposited into the fund in each state fiscal year, whichever is less, shall be used by the bureau for reimbursement of the bureau's costs related to advertising conducted under section 18(3).

(c) The balance of the money deposited into the fund shall be disbursed to the state school aid fund.

History: Add. 2012, Act 293, Imd. Eff. Aug. 1, 2012
Popular Name: Lottery Act

432.47 Biannual and special postaudits; authority of auditor general.

Sec. 47.

The auditor general or an independent public accounting firm appointed by the auditor general shall conduct biannual postaudits of all accounts and transactions of the bureau and other special postaudits as the auditor general or legislature deems necessary. The auditor general or his or her agent conducting an audit under this act shall have access and authority to examine all records of the bureau, its distributing agents, and its licensees.

History: 1972, Act 239, Imd. Eff. Aug. 1, 1972 ;-- Am. 1973, Act 68, Imd. Eff. July 23, 1973 ;-- Am. 1992, Act 57, Imd. Eff. May 20, 1992
Compiler's Notes: For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.
Popular Name: Lottery Act

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