

MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT (EXCERPT)
Act 239 of 1972

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.

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 note: 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