

**SUBSTITUTE FOR
SENATE BILL NO. 878**

A bill to amend 1972 PA 382, entitled
"Traxler-McCauley-Law-Bowman bingo act,"
by amending sections 2, 3, 3a, 4, 4a, 8, 9, 10, 11b, 11c, 12, 13,
14, 15, 16, 18, and 19 (MCL 432.102, 432.103, 432.103a, 432.104,
432.104a, 432.108, 432.109, 432.110, 432.111b, 432.111c, 432.112,
432.113, 432.114, 432.115, 432.116, 432.118, and 432.119),
sections 2 and 9 as amended by 2008 PA 401, sections 3, 4a, and
12 as amended by 2012 PA 189, sections 3a, 8, 10, and 11b as
amended by 2006 PA 427, sections 4, 13, 14, 15, 16, and 18 as
amended and section 11c as added by 1999 PA 108, and section 19
as amended by 1995 PA 263, and by adding article 2; to designate
sections 1 to 20 as article 1; and to repeal acts and parts of
acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE 1

Sec. 2. As used in this act:

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

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

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

(D) "BOARD" MEANS THE MICHIGAN GAMING CONTROL BOARD CREATED BY SECTION 4 OF THE MICHIGAN GAMING CONTROL AND REVENUE ACT, 1996 IL 1, MCL 432.204.

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

(F) "CHARITABLE PURPOSE" MEANS 1 OR MORE OF THE FOLLOWING CAUSES OR ACTIVITIES THAT ARE BENEFICIAL TO THE GENERAL PUBLIC:

(i) RELIEF OF POVERTY.

(ii) ADVANCEMENT OF EDUCATION.

(iii) ADVANCEMENT OF RELIGION.

(iv) PROTECTION OF HEALTH OR RELIEF FROM DISEASE, SUFFERING, OR DISTRESS.

(v) ADVANCEMENT OF CIVIC, GOVERNMENTAL, OR MUNICIPAL

1 PURPOSES.

2 (vi) PROTECTION OF THE ENVIRONMENT AND CONSERVATION OF
3 WILDLIFE.

4 (vii) DEFENSE OF HUMAN RIGHTS AND THE ELIMINATION OF
5 PREJUDICE AND DISCRIMINATION.

6 (viii) ANY OTHER PURPOSE THAT THE COMMISSIONER OR DIRECTOR, AS
7 APPLICABLE, DETERMINES TO BE BENEFICIAL TO THE GENERAL PUBLIC.

8 (G) ~~(e)~~ "Charity game" means the random resale of a series
9 of charity game tickets.

10 (H) ~~(f)~~ "Charity game ticket" means a ticket commonly
11 referred to as a break-open ticket or pull-tab that is approved
12 and acquired by the bureau and is distributed and sold by the
13 bureau or a ~~licensed~~ supplier to a qualified organization, a
14 portion of which is removed to discover whether the ticket is a
15 winning ticket. ~~and whether the purchaser may be awarded a prize.~~

16 (I) ~~(g)~~ "Commissioner" means the commissioner of state
17 lottery appointed under section 7 of the McCauley-Traxler-Law-
18 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.7.

19 (J) ~~(h)~~ "Coverall pattern" means a pattern required to win a
20 bingo game in which all numbers on a bingo card are required to
21 be called.

22 (K) "DAY" MEANS THE STANDARD 24-HOUR PERIOD, EXCEPT THAT
23 WITH RESPECT TO THE ISSUANCE OF A LICENSE AND THE CONDUCT OF AN
24 EVENT UNDER THE LICENSE, DAY MEANS THE TIME PERIOD FROM 8 A.M. OF
25 THE DAY ON THE LICENSE TO 2 A.M. OF THE FOLLOWING DAY.

26 (L) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE BOARD,
27 APPOINTED UNDER SECTION 4 OF THE MICHIGAN GAMING CONTROL AND

1 REVENUE ACT, 1996 IL 1, MCL 432.204.

2 (M) "EDUCATIONAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
3 STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, WHOSE PRIMARY
4 PURPOSE IS EDUCATIONAL IN NATURE AND DESIGNED TO DEVELOP THE
5 CAPABILITIES OF INDIVIDUALS BY INSTRUCTION IN ANY PUBLIC OR
6 PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT COMPLIES WITH THE
7 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852, OR ANY
8 PRIVATE OR PUBLIC COLLEGE OR UNIVERSITY THAT IS ORGANIZED NOT FOR
9 PECUNIARY PROFIT AND THAT IS APPROVED BY THE STATE BOARD OF
10 EDUCATION.

11 (N) "EQUIPMENT" MEANS THE OBJECTS AND MECHANICAL,
12 ELECTROMECHANICAL, OR ELECTRONIC DEVICES USED TO DETERMINE OR
13 ASSIST IN DETERMINING THE WINNERS OF PRIZES AT AN EVENT.

14 (O) "EVENT" MEANS, IN ARTICLE 1, AN OCCASION OF BINGO GAMES,
15 A RAFFLE, A CHARITY GAME, OR A NUMERAL GAME CONDUCTED UNDER A
16 LICENSE ISSUED UNDER ARTICLE 1, AND IN ARTICLE 2, AN OCCASION OF
17 A MILLIONAIRE PARTY CONDUCTED UNDER A LICENSE ISSUED UNDER
18 ARTICLE 2.

19 (P) "FRATERNAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
20 STATE, OTHER THAN A COLLEGE FRATERNITY OR SORORITY, THAT MEETS
21 ALL OF THE FOLLOWING CRITERIA:

22 (i) IS ORGANIZED NOT FOR PECUNIARY PROFIT.

23 (ii) IS A BRANCH, LODGE, OR CHAPTER OF A NATIONAL OR STATE
24 ORGANIZATION OR, ONLY FOR THE PURPOSE OF CONDUCTING A SMALL
25 RAFFLE OR A LARGE RAFFLE UNDER THIS ACT, IF NOT A BRANCH, LODGE,
26 OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION, IS EXEMPT FROM
27 TAXATION UNDER SECTION 501(C) OF THE INTERNAL REVENUE CODE OF

1 1986, 26 USC 501.

2 (iii) EXISTS FOR THE COMMON PURPOSE, BROTHERHOOD, OR OTHER
3 INTERESTS OF ITS MEMBERS.

4 (Q) "GENERAL PUBLIC" MEANS SOCIETY AS A WHOLE OR ANY
5 CONSIDERABLE PART OF SOCIETY.

6 (R) "GROSS REVENUE" MEANS THE MONETARY VALUE RECEIVED BY THE
7 LICENSEE FOR ALL FEES CHARGED TO PARTICIPATE IN THE EVENT BEFORE
8 ANY DEDUCTIONS FOR PRIZES OR ANY OTHER EXPENSES.

9 Sec. 3. As used in this act:

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

19 ~~—— (b) "Fraternal organization" means an organization within~~
20 ~~this state, other than a college fraternity or sorority, that~~
21 ~~meets all of the following criteria:~~

22 ~~—— (i) Is organized not for pecuniary profit.~~

23 ~~—— (ii) Is a branch, lodge, or chapter of a national or state~~
24 ~~organization or, only for the purpose of conducting a small~~
25 ~~raffle or a large raffle under this act, if not a branch, lodge,~~
26 ~~or chapter of a national or state organization, is exempt from~~
27 ~~taxation under section 501(c) of the internal revenue code of~~

1 ~~1986, 26 USC 501.~~

2 ~~—— (iii) Exists for the common purpose, brotherhood, or other~~
3 ~~interests of its members.~~

4 (A) "LARGE BINGO" MEANS A SERIES OF BINGO OCCASIONS THAT
5 OCCUR ON A REGULAR BASIS DURING WHICH THE TOTAL VALUE OF ALL
6 PRIZES AWARDED FOR BINGO GAMES AT A SINGLE OCCASION DOES NOT
7 EXCEED \$3,500.00 AND THE TOTAL VALUE OF ALL PRIZES AWARDED FOR 1
8 BINGO GAME DOES NOT EXCEED \$1,100.00, EXCEPT THAT A PRIZE AWARDED
9 THROUGH A MICHIGAN PROGRESSIVE JACKPOT BINGO GAME IS NOT SUBJECT
10 TO THESE LIMITATIONS.

11 (B) "LARGE RAFFLE" MEANS AN EVENT WHERE THE TOTAL VALUE OF
12 ALL PRIZES AWARDED THROUGH RAFFLE DRAWINGS EXCEEDS \$500.00 PER
13 OCCASION.

14 (C) "LAWFUL PURPOSE" MEANS 1 OR MORE OF THE AUTHORIZED
15 PURPOSES STATED IN A QUALIFIED ORGANIZATION'S WRITTEN BYLAWS,
16 CONSTITUTION, CHARTER, OR ARTICLES OF INCORPORATION THAT ARE ON
17 FILE WITH THE BUREAU OF DIRECTOR, AS APPLICABLE.

18 (D) ~~(e)~~—"Licensee" means a person, ~~or~~ INCLUDING A qualified
19 organization, licensed under this act.

20 (E) "LOCATION" MEANS A BUILDING, ENCLOSURE, PART OF A
21 BUILDING OR ENCLOSURE, OR A DISTINCT PORTION OF REAL PROPERTY
22 THAT IS USED FOR THE PURPOSE OF CONDUCTING AN EVENT. LOCATION
23 INCLUDES ALL COMPONENTS OR BUILDINGS THAT COMPOSE 1 ARCHITECTURAL
24 ENTITY OR THAT SERVE A UNIFIED FUNCTIONAL PURPOSE, OR A
25 RACETRACK, THAT IS USED FOR THE PURPOSE OF CONDUCTING AN EVENT.

26 (F) "MANUFACTURER" MEANS A PERSON LICENSED UNDER SECTION 11C
27 WHO MANUFACTURES NUMERAL GAME TICKETS FOR SALE TO SUPPLIERS FOR

1 **USE IN AN EVENT.**

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

5 **(H)** ~~(e)~~—"Michigan national guard" and "military" mean those
6 terms as defined in section 105 of the Michigan military act,
7 1967 PA 150, MCL 32.505.

8 ~~(f) "Person" means a natural person, firm, association,~~
9 ~~corporation, or other legal entity.~~

10 ~~(g) "Qualified organization" means, subject to subdivision~~
11 ~~(h), either of the following:~~

12 ~~(i) A bona fide religious, educational, service, senior~~
13 ~~citizens, fraternal, or veterans' organization that operates~~
14 ~~without profit to its members and that either has been in~~
15 ~~existence continuously as an organization for a period of 5 years~~
16 ~~or is exempt from taxation under section 501(c) of the internal~~
17 ~~revenue code of 1986, 26 USC 501.~~

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

~~1 (i) An organization, church, body of communicants, or group
2 that is organized not for pecuniary profit and that gathers in
3 common membership for mutual support and edification in piety,
4 worship, and religious observances.~~

~~5 (ii) A society of individuals that is organized not for
6 pecuniary profit and that unites for religious purposes at a
7 definite place.~~

~~8 (iii) A church related private school that is organized not
9 for pecuniary profit.~~

~~10 (j) "Senior citizens organization" means an organization
11 within this state that is organized not for pecuniary profit,
12 that consists of at least 15 members who are 60 years of age or
13 older, and that exists for their mutual support and for the
14 advancement of the causes of elderly or retired persons.~~

~~15 (k) "Service organization" means either of the following:~~

~~16 (i) A branch, lodge, or chapter of a national or state
17 organization that is organized not for pecuniary profit and that
18 is authorized by its written constitution, charter, articles of
19 incorporation, or bylaws to engage in a fraternal, civic, or
20 service purpose within the state.~~

~~21 (ii) A local civic organization that is organized not for
22 pecuniary profit, that is not affiliated with a state or national
23 organization, that is recognized by resolution adopted by the
24 local governmental subdivision in which the organization conducts
25 its principal activities, whose constitution, charter, articles
26 of incorporation, or bylaws contain a provision for the
27 perpetuation of the organization as a nonprofit organization;~~

~~whose entire assets are used for charitable purposes; and whose constitution, charter, articles of incorporation, or bylaws contain a provision that all assets, real property, and personal property shall revert to the benefit of the local governmental subdivision that granted the resolution upon dissolution of the organization.~~

~~(I) "Veterans' organization" means an organization within this state, or a branch, lodge, or chapter within this state of a state organization or of a national organization chartered by the congress of the United States, that is organized not for pecuniary profit, the membership of which consists of individuals who were members of the armed services or armed forces of the United States. Veterans' organization includes an auxiliary of a veterans' organization that is a national organization chartered by the congress of the United States.~~

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

(J) "MILLIONAIRE PARTY" MEANS AN EVENT AT WHICH WAGERS ARE PLACED ON GAMES OF CHANCE CUSTOMARILY ASSOCIATED WITH A GAMBLING CASINO AND DESCRIBED IN SECTION 42 THROUGH THE USE OF IMITATION MONEY OR CHIPS THAT HAVE A NOMINAL VALUE EQUAL TO OR GREATER THAN

1 THE VALUE OF THE CURRENCY FOR WHICH THEY CAN BE EXCHANGED.

2 (K) "NUMERAL GAME" MEANS THE RANDOM RESALE OF A SERIES OF
3 NUMERAL GAME TICKETS.

4 (I) "NUMERAL GAME TICKET" MEANS A PAPER STRIP ON WHICH
5 PREPRINTED NUMERALS ARE COVERED BY FOLDING THE STRIP AND BANDING
6 THE FOLDED STRIP WITH A SEPARATE PIECE OF PAPER, SO THAT ON
7 BREAKING THE PAPER THAT BANDS THE FOLDING STRIP THE PURCHASER
8 DISCOVERS WHETHER THE TICKET IS A WINNING TICKET.

9 (M) "OCCASION" MEANS A SINGLE DAY FOR WHICH A LICENSE TO
10 CONDUCT GAMES IS ISSUED UNDER THIS ACT.

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

15 ~~—— (2) "Event" means each occasion of a bingo, millionaire~~
16 ~~party, raffle, charity game, or numeral game licensed under this~~
17 ~~act.~~

18 ~~—— (3) "Large bingo" means a series of bingo occasions that~~
19 ~~occur on a regular basis during which the total value of all~~
20 ~~prizes awarded through bingo at a single occasion does not exceed~~
21 ~~\$3,500.00 and the total value of all prizes awarded for 1 game~~
22 ~~does not exceed \$1,100.00, except that a prize awarded through a~~
23 ~~Michigan progressive jackpot bingo game is not subject to these~~
24 ~~limitations.~~

25 ~~—— (4) "Large raffle" means an event where the total value of~~
26 ~~all prizes awarded through raffle drawings exceed \$500.00 per~~
27 ~~occasion.~~

1 ~~—— (5) "Location" means a building, enclosure, part of a~~
2 ~~building or enclosure, or a distinct portion of real estate that~~
3 ~~is used for the purpose of conducting events licensed under this~~
4 ~~act. Location also means all components or buildings that~~
5 ~~comprise 1 architectural entity or that serve a unified~~
6 ~~functional purpose.~~

7 ~~—— (6) "Manufacturer" means a person licensed under section 11e~~
8 ~~who manufactures numeral game tickets for sale to suppliers for~~
9 ~~use in an event.~~

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

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

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

27 ~~—— (10) "Numeral game ticket" means a paper strip on which~~

~~preprinted numerals are covered by folding the strip and banding the folded strip with a separate piece of paper, if upon breaking the paper strip that bands the ticket, the purchaser discovers whether the ticket is a winning ticket and the purchaser may be awarded a merchandise prize.~~

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

(A) "PERSON" MEANS AN INDIVIDUAL, FIRM, ASSOCIATION, CORPORATION, OR OTHER LEGAL ENTITY.

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

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

(D) "QUALIFIED ORGANIZATION" MEANS, SUBJECT TO SUBDIVISION

(E), EITHER OF THE FOLLOWING:

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

(ii) ONLY FOR THE PURPOSE OF CONDUCTING A SMALL RAFFLE OR A LARGE RAFFLE UNDER THIS ACT, A COMPONENT OF THE MILITARY OR THE

1 MICHIGAN NATIONAL GUARD WHOSE MEMBERS ARE IN ACTIVE SERVICE OR
2 ACTIVE STATE SERVICE.

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

8 (F) "RACETRACK" MEANS A RACETRACK LICENSED UNDER SECTION 9
9 OF THE HORSE RACING LAW OF 1995, 1995 PA 279, MCL 431.309.

10 (G) "RAFFLE" MEANS AN EVENT FOR WHICH RAFFLE TICKETS ARE
11 SOLD AND AT WHICH A WINNER OR WINNERS ARE DETERMINED, EITHER BY
12 RANDOMLY SELECTING STUBS FROM ALL OF THE RAFFLE TICKETS SOLD FOR
13 AN EVENT OR BY AN ALTERNATIVE METHOD THAT IS APPROVED IN WRITING
14 BY THE BOARD, AND A PREANNOUNCED PRIZE IS AWARDED.

15 (H) "RELIGIOUS ORGANIZATION" MEANS ANY OF THE FOLLOWING:

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

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

23 (iii) A CHURCH-RELATED PRIVATE SCHOOL IN THIS STATE THAT IS
24 ORGANIZED NOT FOR PECUNIARY PROFIT.

25 (I) "RETAIL VALUE" MEANS THE PRICE AT WHICH A MERCHANDISE
26 ITEM CAN NORMALLY BE FOUND FOR PURCHASE AT A RETAIL OUTLET. FOR A
27 MERCHANDISE ITEM THAT IS NOT NORMALLY SOLD THROUGH A RETAIL

1 OUTLET, RETAIL VALUE MEANS THE PRICE AT WHICH THE ITEM NORMALLY
2 IS SOLD IN THE SECONDARY MARKET OR THE PRICE THAT A REASONABLE
3 SELLER WOULD ASK AND THAT A REASONABLE PURCHASER WOULD PAY FOR
4 THE ITEM.

5 (J) "SENIOR CITIZENS ORGANIZATION" MEANS AN ORGANIZATION IN
6 THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, THAT
7 CONSISTS OF AT LEAST 15 MEMBERS WHO ARE 60 YEARS OF AGE OR OLDER,
8 AND THAT EXISTS FOR THEIR MUTUAL SUPPORT AND FOR THE ADVANCEMENT
9 OF THE CAUSES OF ELDERLY OR RETIRED PERSONS.

10 (K) "SERVICE ORGANIZATION" MEANS EITHER OF THE FOLLOWING:

11 (i) A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A NATIONAL
12 OR STATE ORGANIZATION THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT
13 AND THAT IS AUTHORIZED BY ITS WRITTEN CONSTITUTION, CHARTER,
14 ARTICLES OF INCORPORATION, OR BYLAWS TO ENGAGE IN A FRATERNAL,
15 CIVIC, OR SERVICE PURPOSE IN THIS STATE.

16 (ii) A LOCAL CIVIC ORGANIZATION IN THIS STATE THAT IS
17 ORGANIZED NOT FOR PECUNIARY PROFIT; THAT IS NOT AFFILIATED WITH A
18 STATE OR NATIONAL ORGANIZATION; THAT IS RECOGNIZED BY RESOLUTION
19 ADOPTED BY THE LOCAL GOVERNMENTAL SUBDIVISION IN WHICH THE
20 ORGANIZATION CONDUCTS ITS PRINCIPAL ACTIVITIES; WHOSE
21 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS
22 CONTAIN A PROVISION FOR THE PERPETUATION OF THE ORGANIZATION AS A
23 NONPROFIT ORGANIZATION; WHOSE ENTIRE ASSETS ARE USED FOR
24 CHARITABLE PURPOSES; AND WHOSE CONSTITUTION, CHARTER, ARTICLES OF
25 INCORPORATION, OR BYLAWS CONTAIN A PROVISION THAT ALL ASSETS,
26 REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE BENEFIT
27 OF THE LOCAL GOVERNMENTAL SUBDIVISION THAT GRANTED THE RESOLUTION

1 OR ANOTHER NONPROFIT ORGANIZATION ON DISSOLUTION OF THE
2 ORGANIZATION.

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

9 (I) ~~(15)~~ "Small bingo" means a series of bingo occasions that
10 occur on a regular basis during which the total value of all
11 prizes awarded ~~through~~ **FOR** bingo **GAMES** at a single occasion does
12 not exceed \$300.00 and the total value of all prizes awarded for
13 a single bingo game does not exceed \$25.00.

14 (M) ~~(16)~~ "Small raffle" means an event during which the
15 total value of all prizes awarded through raffle drawings does
16 not exceed \$500.00 during 1 occasion.

17 (N) ~~(17)~~ "Special bingo" means a single or consecutive
18 series of bingo occasions during which the total value of all
19 prizes awarded ~~through~~ **FOR** bingo **GAMES** at a single occasion does
20 not exceed \$3,500.00 and the total value of all prizes awarded
21 for a single bingo game does not exceed \$1,100.00.

22 (O) ~~(18)~~ "Supplier" means a person licensed under this act
23 to rent, sell, or lease equipment or to sell charity game or
24 numeral game tickets to qualified organizations licensed under
25 this act.

26 (P) "VETERANS' ORGANIZATION" MEANS AN ORGANIZATION IN THIS
27 STATE, OR A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A STATE

1 ORGANIZATION OR OF A NATIONAL ORGANIZATION CHARTERED BY THE
2 CONGRESS OF THE UNITED STATES, THAT IS ORGANIZED NOT FOR
3 PECUNIARY PROFIT, THE MEMBERSHIP OF WHICH CONSISTS OF INDIVIDUALS
4 WHO WERE MEMBERS OF THE ARMED SERVICES OR ARMED FORCES OF THE
5 UNITED STATES. VETERANS' ORGANIZATION INCLUDES AN AUXILIARY OF A
6 VETERANS' ORGANIZATION THAT IS A NATIONAL ORGANIZATION CHARTERED
7 BY THE CONGRESS OF THE UNITED STATES.

8 (Q) "WEEK" MEANS A PERIOD OF 7 DAYS BEGINNING WITH SUNDAY
9 AND ENDING WITH SATURDAY.

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

14 (2) The application **UNDER SUBSECTION (1)** shall include all
15 of the following:

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

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

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

21 (d) The day or dates of the event.

22 (e) The member or members of the applicant organization who
23 will be responsible for the conduct of the event.

24 (f) Sufficient facts relating to the applicant's
25 incorporation or organization to enable the commissioner to
26 determine whether the applicant is a qualified organization.

27 (g) A sworn statement attesting to the nonprofit status of

the applicant organization, signed by the principal officer of
~~that~~ **THE** organization.

(h) Other information the commissioner considers necessary.

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

License	Fee
(a) Large bingo.....	\$ 150.00
(b) Small bingo.....	\$ 55.00
(c) Special bingo.....	\$ 25.00
(d) Millionaire party.....	\$ 50.00 per day
(D) (e) Large raffle.....	\$ 50.00 per drawing date
(E) (f) Small raffle:	
(i) One to 3 drawing dates.....	\$ 15.00
(ii) Four or more drawing dates.....	\$ 5.00 per drawing date
(F) (g) Annual charity game.....	\$ 200.00
(G) (h) Special charity game.....	\$ 15.00 per day
(H) (i) Numeral game.....	\$ 15.00 per day

(2) Under extreme hardship conditions as determined by the
 commissioner, the commissioner may waive 1 or more requirements
~~of~~ **FOR A PERSON TO BE** a qualified organization ~~described in~~
~~section 3~~ **UNDER SECTION 3A(D)** to permit the licensing of a
 special bingo, ~~millionaire party~~, **EVENT** or raffle, if all of the

1 following conditions are met:

2 (a) The organization applying for the license is a nonprofit
3 organization.

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

7 (c) None of the individuals connected with the conduct of
8 the event is compensated in any manner for his or her
9 participation.

10 (d) The organization complies with all other **APPLICABLE**
11 provisions of this act and rules promulgated under this
12 ~~act~~**ARTICLE**.

13 (3) Under extreme hardship conditions as determined by the
14 commissioner, the commissioner may allow an individual or a group
15 of individuals to obtain a license to conduct a special bingo ~~7~~
16 ~~millionaire party~~, **EVENT** or raffle if all of the following
17 conditions are met:

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

21 (b) None of the individuals connected with the conduct of
22 the event is compensated in any manner for his or her
23 participation.

24 (c) The individual or group of individuals complies with all
25 other **APPLICABLE** provisions of this ~~act~~**ARTICLE** and the rules
26 promulgated under this ~~act~~**ARTICLE**.

27 (4) Each event license issued to a qualified organization

1 **UNDER THIS SECTION** is valid for only the location included on the
2 license.

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

5 (6) ~~The A licensee is responsible for ensuring~~ **SHALL ENSURE**
6 that the events **CONDUCTED UNDER A LICENSE ISSUED UNDER THIS**
7 **SECTION** are conducted in compliance with **THE APPLICABLE**
8 **PROVISIONS OF** this act and rules **PROMULGATED UNDER THIS ARTICLE.**

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

13 (8) In connection with an application for a small raffle
14 license or a large raffle license, in determining whether a
15 fraternal organization that is not a branch, lodge, or chapter of
16 a national or state organization is a qualified organization, the
17 commissioner shall only consider whether the organization meets
18 requirements that are applicable under this act that are
19 unrelated to whether the organization is a branch, lodge, or
20 chapter of a national or state organization.

21 (9) **THE COMMISSIONER SHALL NOT DENY A LICENSE TO AN**
22 **APPLICANT UNDER SECTION 4 ON THE BASIS THAT THE LOCATION WHERE**
23 **THE EVENT WILL BE HELD IS A RACETRACK. THE COMMISSIONER SHALL NOT**
24 **DENY A LICENSE TO AN APPLICANT UNDER SECTION 4 IN ORDER TO LIMIT**
25 **THE NUMBER OF DAYS IN A WEEK THAT EVENTS MAY BE CONDUCTED AT A**
26 **RACETRACK OR LIMIT THE NUMBER OF EVENTS THAT MAY BE CONDUCTED AT**
27 **A RACETRACK ON 1 DAY TO LESS THAN 7.**

1 Sec. 8. (1) All fees and revenue collected by the
2 commissioner or bureau under this act shall be paid into the
3 state lottery fund **CREATED UNDER SECTION 41 OF THE MCCAULEY-**
4 **TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT, 1972 PA 239, MCL 432.41.**
5 All necessary expenses incurred by the bureau in the
6 administration and enforcement of any activity authorized by this
7 act and in the initiation, implementation, and ongoing operation
8 of any activity authorized by this act shall be financed from the
9 state lottery fund. The amount of these necessary expenses shall
10 not exceed the amount of revenues received from the sale of
11 charity game tickets and all fees collected under this act **BY THE**
12 **COMMISSIONER OR THE BUREAU.** At the end of each fiscal year all
13 money, including interest, in the state lottery fund ~~which~~-**THAT**
14 is attributable to fees and revenue collected under this act **BY**
15 **THE COMMISSIONER OR THE BUREAU** but ~~which~~-**THAT** has not been
16 expended under this section shall be deposited in the state
17 general fund.

18 (2) **ALL FEES AND REVENUE COLLECTED BY THE DIRECTOR OR BOARD**
19 **UNDER THIS ACT SHALL BE PAID INTO THE STATE LOTTERY FUND CREATED**
20 **UNDER SECTION 41 OF THE MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY**
21 **LOTTERY ACT, 1972 PA 239, MCL 432.41. ALL NECESSARY EXPENSES**
22 **INCURRED BY THE DIRECTOR OR BOARD IN THE ADMINISTRATION AND**
23 **ENFORCEMENT OF ANY ACTIVITY AUTHORIZED BY THIS ACT AND IN THE**
24 **INITIATION, IMPLEMENTATION, AND ONGOING OPERATION OF ANY ACTIVITY**
25 **AUTHORIZED BY THIS ACT SHALL BE FINANCED FROM THE STATE LOTTERY**
26 **FUND. THE AMOUNT OF THESE NECESSARY EXPENSES SHALL NOT EXCEED THE**
27 **AMOUNT OF THE FEES COLLECTED UNDER THIS ACT BY THE DIRECTOR OR**

1 THE BOARD. AT THE END OF EACH FISCAL YEAR ALL MONEY, INCLUDING
 2 INTEREST, IN THE STATE LOTTERY FUND THAT IS ATTRIBUTABLE TO FEES
 3 AND REVENUE COLLECTED UNDER THIS ACT BY THE DIRECTOR OR THE BOARD
 4 BUT THAT HAS NOT BEEN EXPENDED UNDER THIS SECTION SHALL BE
 5 DEPOSITED IN THE STATE GENERAL FUND.

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

13 (a) The purchase or rental of equipment necessary for
 14 conducting an event and payment of services reasonably necessary
 15 for the repair of equipment.

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

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

18 (d) Janitorial services.

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

21 (f) Other reasonable expenses incurred by the licensee, not
 22 inconsistent with this act, as permitted by rule of the
 23 commissioner.

24 (2) A qualified organization described in section ~~3(g)(ii)~~
 25 **3A(D) (ii)** shall use the entire net proceeds of an event, after
 26 paying items of expense incurred in reasonable amounts in
 27 connection with the holding, operating, or conducting of the

1 event and listed in subsection (1), only for the expense of
2 training or purchasing goods or services for the support of the
3 activities of the component.

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

6 (2) A person shall not receive any commission, salary, pay,
7 profit, or wage for participating in the management or operation
8 of **A bingo EVENT**, ~~a millionaire party~~, a raffle, or a charity
9 game except as provided by rule promulgated under this

10 ~~act.~~ **ARTICLE.**

11 (3) Except by special permission of the commissioner, a
12 licensee shall conduct bingo ~~or a millionaire party~~ **GAMES** only
13 with equipment that it owns, uses under a bureau-approved rental
14 contract, or is purchasing or renting at a reasonable rate from a
15 supplier.

16 (4) A licensee shall not advertise **A bingo EVENT** except to
17 the extent and in the manner permitted by rule promulgated under
18 this ~~act.~~ **ARTICLE.** If the commissioner permits a licensee to
19 advertise **A bingo EVENT**, the licensee shall indicate in the
20 advertisement the purposes for which the net proceeds will be
21 used by the licensee.

22 ~~—— (5) The holder of a millionaire party license shall not~~
23 ~~advertise the event, except to the extent and in the manner~~
24 ~~permitted by rule promulgated under this act. If the commissioner~~
25 ~~permits a licensee to advertise the event, the licensee shall~~
26 ~~indicate in the advertising the purposes for which the net~~
27 ~~proceeds will be used by the licensee.~~

1 Sec. 11b. (1) ~~Each~~**AN** applicant for a license or renewal of
2 a license to operate as a supplier of equipment, charity game
3 tickets, or numeral game tickets to qualified organizations
4 licensed under this act shall submit a written application to the
5 bureau on a form prescribed by the commissioner.

6 (2) ~~The~~**AN** applicant **UNDER THIS SECTION** shall pay an annual
7 license fee of \$300.00 at the time of the application.

8 (3) A supplier's license expires at 12 midnight on September
9 30 of each year.

10 (4) The commissioner shall require suppliers authorized to
11 sell charity game tickets, numeral game tickets, or both, to post
12 a performance bond of not less than \$50,000.00 and not greater
13 than \$1,000,000.00.

14 (5) A supplier shall remit to the bureau an amount equal to
15 the qualified organization's purchase price of the charity game
16 tickets less an amount that shall not be less than the sum of
17 \$.008 for each ticket sold plus 1.0% of the total resale value
18 for all charity game tickets sold.

19 (6) For each numeral game sold, the supplier shall issue to
20 the licensed organization an invoice listing the manufacturer and
21 serial number of each game.

22 (7) ~~The~~**A SUPPLIER SHALL COLLECT A** fee ~~collected by a~~
23 ~~supplier from the~~**A** qualified organization for each game of
24 numeral tickets sold ~~shall be~~**THAT EQUALS** \$5.00 per 1,000 tickets
25 or any portion of 1,000 tickets.

26 (8) ~~The~~**A SUPPLIER SHALL REMIT THE** fees collected ~~by the~~
27 ~~supplier for each numeral game sold shall be remitted to the~~

~~bureau~~ **UNDER SUBSECTION (7) TO THE BUREAU** by the fifteenth day of the month following the month in which the numeral game is sold. ~~A~~ **THE COMMISSIONER MAY ASSESS A** late fee of 25% of the amount due ~~may be assessed by the commissioner against any~~ **A** supplier who fails to remit the fees by the required filing date.

(9) A supplier shall only display, offer for sale, sell, or otherwise make available to a qualified organization numeral game tickets that have been obtained from a manufacturer.

(10) A person who is directly or indirectly connected to the sale, rental, or distribution of bingo ~~or millionaire party~~ equipment, or the sale of charity game tickets or numeral game tickets, or a person residing in the same household as the supplier shall not be involved directly or indirectly with the rental or leasing of a facility used for an event.

(11) A supplier shall submit to the bureau a report as required by the commissioner regarding the sale or rental of equipment and the sale of charity game tickets and numeral game tickets.

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

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

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

(4) Only numeral games and numeral game tickets approved by the commissioner may be distributed to suppliers within this

1 state.

2 (5) All records supporting the sale of numeral game tickets
3 to suppliers shall be available upon request to an authorized
4 representative of the bureau for inspection or audit and shall be
5 kept by the manufacturer for not less than the calendar year in
6 which the sale is made plus 3 additional years.

7 (6) ~~Each~~**A** manufacturer shall submit to the bureau a report
8 as required by the commissioner regarding the sale of numeral
9 **GAME** tickets to suppliers.

10 Sec. 12. (1) The bureau shall enforce and supervise the
11 administration of this ~~act~~**ARTICLE**. The commissioner shall
12 employ personnel as necessary to implement this ~~act~~**ARTICLE**.

13 (2) The bureau may select fraternal organizations that are
14 not a branch, lodge, or chapter of a national or state
15 organization to audit to ensure that the organizations are in
16 compliance with this ~~act~~**ARTICLE**.

17 Sec. 13. The commissioner shall promulgate rules pursuant to
18 the administrative procedures act of 1969, 1969 PA 306, MCL
19 24.201 to 24.328, to implement this ~~act~~**ARTICLE**.

20 Sec. 14. (1) ~~Each~~**A** licensee **UNDER THIS ARTICLE** shall keep a
21 record of each event as required by the commissioner. ~~The~~**A**
22 **LICENSEE SHALL ALLOW A REPRESENTATIVE AUTHORIZED BY THE BUREAU TO**
23 **INSPECT A** record **KEPT UNDER THIS SUBSECTION** and all financial
24 accounts into which proceeds from events ~~licensed under this act~~
25 are deposited or transferred ~~shall be open to inspection by a~~
26 ~~duly authorized representative of the bureau during reasonable~~
27 business hours.

1 (2) ~~Each~~ **A** licensee **UNDER THIS ARTICLE** shall file with the
 2 commissioner a financial statement signed by the principal
 3 officer of the qualified organization of receipts and expenses
 4 related to the conduct of each event as ~~may be required by rule~~
 5 promulgated under this ~~act~~. **ARTICLE**. If the revenue from a bingo
 6 game, ~~millionaire party~~, **EVENT**, raffle, numeral game, or charity
 7 game is represented to be used or applied by a licensee **UNDER**
 8 **THIS ARTICLE** for a charitable purpose, the licensee shall file a
 9 copy of the financial statement with the attorney general under
 10 the supervision of trustees for charitable purposes act, 1961 PA
 11 101, MCL 14.251 to 14.266.

12 (3) ~~The~~ **A LICENSEE UNDER THIS ARTICLE SHALL ALLOW AN**
 13 **AUTHORIZED REPRESENTATIVE OF THE BUREAU OR THE DEPARTMENT OF**
 14 **STATE POLICE OR A LAW ENFORCEMENT OFFICER OF A POLITICAL**
 15 **SUBDIVISION OF THIS STATE TO INSPECT A** location ~~at which events~~
 16 ~~licensed under this act are conducted or at which an applicant or~~
 17 **A BUILDING, ENCLOSURE, OR PORTION OF REAL PROPERTY THAT THE**
 18 licensee intends to ~~conduct an event licensed under this act~~
 19 ~~shall be open to inspection~~ **USE AS A LOCATION** at all times by a
 20 ~~duly authorized representative of the bureau or by the state~~
 21 ~~police or a peace officer of a political subdivision of this~~
 22 ~~state~~. **ANY TIME.**

23 Sec. 15. ~~Annually the~~ **THE** commissioner shall report **ANNUALLY**
 24 to the governor and the legislature about the operation of events
 25 licensed under this ~~act within this state~~, **ARTICLE**, abuses that
 26 the bureau may have encountered, and recommendations for changes
 27 in this act.

1 Sec. 16. (1) The commissioner may deny, suspend, summarily
2 suspend, or revoke ~~any~~**A** license issued under this ~~act~~**ARTICLE** if
3 the licensee or an officer, director, agent, member, or employee
4 of the licensee violates this ~~act~~**ARTICLE** or **A** rule promulgated
5 under this ~~act~~**ARTICLE**. The commissioner may summarily suspend a
6 license for a period of not more than 60 days pending
7 prosecution, investigation, or public hearing.

8 (2) A proceeding to suspend or revoke a license ~~shall be~~
9 ~~considered~~**UNDER THIS ARTICLE 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 **BINGO** hall
25 licensee, in lieu of a suspension of its license, may elect to
26 pay a fine equal to the amount of rent that would have been paid
27 by ~~the~~ bingo licensees during the period of the suspension. This

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

4 Sec. 18. (1) A licensee whose license is revoked ~~in~~
5 ~~consequence of~~ **FOR** a violation of this ~~act~~ **ARTICLE** or a rule
6 promulgated under this ~~act~~ **ARTICLE** is ineligible to apply for a
7 license for a ~~period of~~ 2 years.

8 (2) A person convicted of an offense under section 17 or any
9 other gambling offense is ineligible to serve as an officer of a
10 licensee or to participate in conducting **A** bingo ~~, a millionaire~~
11 ~~party, EVENT~~, raffle, numeral game, or charity game for a ~~period~~
12 ~~of~~ 1 year after the conviction becomes final. If the person is
13 licensed under this ~~act~~, **ARTICLE**, the person shall forfeit the
14 license and is ineligible to apply for the issuance or reissuance
15 of the license for a ~~period of~~ 1 year after the conviction
16 becomes final.

17 Sec. 19. (1) Except as provided in subsection (2), any other
18 law providing a penalty or disability upon a person who conducts
19 or participates in a **RAFFLE**, bingo game, millionaire party, or
20 charity game; who sells or possesses equipment used in conducting
21 **A RAFFLE**, bingo, or a millionaire party; who permits **A RAFFLE**,
22 bingo, a millionaire party, or a charity game to be conducted on
23 his or her premises; or who does other acts in connection with **A**
24 **RAFFLE**, bingo, a millionaire party, or a charity game does not
25 apply to that conduct if done pursuant to this act or rules
26 promulgated under this act.

27 (2) Subsection (1) does not limit in any way the application

1 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~
 2 ~~Acts of 1976, being sections 1976 PA 388, MCL 169.201 to 169.282~~
 3 ~~of the Michigan Compiled Laws, including, but not limited to,~~
 4 section 41 of ~~Act No. 388 of the Public Acts of 1976, being~~
 5 ~~section~~ **THE MICHIGAN CAMPAIGN FINANCE ACT, 1976 PA 388, MCL**
 6 **169.241, of the Michigan Compiled Laws, to fundraising events**
 7 **conducted by or for the benefit of a committee that has filed or**
 8 **is required to file a statement of organization pursuant to Act**
 9 ~~No. 388 of the Public Acts of 1976.~~ **UNDER THE MICHIGAN CAMPAIGN**
 10 **FINANCE ACT, 1976 PA 388, MCL 169.201 TO 169.282.**

11 ARTICLE 2

12 SEC. 32. (1) AS USED IN THIS ARTICLE:

13 (A) "BONA FIDE MEMBER" MEANS A MEMBER WHO PARTICIPATES IN
 14 THE ORGANIZATION TO FURTHER ITS LAWFUL PURPOSES.

15 (B) "CHARITABLE GAMING SERVICE PROVIDER" MEANS A PERSON
 16 LICENSED AS A CHARITABLE GAMING SERVICE PROVIDER UNDER SECTION 47
 17 TO RENT OR SELL EQUIPMENT OR PROVIDE OPERATION SERVICES TO
 18 MILLIONAIRE PARTY LICENSEES.

19 (C) "LESSOR" MEANS A PERSON WHO RENTS A LOCATION TO A
 20 MILLIONAIRE PARTY LICENSEE FOR THE PURPOSE OF CONDUCTING AN
 21 EVENT.

22 (D) "MANAGEMENT" MEANS HANDLING OF CASH, CHIPS, AND HOUSE
 23 RAKES AT AN EVENT AND PREPARATION OF GAME RECORDS AND FINANCIAL
 24 STATEMENTS FOR THE EVENT.

25 (E) "MILLIONAIRE PARTY EQUIPMENT" MEANS ANY AUTHORIZED ITEM
 26 THAT IS USED TO CONDUCT AN AUTHORIZED GAME AT AN EVENT.

27 (F) "OPERATION SERVICES" MEANS PROVIDING STAFFING AND

1 SERVICES COMMONLY ASSOCIATED WITH GAMES OF CHANCE FOR AN EVENT.

2 (G) "TERMS OF PROBATION" MEANS CONDITIONS ESTABLISHED AT THE
3 DISCRETION OF THE BUREAU OR DIRECTOR, AS APPLICABLE, THAT THE
4 LICENSEE MUST COMPLY WITH WHILE THE LICENSEE IS ON PROBATION
5 UNDER THIS ARTICLE.

6 (H) "WORKER" MEANS A PERSON WHO ASSISTS OR PARTICIPATES IN
7 THE MANAGEMENT, CONDUCT, OR OPERATION OF AN EVENT. WORKER DOES
8 NOT INCLUDE AN EMPLOYEE OR AGENT OF A LESSOR OR CHARITABLE GAMING
9 SERVICE PROVIDER.

10 (2) THE DEFINITIONS IN SECTIONS 2, 3, AND 3A APPLY TO THIS
11 ARTICLE, UNLESS A TERM DEFINED IN 1 OF THOSE SECTIONS IS DEFINED
12 DIFFERENTLY IN THIS ARTICLE.

13 SEC. 33. (1) AN APPLICANT FOR A LICENSE TO CONDUCT A
14 MILLIONAIRE PARTY SHALL SUBMIT TO THE DIRECTOR A WRITTEN
15 APPLICATION ON A FORM PRESCRIBED BY THE DIRECTOR.

16 (2) THE APPLICATION UNDER SUBSECTION (1) MUST INCLUDE ALL OF
17 THE FOLLOWING:

18 (A) THE NAME AND ADDRESS OF THE APPLICANT, IDENTIFYING THE
19 PRINCIPAL OFFICER.

20 (B) THE NAME AND ADDRESS OF EACH OFFICER OF THE APPLICANT,
21 IDENTIFYING THE PRINCIPAL OFFICER.

22 (C) THE NAME OF EACH INDIVIDUAL WHO WILL SERVE AS
23 CHAIRPERSON OF THE EVENT UNDER SECTION 40.

24 (D) THE NAME OF EACH INDIVIDUAL WHO WILL SERVE AS RECORD
25 KEEPER OF THE EVENT UNDER SECTION 41.

26 (E) THE LOCATION AT WHICH THE APPLICANT WILL CONDUCT THE
27 EVENT.

1 (F) IF A CHARITABLE GAMING SERVICE PROVIDER WILL BE USED,
2 THE NAME OF THE CHARITABLE GAMING SERVICE PROVIDER.

3 (G) THE DAY OR DATES OF THE EVENT.

4 (H) A SWORN STATEMENT ATTESTING TO THE NONPROFIT STATUS OF
5 THE APPLICANT, SIGNED BY THE PRINCIPAL OFFICER OF THE APPLICANT.

6 (I) WHETHER ANY OFFICER OR AGENT OF THE APPLICANT, BEFORE OR
7 DURING THE APPLICATION PROCESS, HAS BEEN CONVICTED OF, FORFEITED
8 BOND ON A CHARGE OF, OR PLED GUILTY TO ANY OF THE FOLLOWING:

9 (i) A FELONY.

10 (ii) A GAMBLING OFFENSE.

11 (iii) CRIMINAL FRAUD.

12 (iv) FORGERY.

13 (v) LARCENY.

14 (vi) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

15 (J) OTHER INFORMATION THE DIRECTOR CONSIDERS NECESSARY.

16 (3) IF AN APPLICANT UNDER SUBSECTION (1) IS A SERVICE
17 ORGANIZATION, THE APPLICANT SHALL PROVIDE PROOF THAT ITS BYLAWS,
18 CONSTITUTION, OR ARTICLES OF INCORPORATION OR THE BYLAWS OR
19 CONSTITUTION OF ITS PARENT ORGANIZATION INCLUDES A STATEMENT OF
20 DISSOLUTION STATING THAT ON DISSOLUTION OF THE ORGANIZATION ALL
21 ASSETS THAT REMAIN, AFTER SATISFYING THE ORGANIZATION'S DEBTS,
22 ARE TO BE DISTRIBUTED TO THE LOCAL GOVERNMENT IN WHICH THE
23 PRINCIPAL PLACE OF BUSINESS OF THE ORGANIZATION IS LOCATED OR TO
24 ANOTHER NONPROFIT ORGANIZATION.

25 (4) AN APPLICANT UNDER THIS SECTION SHALL SUBMIT A COPY OF
26 ALL OF THE FOLLOWING DOCUMENTS, OR IF THE APPLICANT HAS BEEN
27 PREVIOUSLY LICENSED TO CONDUCT A MILLIONAIRE PARTY, ANY OF THE

1 FOLLOWING DOCUMENTS THAT HAVE BEEN AMENDED SINCE THE APPLICANT
2 WAS LAST LICENSED, WITH THE APPLICATION:

3 (A) THE APPLICANT'S CONSTITUTION.

4 (B) THE APPLICANT'S BYLAWS.

5 (C) THE APPLICANT'S ARTICLES OF INCORPORATION.

6 (D) ANY OTHER QUALIFICATION DOCUMENT PREVIOUSLY SUBMITTED.

7 (E) THE FEDERAL TAX-EXEMPT STATUS OF THE APPLICANT.

8 (5) THE DIRECTOR, IN HIS OR HER DISCRETION, MAY REQUIRE AN
9 APPLICANT THAT WAS PREVIOUSLY LICENSED TO CONDUCT A MILLIONAIRE
10 PARTY TO SUBMIT UPDATED INFORMATION TO ASSURE THAT THE APPLICANT
11 CONTINUES TO BE A QUALIFIED ORGANIZATION.

12 SEC. 34. (1) IF THE DIRECTOR DETERMINES THAT AN APPLICANT
13 FOR A MILLIONAIRE PARTY LICENSE IS A QUALIFIED ORGANIZATION, HAS
14 PAID TO THE DIRECTOR A FEE OF \$50.00 PER DAY THAT THE APPLICANT
15 PROPOSES TO CONDUCT THE MILLIONAIRE PARTY, AND THAT THERE IS NO
16 REASON TO DENY THE ISSUANCE OF THE LICENSE UNDER SUBSECTION (3),
17 THE DIRECTOR SHALL ISSUE A MILLIONAIRE PARTY LICENSE TO THE
18 APPLICANT.

19 (2) THE DIRECTOR SHALL NOT ISSUE A MILLIONAIRE PARTY LICENSE
20 UNLESS THE PRINCIPAL OFFICER OF THE QUALIFIED ORGANIZATION IS 18
21 YEARS OF AGE OR OLDER.

22 (3) THE DIRECTOR SHALL CONSIDER WHETHER AN APPLICATION UNDER
23 SECTION 33 SHOULD BE DENIED BECAUSE OF ANY OF THE FOLLOWING
24 FACTORS:

25 (A) THE FALSITY OR INACCURACY OF ANY INFORMATION SUPPLIED BY
26 THE APPLICANT.

27 (B) ANY INDEBTEDNESS OF THE APPLICANT TO A LOCAL, STATE, OR

1 FEDERAL GOVERNMENTAL AGENCY.

2 (C) ANY PENDING LAWSUIT OR BANKRUPTCY PROCEEDING INVOLVING
3 THE APPLICANT.

4 (D) THE APPLICANT'S CURRENT OR PAST HISTORY OF NONCOMPLIANCE
5 WITH THIS ACT AND THE RULES PROMULGATED UNDER THIS ARTICLE.

6 (E) ANY CRIMINAL CONVICTION OF AN OFFICER OR AGENT OF THE
7 APPLICANT FOR ANY OF THE FOLLOWING OFFENSES:

8 (i) A VIOLATION OF THIS ACT.

9 (ii) A FELONY.

10 (iii) A GAMBLING OFFENSE.

11 (iv) CRIMINAL FRAUD.

12 (v) FORGERY.

13 (vi) LARCENY.

14 (vii) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

15 (F) ANY OTHER FACTORS CONSIDERED RELEVANT BY THE DIRECTOR.

16 (4) FOR THE PURPOSES OF DETERMINING WHETHER AN APPLICANT IS
17 A QUALIFIED ORGANIZATION, THE DIRECTOR SHALL CONSIDER ALL OF THE
18 FOLLOWING WHEN DETERMINING WHETHER A SERVICE, FRATERNAL, OR
19 VETERAN'S ORGANIZATION QUALIFIES AS A BRANCH, LODGE, OR CHAPTER:

20 (A) A CHARTER OR SIMILAR DOCUMENT ISSUED BY THE NATIONAL OR
21 STATE ORGANIZATION ON ACCEPTANCE OF THE APPLICANT AS A BRANCH,
22 LODGE, OR CHAPTER.

23 (B) CONDITIONS ESTABLISHED BY THE NATIONAL OR STATE
24 ORGANIZATION FOR THE REVOCATION OR SUSPENSION OF THE CHARTER OR
25 RELATIONSHIP WITH THE APPLICANT.

26 (C) DUES OR FINANCIAL SUPPORT SUBMITTED TO THE NATIONAL OR
27 STATE ORGANIZATION BY THE APPLICANT.

1 (D) THE DEGREE OF CONTROL EXERTED BY THE NATIONAL OR STATE
2 ORGANIZATION OVER THE ACTIVITIES OF THE APPLICANT.

3 (E) OVERSIGHT AND CONTROL, INCLUDING THE AUDITING OF
4 FINANCIAL RECORDS, PROVIDED BY THE NATIONAL OR STATE ORGANIZATION
5 OVER THE FINANCIAL AFFAIRS OF THE APPLICANT.

6 (F) WHETHER STANDARD BYLAWS WERE ADOPTED BY THE APPLICANT OR
7 WHETHER BYLAWS WERE SUBMITTED TO THE NATIONAL OR STATE
8 ORGANIZATION FOR APPROVAL.

9 (G) APPOINTED OR ELECTED OFFICERS OF THE APPLICANT WHO ARE
10 RESPONSIBLE FOR THE ACTIVITIES OF THE APPLICANT.

11 (H) THE ABILITY OF THE APPLICANT, BY EXERCISING VOTING
12 PRIVILEGES OR OTHERWISE, TO INFLUENCE ACTIVITIES OF THE STATE OR
13 NATIONAL ORGANIZATION.

14 (5) UNDER EXTREME HARDSHIP CONDITIONS AS DETERMINED BY THE
15 DIRECTOR, THE DIRECTOR MAY WAIVE 1 OR MORE OF THE REQUIREMENTS
16 UNDER SECTION 3A(D) FOR A PERSON TO BE A QUALIFIED ORGANIZATION
17 AND ISSUE A MILLIONAIRE PARTY LICENSE TO THE PERSON IF ALL OF THE
18 FOLLOWING CONDITIONS ARE MET:

19 (A) THE PERSON IS A NONPROFIT ORGANIZATION.

20 (B) THE ENTIRE PROCEEDS OF THE EVENT, LESS THE ACTUAL
21 REASONABLE EXPENSE OF CONDUCTING THE EVENT, ARE DONATED OR USED
22 FOR A CHARITABLE PURPOSE, ORGANIZATION, OR CAUSE.

23 (C) NONE OF THE INDIVIDUALS CONNECTED WITH THE MANAGEMENT OF
24 THE EVENT IS COMPENSATED IN ANY MANNER FOR HIS OR HER
25 PARTICIPATION.

26 (D) THE PERSON HAS COMPLIED AND WILL COMPLY WITH ALL OTHER
27 PROVISIONS OF THIS ACT AND RULES PROMULGATED UNDER THIS ARTICLE.

1 (6) UNDER EXTREME HARDSHIP CONDITIONS AS DETERMINED BY THE
2 DIRECTOR, THE DIRECTOR MAY ALLOW AN INDIVIDUAL OR A GROUP OF
3 INDIVIDUALS TO OBTAIN A LICENSE TO CONDUCT A MILLIONAIRE PARTY IF
4 ALL OF THE FOLLOWING CONDITIONS ARE MET:

5 (A) THE ENTIRE PROCEEDS OF THE EVENT, LESS THE ACTUAL
6 REASONABLE EXPENSE OF CONDUCTING THE EVENT, ARE DONATED OR USED
7 FOR A CHARITABLE PURPOSE, ORGANIZATION, OR CAUSE.

8 (B) NONE OF THE INDIVIDUALS CONNECTED WITH THE MANAGEMENT OF
9 THE EVENT IS COMPENSATED IN ANY MANNER FOR HIS OR HER
10 PARTICIPATION.

11 (C) THE INDIVIDUAL OR GROUP OF INDIVIDUALS HAS COMPLIED AND
12 WILL COMPLY WITH ALL OTHER PROVISIONS OF THIS ACT AND THE RULES
13 PROMULGATED UNDER THIS ARTICLE.

14 (7) THE DIRECTOR SHALL ESTABLISH CRITERIA UNDER WHICH A
15 QUALIFIED ORGANIZATION MAY RECEIVE AN EXPEDITED MILLIONAIRE PARTY
16 LICENSE AND ESTABLISH A FEE STRUCTURE FOR EXPEDITED LICENSES. A
17 FEE FOR AN EXPEDITED MILLIONAIRE PARTY LICENSE SHALL NOT EXCEED
18 150% OF THE STANDARD LICENSE FEE.

19 (8) IF A MILLIONAIRE PARTY LICENSE APPLICATION IS CANCELED
20 OR DENIED, THE DIRECTOR MAY RETAIN A PORTION OF THE FEE SUBMITTED
21 TO COVER PROCESSING COSTS.

22 (9) THE DIRECTOR SHALL NOT DENY A LICENSE TO AN APPLICANT
23 FOR A MILLIONAIRE PARTY LICENSE ON THE BASIS THAT THE LOCATION
24 WHERE THE EVENT WILL BE HELD IS A RACETRACK. THE DIRECTOR SHALL
25 NOT DENY A LICENSE TO AN APPLICANT FOR A MILLIONAIRE PARTY
26 LICENSE IN ORDER TO LIMIT THE NUMBER OF DAYS IN A WEEK THAT
27 EVENTS MAY BE CONDUCTED AT A RACETRACK OR TO LIMIT THE NUMBER OF

1 EVENTS THAT MAY BE CONDUCTED AT A RACETRACK ON 1 DAY TO FEWER
2 THAN THE MAXIMUM NUMBER OF EVENTS THAT MAY BE CONDUCTED AT THE
3 SAME TIME AT THE SAME LOCATION UNDER SECTION 35(4).

4 SEC. 35. (1) A QUALIFIED ORGANIZATION MAY BE ISSUED UP TO 4
5 MILLIONAIRE PARTY LICENSES IN 1 CALENDAR YEAR. EACH LICENSE IS
6 VALID FOR ONLY 1 LOCATION AS STATED ON THE LICENSE.

7 (2) A MILLIONAIRE PARTY LICENSE MAY BE ISSUED FOR UP TO 4
8 DAYS.

9 (3) THE DIRECTOR SHALL NOT ISSUE MORE THAN 1 MILLIONAIRE
10 PARTY LICENSE TO A QUALIFIED ORGANIZATION FOR ANY 1 DAY.

11 (4) THE DIRECTOR SHALL NOT ISSUE MORE THAN 4 MILLIONAIRE
12 PARTY LICENSES THAT WOULD ALLOW EVENTS TO BE CONDUCTED AT THE
13 SAME TIME AT THE SAME LOCATION. THIS SUBSECTION DOES NOT LIMIT
14 THE NUMBER OF LICENSES THAT MAY BE ISSUED FOR THE SAME LOCATION
15 ON THE SAME DATE IF NOT MORE THAN 4 EVENTS ARE BEING CONDUCTED AT
16 ANY 1 TIME.

17 (5) THE DIRECTOR SHALL INDICATE IN A MILLIONAIRE PARTY
18 LICENSE WHETHER THE MILLIONAIRE PARTY LICENSEE WILL USE A
19 CHARITABLE GAMING SERVICE PROVIDER TO PROVIDE OPERATION SERVICES
20 FOR THE EVENTS ALLOWED UNDER THE LICENSE.

21 (6) THE DIRECTOR MAY ALLOW A CHANGE IN THE LOCATION, DAY AND
22 DATE, OR TIME OF AN EVENT UNDER AN ISSUED MILLIONAIRE PARTY
23 LICENSE OR MAY ISSUE A DUPLICATE LICENSE. TO CHANGE THE LOCATION,
24 DAY AND DATE, OR TIME OF AN EVENT OR OBTAIN A DUPLICATE LICENSE,
25 THE LICENSEE MUST SUBMIT A REQUEST TO THE DIRECTOR IN WRITING
26 WITH A NONREFUNDABLE \$35.00 FEE AT LEAST 20 DAYS BEFORE THE EVENT
27 OR, IF THE REQUEST IS TO CHANGE THE DAY AND DATE OF THE EVENT, 20

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1 DAYS BEFORE THE PROPOSED NEW DATE.

2 (7) A MILLIONAIRE PARTY LICENSEE SHALL NOTIFY THE DIRECTOR
3 IN WRITING AT LEAST 10 DAYS BEFORE A PLANNED CANCELLATION OF AN
4 EVENT.

5 SEC. 36. (1) A MILLIONAIRE PARTY LICENSEE SHALL COMPLY WITH
6 THIS ACT AND THE RULES PROMULGATED UNDER THIS ARTICLE.

7 (2) A MILLIONAIRE PARTY LICENSEE SHALL COMPLY WITH THE TERMS
8 AND REQUIREMENTS OF THE LICENSE.

9 (3) A MILLIONAIRE PARTY LICENSE IS NOT ASSIGNABLE OR
10 TRANSFERRABLE, AND A LICENSEE SHALL NOT ASSIGN OR TRANSFER A
11 MILLIONAIRE PARTY LICENSE.

12 (4) A MILLIONAIRE PARTY LICENSEE MAY CONDUCT AN EVENT UNDER
13 ITS LICENSE WITHOUT USING A CHARITABLE GAMING SERVICE PROVIDER IF
14 THE OPERATION SERVICES FOR THE EVENT ARE PROVIDED BY BONA FIDE
15 MEMBERS OF THE LICENSEE.

<<(5) A QUALIFIED ORGANIZATION THAT OWNS EQUIPMENT SHALL NOT
RENT THE EQUIPMENT TO OR ALLOW THE USE OF THE EQUIPMENT BY ANOTHER
QUALIFIED ORGANIZATION FOR THE CONDUCT OF A MILLIONAIRE PARTY
WITHOUT THE WRITTEN APPROVAL OF THE DIRECTOR.

(6) A QUALIFIED ORGANIZATION THAT OWNS OR RENTS REAL PROPERTY
SHALL NOT RENT OR PROVIDE THE PROPERTY TO ANOTHER QUALIFIED
ORGANIZATION TO USE AS A LOCATION WITHOUT THE WRITTEN APPROVAL OF
THE DIRECTOR.>>

16 SEC. 37. (1) A MILLIONAIRE PARTY LICENSEE MAY ADVERTISE THE
17 EVENT. THE ADVERTISING MUST INCLUDE THE NAME OF THE LICENSEE AND
18 THE LICENSE NUMBER.

19 (2) A LESSOR OR CHARITABLE GAMING SERVICE PROVIDER MAY
20 ADVERTISE MILLIONAIRE PARTIES WITHOUT SPECIFIC LICENSE
21 INFORMATION IF ALL OF THE FOLLOWING REQUIREMENTS ARE MET:

22 (A) LICENSED MILLIONAIRE PARTIES ARE CONDUCTED AT THE
23 LOCATION OR BY THE CHARITABLE GAMING SERVICE PROVIDER ON AN
24 ONGOING BASIS.

25 (B) THE ADVERTISEMENT STATES THAT THE PROCEEDS FROM THE
26 MILLIONAIRE PARTIES BENEFIT NONPROFIT ORGANIZATIONS. THE
27 STATEMENT REQUIRED BY THIS SUBDIVISION SHALL BE DISPLAYED AS

1 FOLLOWS:

2 (i) IF THE ADVERTISING IS OVER THE INTERNET, PRINTED MATTER,
3 OR A SIGN OR BILLBOARD, IN A FONT THAT IS THE SAME SIZE OR LARGER
4 THAN THAT OF THE BODY OF THE ADVERTISEMENT.

5 (ii) IF THE ADVERTISING IS TELEVISED, IN A MANNER THAT IS
6 EASILY READABLE BY THE VIEWER CONTINUOUSLY DURING THE
7 ADVERTISEMENT.

8 (3) ADVERTISING UNDER THIS SECTION DOES NOT INCLUDE ANY OF
9 THE FOLLOWING:

10 (A) A MESSAGE OR GREETING ON AN ANSWERING MACHINE OR
11 VOICEMAIL INTENDED TO BE HEARD BY AN INDIVIDUAL WHO TELEPHONES A
12 LICENSEE, LESSOR, OR CHARITABLE GAMING SERVICE PROVIDER.

13 (B) VIDEO, AUDIO, OR OTHER MEANS OF COMMUNICATION THAT IS
14 BROADCAST SOLELY INSIDE A LOCATION WHERE AN EVENT IS BEING
15 CONDUCTED.

16 (C) PRINTED MATTER INSIDE A LOCATION WHERE AN EVENT IS BEING
17 CONDUCTED THAT IS INTENDED TO BE VISIBLE ONLY INSIDE THE
18 LOCATION.

19 (D) AN INTERNET WEBPAGE THAT DOES NOT MENTION THE DAY, DATE,
20 OR TIME OF, SPECIFY GAMES PLAYED AT, OR GIVE PROGRAM INFORMATION
21 FOR AN EVENT.

22 (E) A SIGN LOCATED AT A LOCATION THAT DOES NOT MENTION THE
23 DAY, DATE, OR TIME OF, SPECIFY GAMES PLAYED AT, OR GIVE PROGRAM
24 INFORMATION FOR AN EVENT.

25 SEC. 38. AN EVENT SHALL BE HELD AT A LOCATION THAT MEETS 1
26 OR MORE OF THE FOLLOWING REQUIREMENTS:

27 (A) THE LOCATION IS OWNED OR RENTED ON A CONTINUAL BASIS AND

1 OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
2 MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE LOCATION IS
3 OWNED BY THE LICENSEE.

4 (B) THE LOCATION IS RENTED OR CONTROLLED BY A QUALIFIED
5 ORGANIZATION FOR THE EVENT AND THE EQUIPMENT USED FOR GAMING AT
6 THE LOCATION IS OWNED BY THE LICENSEE.

7 (C) THE LOCATION IS OWNED OR RENTED ON A CONTINUAL BASIS AND
8 OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
9 MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE LOCATION IS
10 RENTED FROM A CHARITABLE GAMING SERVICE PROVIDER.

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

14 (E) THE LOCATION IS OWNED, RENTED, OR OPERATED BY A
15 CHARITABLE GAMING SERVICE PROVIDER.

16 SEC. 39. THE PRINCIPAL OFFICER OF A MILLIONAIRE PARTY
17 LICENSEE IS RESPONSIBLE FOR ALL OF THE FOLLOWING:

18 (A) ENSURING THAT THERE IS FULL ACCOUNTABILITY FOR ALL
19 GAMING ASSETS, INCLUDING, BUT NOT LIMITED TO, CASH, PRIZES, CHIPS
20 OR IMITATION MONEY, AND ALL MONEY DERIVED FROM THE EVENT.

21 (B) ENSURING THAT THE EVENT IS CONDUCTED IN ACCORDANCE WITH
22 THIS ACT AND RULES PROMULGATED UNDER THIS ARTICLE.

23 (C) ENSURING THAT ALL RECORDS RELATED TO THE EVENT ARE
24 CURRENT AND ACCURATE.

25 (D) REVIEWING ALL REPORTS AND CORRESPONDENCE FROM THE
26 DIRECTOR.

27 (E) SIGNING AND ENSURING THAT FINANCIAL STATEMENTS FROM THE

1 EVENT ARE SUBMITTED TO THE DIRECTOR AS REQUIRED UNDER THIS ACT.

2 (F) RESPONDING IN WRITING TO VIOLATION NOTICES UNDER THIS
3 ACT.

4 (G) ENSURING THAT ALL WORKERS ARE QUALIFIED TO WORK THE
5 EVENT.

6 (H) ENSURING THAT A CHAIRPERSON AND A RECORD KEEPER ARE
7 PRESENT AT THE LOCATION WHERE THE EVENT IS HELD AT ANY TIME
8 DURING THE EVENT.

9 SEC. 40. (1) THE OFFICERS OF A MILLIONAIRE PARTY LICENSEE
10 SHALL DESIGNATE 1 OR MORE INDIVIDUALS TO SERVE AS CHAIRPERSONS TO
11 BE IN CHARGE OF AND RESPONSIBLE FOR ASSURING THAT THE MILLIONAIRE
12 PARTY IS CONDUCTED IN ACCORDANCE WITH THIS ACT AND RULES
13 PROMULGATED UNDER THIS ARTICLE.

14 (2) A CHAIRPERSON IS A WORKER AND MUST HAVE BEEN A BONA FIDE
15 MEMBER OF THE LICENSEE FOR AT LEAST 6 MONTHS BEFORE THE EVENT.

16 (3) A CHAIRPERSON MUST BE FAMILIAR WITH THIS ACT, RULES
17 PROMULGATED UNDER THIS ARTICLE, AND ANY APPLICABLE TERMS OF
18 PROBATION.

19 (4) AT LEAST 1 OF THE INDIVIDUALS DESIGNATED AS CHAIRPERSON
20 MUST BE PRESENT AT THE LOCATION WHERE THE EVENT IS HELD AT ANY
21 TIME DURING THE EVENT.

22 (5) AN INDIVIDUAL DESIGNATED AS CHAIRPERSON SHALL WEAR A
23 BADGE ON WHICH IS PRINTED THE WORD "CHAIRPERSON", THE NAME OF THE
24 LICENSEE, AND THE NAME OF THE CHAIRPERSON.

25 (6) AN INDIVIDUAL DESIGNATED AS CHAIRPERSON SHALL BE IN
26 CHARGE OF THE EVENT, SUPERVISE AND DIRECT ALL WORKERS, AND ASSURE
27 THAT PROPER RECEIPTS ARE GIVEN FOR ALL MONEY RECEIVED DURING THE

1 EVENT, THAT THE RECEIPT OF THE MONEY IS PROPERLY RECORDED, AND
2 THAT THE MONEY IS PROPERLY DEPOSITED.

3 (7) AN INDIVIDUAL DESIGNATED AS A CHAIRPERSON SHALL ATTEMPT
4 TO RESOLVE IN ACCORDANCE WITH THIS ACT, RULES PROMULGATED UNDER
5 THIS ARTICLE, AND EVENT RULES ANY DISPUTES THAT MAY OCCUR DURING
6 THE EVENT.

7 (8) THE PRINCIPAL OFFICER OF A LICENSEE SHALL IMMEDIATELY
8 NOTIFY THE DIRECTOR IN A WRITING SIGNED BY THE PRINCIPAL OFFICER
9 OF ANY CHANGE IN THE CHAIRPERSONS LISTED ON THE APPLICATION FOR
10 THE LICENSE.

11 SEC. 41. (1) THE OFFICERS OF A MILLIONAIRE PARTY LICENSEE
12 SHALL DESIGNATE 1 OR MORE INDIVIDUALS TO SERVE AS RECORD KEEPERS
13 TO BE RESPONSIBLE FOR THE HANDLING OF CASH, PRIZES, CHIPS, AND
14 IMITATION MONEY AT THE EVENT.

15 (2) AT LEAST 1 OF THE INDIVIDUALS DESIGNATED AS A RECORD
16 KEEPER MUST BE PRESENT AT THE LOCATION WHERE THE EVENT IS HELD AT
17 ANY TIME DURING THE EVENT. A RECORD KEEPER SHALL GIVE PROPER
18 RECEIPTS FOR ALL MONEY RECEIVED DURING THE EVENT AND PROPERLY
19 RECORD THE RECEIPT OF THE MONEY.

20 (3) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN
21 INDIVIDUAL TO ACT AS A RECORD KEEPER AT AN EVENT UNLESS THE
22 INDIVIDUAL QUALIFIES AS A WORKER AND IS A BONA FIDE MEMBER OF THE
23 LICENSEE.

24 (4) A WORKER AT A MILLIONAIRE PARTY SHALL NOT PLAY GAMES IN
25 WHICH HE OR SHE IS WORKING OR ASSISTING. A WORKER MAY PLAY WHEN
26 NOT WORKING, AFTER PAYING ANY ADMISSION FEE AND ALL OTHER FEES IN
27 THE SAME MANNER AS OTHER PLAYERS.

1 (5) A WORKER SHALL NOT ACCEPT A PRIZE OR PURCHASE, PLAY, OR
2 ACCEPT A CHARITY GAME TICKET OR NUMERAL GAME TICKET AT AN EVENT
3 AT WHICH HE OR SHE IS WORKING OR ASSISTING.

4 (6) A WORKER SHALL NOT SPLIT A PRIZE WITH A PLAYER OR ACCEPT
5 ANY KIND OF TIP.

6 SEC. 42. (1) AT AN EVENT, THE MILLIONAIRE PARTY LICENSEE
7 SHALL ENSURE THAT THE LICENSEE DOES NOT RECEIVE MORE THAN 1 OF
8 THE FOLLOWING AMOUNTS, AS APPLICABLE, IN EXCHANGE FOR IMITATION
9 MONEY OR CHIPS ON THE DAY OF THE EVENT:

10 (A) IF THE LICENSEE DOES NOT USE A CHARITABLE GAMING SERVICE
11 PROVIDER FOR THE EVENT, \$50,000.00.

12 (B) IF THE LICENSEE USES A CHARITABLE GAMING SERVICE
13 PROVIDER FOR THE EVENT, \$20,000.00.

14 (2) A MILLIONAIRE PARTY LICENSEE MAY CONDUCT THE FOLLOWING
15 GAMES AT AN EVENT HELD UNDER THE LICENSE:

16 (A) WHEEL OF FORTUNE.

17 (B) ROULETTE.

18 (C) A DICE GAME IN WHICH THE PLAYERS COMPETE ONLY AGAINST
19 THE LICENSEE.

20 (D) TWENTY-ONE OR BLACKJACK.

21 (E) POKER, IN ANY FORM.

22 (F) ANY OTHER GAME APPROVED BY THE DIRECTOR.

23 (3) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN
24 INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY
25 LICENSEE TO PARTICIPATE IN THE MANAGEMENT OF THE EVENT. AN
26 INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY
27 LICENSEE SHALL NOT PARTICIPATE IN THE MANAGEMENT OF AN EVENT.

(4) EXCEPT WHEN DEALING CARDS, AN INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY LICENSEE SHALL NOT PERFORM ANY OF THE FOLLOWING MILLIONAIRE PARTY MANAGEMENT DUTIES:

(A) COUNTING, DISTRIBUTING, HANDLING, SELLING, OR REDEEMING CHIPS.

(B) RECEIVING, HANDLING, OR COUNTING CASH.

(C) COLLECTING THE HOUSE RAKE.

(D) PAYING OUT CASH PRIZES.

(E) PAYING WORKERS.

(F) COMPLETING GAME RECORDS AND THE FINANCIAL STATEMENT.

(5) IF AN INDIVIDUAL WHO IS A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY LICENSEE PROVIDES OPERATION SERVICES AT THE EVENT, THE LICENSEE DOES NOT HAVE TO PERFORM A BACKGROUND CHECK ON THE INDIVIDUAL.

(6) AN EMPLOYEE OR AGENT OF A LESSOR OR CHARITABLE GAMING SERVICE PROVIDER MAY ACCEPT CASH TIPS AT A MILLIONAIRE PARTY EVENT.

SEC. 43. (1) A MILLIONAIRE PARTY LICENSEE SHALL DEVOTE THE ENTIRE NET PROCEEDS OF A MILLIONAIRE PARTY EXCLUSIVELY TO THE LAWFUL PURPOSES OF THE LICENSEE. A LICENSEE SHALL NOT USE THE NET PROCEEDS FROM A MILLIONAIRE PARTY FOR THE BENEFIT OF AN INDIVIDUAL OR A DIRECTOR, MEMBER, OR SHAREHOLDER OF THE LICENSEE EXCEPT TO DIRECTLY FURTHER THE LAWFUL PURPOSES OF THE LICENSEE. A MILLIONAIRE PARTY LICENSEE SHALL NOT INCUR OR PAY AN ITEM OF EXPENSE IN CONNECTION WITH HOLDING OR CONDUCTING AN EVENT EXCEPT THE FOLLOWING EXPENSES IN AMOUNTS THAT THE DIRECTOR DETERMINES TO BE REASONABLE:

1 (A) PURCHASE OF EQUIPMENT.

2 (B) REPAIR OF EQUIPMENT.

3 (C) CASH PRIZES OR THE PURCHASE OF PRIZES OF MERCHANDISE.

4 (D) RENTAL OF THE LOCATION AT WHICH THE EVENT IS CONDUCTED.

5 (E) JANITORIAL SERVICES.

6 (F) THE FEE REQUIRED FOR ISSUANCE OR REISSUANCE OF THE
7 LICENSE TO CONDUCT THE EVENT.

8 (G) SECURITY.

9 (H) REASONABLE ADVERTISING.

10 (I) FEES PAID TO A CHARITABLE GAMING SERVICE PROVIDER FOR
11 ANY OF THE FOLLOWING:

12 (i) RENTAL OF EQUIPMENT.

13 (ii) OPERATION SERVICES.

14 (iii) SECURITY.

15 (J) OTHER REASONABLE EXPENSES INCURRED BY THE LICENSEE, NOT
16 INCONSISTENT WITH THIS ACT OR RULES PROMULGATED UNDER THIS
17 ARTICLE.

18 (2) A MILLIONAIRE PARTY LICENSEE SHALL NOT PAY MORE THAN 50%
19 OF THE GROSS PROFIT FROM AN EVENT FOR EXPENSES, NOT INCLUDING
20 EXPENSES DESCRIBED IN SUBSECTION (1) (F). AS USED IN THIS
21 SUBSECTION, "GROSS PROFIT" MEANS THE TOTAL AMOUNT PAID BY PATRONS
22 TO PARTICIPATE IN CHARITABLE GAMING AT THE EVENT LESS THE AMOUNT
23 OR VALUE OF PRIZES PAID.

24 SEC. 44. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT WRITE A
25 CHECK ON AN ACCOUNT INTO WHICH PROCEEDS FROM THE EVENT ARE
26 DEPOSITED OR TRANSFERRED UNLESS THE CHECK SATISFIES ALL OF THE
27 FOLLOWING REQUIREMENTS:

1 (A) THE NAME OF THE LICENSEE IS PREPRINTED ON THE CHECK.

2 (B) AN AUTHORIZED INDIVIDUAL OR INDIVIDUALS SIGN THE CHECK.

3 (C) THE CHECK IS NOT MADE PAYABLE TO CASH OR BEARER OR DRAWN
4 IN BLANK.

5 (D) THE CHECK CONTAINS A BRIEF DESCRIPTION OF THE EXPENSE ON
6 THE MEMO LINE.

7 (2) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT CANCELED
8 CHECKS WRITTEN ON AN ACCOUNT INTO WHICH PROCEEDS FROM THE EVENT
9 ARE DEPOSITED OR TRANSFERRED ARE RETURNED ON A MONTHLY BASIS TO
10 THE ACCOUNT HOLDER. THIS SUBSECTION IS SATISFIED BY THE RETURN OF
11 COPIES OF THE CHECKS, IF THE COPIES ARE LEGIBLE AND IF THE
12 ORIGINALS CAN BE MADE AVAILABLE TO THE DIRECTOR ON REQUEST.

13 (3) A MILLIONAIRE PARTY LICENSEE SHALL DEPOSIT ALL MONEY
14 DERIVED FROM THE CONDUCT OF THE EVENT INTO THE LICENSEE'S
15 FINANCIAL ACCOUNT WITHIN 4 BUSINESS DAYS AFTER THE EVENT.

16 (4) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW A CHECK TO
17 BE CASHED OUT OF THE MILLIONAIRE PARTY START CASH OR GROSS
18 REVENUE.

19 (5) EXCEPT FOR CASH PRIZES AND WORKER COMPENSATION, A
20 MILLIONAIRE PARTY LICENSEE SHALL NOT PAY ANY EXPENDITURE IN CASH
21 FROM PROCEEDS OF THE EVENT. A MILLIONAIRE PARTY LICENSEE SHALL
22 PAY ALL OTHER EXPENSES RELATED TO THE EVENT BY CHECK AS REQUIRED
23 BY THIS SECTION.

24 SEC. 45. (1) A MILLIONAIRE PARTY LICENSEE MAY ASSIGN A
25 MEMBER TO PROVIDE SECURITY SERVICES AT AN EVENT HELD UNDER THE
26 LICENSE AND PAY THE MEMBER FOR THE SERVICES.

27 (2) A MILLIONAIRE PARTY LICENSEE OR CHARITABLE GAMING

SERVICE PROVIDER MAY CONTRACT FOR SECURITY SERVICES FROM A PERSON LICENSED UNDER THE PRIVATE SECURITY BUSINESS AND SECURITY ALARM ACT, 1968 PA 330, MCL 338.1051 TO 338.1092. A MILLIONAIRE PARTY LICENSEE OR CHARITABLE GAMING SERVICE PROVIDER SHALL PAY A PERSON WHO PROVIDES SECURITY UNDER THIS SUBSECTION AT CURRENT MARKET RATES. A PERSON WHO PROVIDES SECURITY UNDER THIS SUBSECTION SHALL NOT PARTICIPATE IN ANY OTHER WAY IN CONDUCTING THE MILLIONAIRE PARTY.

SEC. 46. (1) AN APPLICANT FOR A LICENSE TO OPERATE AS A CHARITABLE GAMING SERVICE PROVIDER TO QUALIFIED ORGANIZATIONS LICENSED UNDER THIS ARTICLE SHALL SUBMIT A WRITTEN APPLICATION TO THE DIRECTOR ON A FORM PRESCRIBED BY THE DIRECTOR.

(2) AN APPLICANT UNDER THIS SECTION SHALL DISCLOSE TO THE DIRECTOR WHETHER AN OWNER, PARTNER, SHAREHOLDER, OFFICER, OR AGENT OF THE APPLICANT, OR ANY INDIVIDUAL WHO RESIDES IN THE SAME HOUSEHOLD AS ANY OF THESE, HAS BEEN CONVICTED OF, HAS FORFEITED BOND ON A CHARGE OF, OR HAS PLEAD GUILTY TO ANY OF THE FOLLOWING OFFENSES:

(A) A FELONY.

(B) A GAMBLING OFFENSE.

(C) CRIMINAL FRAUD.

(D) FORGERY.

(E) LARCENY.

(F) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

(3) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY REPORT TO THE DIRECTOR IN WRITING ANY CHANGES TO THE INFORMATION PROVIDED ON AN APPLICATION FILED UNDER THIS SECTION.

1 SEC. 47. (1) IF THE DIRECTOR DETERMINES THAT AN APPLICATION
2 AND SUPPORTING INFORMATION SUBMITTED UNDER SECTION 46 COMPLY WITH
3 THIS ACT AND RULES PROMULGATED UNDER THIS ARTICLE, THE APPLICANT
4 HAS PAID AN ANNUAL LICENSE FEE OF \$300.00, AND THERE IS NO REASON
5 TO DENY THE ISSUANCE OF THE LICENSE UNDER SUBSECTION (2), THE
6 DIRECTOR SHALL ISSUE A CHARITABLE GAMING SERVICE PROVIDER LICENSE
7 TO THE APPLICANT.

8 (2) THE DIRECTOR SHALL CONSIDER WHETHER AN APPLICATION UNDER
9 SECTION 46 SHOULD BE DENIED BECAUSE OF ANY OF THE FOLLOWING
10 FACTORS:

11 (A) THE FALSITY OR INACCURACY OF ANY INFORMATION SUPPLIED BY
12 THE APPLICANT.

13 (B) ANY INDEBTEDNESS OF THE APPLICANT TO A LOCAL, STATE, OR
14 FEDERAL GOVERNMENTAL AGENCY.

15 (C) ANY PENDING LAWSUIT OR BANKRUPTCY PROCEEDING INVOLVING
16 THE APPLICANT OR ANY OWNER, PARTNER, SHAREHOLDER, OR OFFICER OF
17 THE APPLICANT.

18 (D) THE CURRENT OR PAST HISTORY OF NONCOMPLIANCE OF THE
19 APPLICANT OR ANY OWNER, PARTNER, SHAREHOLDER, MEMBER, DIRECTOR,
20 OFFICER, OR AGENT OF THE APPLICANT, OR OF ANY INDIVIDUAL WHO
21 RESIDES IN THE SAME HOUSEHOLD AS ANY OF THESE, WITH THIS ACT AND
22 RULES PROMULGATED UNDER THIS ARTICLE.

23 (E) CRIMINAL CONVICTIONS OF THE APPLICANT OR ANY OWNER,
24 PARTNER, SHAREHOLDER, MEMBER, DIRECTOR, OFFICER, OR AGENT OF THE
25 APPLICANT, OR OF ANY INDIVIDUAL WHO RESIDES IN THE SAME HOUSEHOLD
26 AS ANY OF THESE, FOR ANY OF THE FOLLOWING OFFENSES:

27 (i) A VIOLATION OF THE ACT.

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(ii) A FELONY.

(iii) A GAMBLING OFFENSE.

(iv) CRIMINAL FRAUD.

(v) FORGERY.

(vi) LARCENY.

(vii) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

(F) ANY OTHER FACTORS CONSIDERED RELEVANT BY THE DIRECTOR.

<<(3) THE DIRECTOR SHALL NOT ISSUE A CHARITABLE GAMING
SERVICE PROVIDER LICENSE TO A QUALIFIED ORGANIZATION.>>

SEC. 48. (1) A CHARITABLE GAMING SERVICE PROVIDER LICENSE
EXPIRES AT MIDNIGHT ON SEPTEMBER 30, AND IS RENEWABLE ANNUALLY ON
THE SUBMISSION OF A RENEWAL APPLICATION, PRESCRIBED BY THE
DIRECTOR, UNLESS THE LICENSE IS SUMMARILY SUSPENDED, SUSPENDED,
DENIED, OR REVOKED BY THE DIRECTOR.

(2) IF THE OWNERSHIP OR ANY PORTION OF OWNERSHIP OF THE
CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR SOLE
PROPRIETORSHIP ACTING AS A CHARITABLE GAMING SERVICE PROVIDER
CHANGES, NOT INCLUDING THE DEPARTURE OF AN OWNER OR A CHANGE IN
PERCENTAGE OF OWNERSHIP, THE LICENSE ISSUED TO THE CORPORATION,
PARTNERSHIP, OR SOLE PROPRIETORSHIP IS VOID AND THE CHARITABLE
GAMING SERVICE PROVIDER SHALL RETURN THE LICENSE TO THE DIRECTOR
WITHOUT DELAY.

(3) A CHARITABLE GAMING SERVICE PROVIDER LICENSE SHALL STATE
THAT THE CHARITABLE GAMING SERVICE PROVIDER IS LICENSED TO DO
EITHER OF THE FOLLOWING:

(A) RENT OR SELL EQUIPMENT.

(B) PROVIDE OPERATION SERVICES.

SEC. 49. (1) A CHARITABLE GAMING SERVICE PROVIDER SHALL
COMPLY WITH THIS ACT AND THE RULES PROMULGATED UNDER THIS

1 ARTICLE.

2 (2) A CHARITABLE GAMING SERVICE PROVIDER SHALL COMPLY WITH
3 THE TERMS AND REQUIREMENTS OF ITS LICENSE.

4 (3) A CHARITABLE GAMING SERVICE PROVIDER LICENSE IS NOT
5 ASSIGNABLE OR TRANSFERRABLE, AND A LICENSEE SHALL NOT ASSIGN OR
6 TRANSFER A CHARITABLE GAMING SERVICE PROVIDER LICENSE.

7 SEC. 50. (1) A CHARITABLE GAMING SERVICE PROVIDER SHALL ONLY
8 CONDUCT GAMES THAT THE MILLIONAIRE PARTY LICENSEE IS AUTHORIZED
9 TO CONDUCT AND THAT THE MILLIONAIRE PARTY LICENSEE HAS AGREED
10 THAT THE CHARITABLE GAMING SERVICE PROVIDER MAY CONDUCT.

11 (2) A CHARITABLE GAMING SERVICE PROVIDER SHALL HOLD THE
12 MILLIONAIRE PARTY LICENSEE HARMLESS FROM ANY LOSS FROM THE
13 CONDUCT OF A GAME OVER THE COURSE OF AN EVENT.

14 (3) A CHARITABLE GAMING SERVICE PROVIDER SHALL NOT CHARGE A
15 MILLIONAIRE PARTY AN AMOUNT THAT WOULD RESULT IN A VIOLATION OF
16 SECTION 43(2).

17 (4) AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY INSPECT
18 THE LOCATION AT WHICH A CHARITABLE GAMING SERVICE PROVIDER
19 CONDUCTS GAMING OR INTENDS TO CONDUCT GAMING OR USES TO STORE
20 EQUIPMENT DURING REASONABLE BUSINESS HOURS.

21 (5) A PERSON SHALL NOT REFUSE TO COOPERATE WITH, HINDER, OR
22 OBSTRUCT IN ANY WAY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR
23 WHILE THE REPRESENTATIVE IS PERFORMING OFFICIAL DUTIES.

24 (6) A CHARITABLE GAMING SERVICE PROVIDER SHALL NOT REQUIRE A
25 MILLIONAIRE PARTY LICENSEE TO ENTER INTO AN EXCLUSIVE CONTRACT
26 WITH THE CHARITABLE GAMING SERVICE PROVIDER.

27 (7) A CHARITABLE GAMING SERVICE PROVIDER OR AN OWNER,

1 PARTNER, SHAREHOLDER, MEMBER, DIRECTOR, OFFICER, AGENT, OR
2 EMPLOYEE OF A CHARITABLE GAMING SERVICE PROVIDER, OR AN
3 INDIVIDUAL WHO RESIDES IN THE SAME HOUSEHOLD AS ANY OF THESE,
4 SHALL NOT BE INVOLVED WITH THE MANAGEMENT OF AN EVENT. THIS
5 SUBSECTION DOES NOT APPLY TO THE DELIVERY, REPAIR, AND SET UP OF
6 EQUIPMENT, TRAINING BEFORE THE START OF THE EVENT, OR TECHNICAL
7 ADVICE DURING THE EVENT.

8 (8) AN INDIVIDUAL CONVICTED OF A CRIMINAL OFFENSE UNDER THIS
9 ACT OR ANY OTHER GAMBLING OFFENSE IS INELIGIBLE TO BE AN OWNER,
10 PARTNER, SHAREHOLDER, MEMBER, DIRECTOR, OFFICER, AGENT, OR
11 EMPLOYEE OF A CHARITABLE GAMING SERVICE PROVIDER FOR 1 YEAR AFTER
12 THE CONVICTION BECOMES FINAL.

13 (9) AN OWNER, PARTNER, SHAREHOLDER, MEMBER, DIRECTOR,
14 OFFICER, EMPLOYEE, OR AGENT OF A CHARITABLE GAMING SERVICE
15 PROVIDER SHALL NOT WAGER ON A GAME AT AN EVENT FOR WHICH THE
16 CHARITABLE GAMING SERVICE PROVIDER IS PROVIDING OPERATION
17 SERVICES.

18 SEC. 51. (1) BEFORE HIRING A PROSPECTIVE EMPLOYEE, A
19 CHARITABLE GAMING SERVICE PROVIDER SHALL REQUEST THE BOARD TO
20 CONDUCT A BACKGROUND CHECK OF THE PROSPECTIVE EMPLOYEE TO
21 DETERMINE WHETHER THE PROSPECTIVE EMPLOYEE HAS BEEN CONVICTED OF
22 A CRIMINAL OFFENSE OR HAS ANY CRIMINAL CHARGES PENDING AGAINST
23 HIM OR HER.

24 (2) A CHARITABLE GAMING SERVICE PROVIDER SHALL SUBMIT A FEE
25 OF \$25.00 AND ANY FEE CHARGED BY THE DEPARTMENT OF STATE POLICE
26 UNDER SUBSECTION (3) (B) WITH A REQUEST FOR A BACKGROUND CHECK
27 UNDER THIS SECTION.

1 (3) THE BOARD SHALL CONDUCT A BACKGROUND CHECK UNDER THIS
2 SECTION AS FOLLOWS:

3 (A) THE PROSPECTIVE EMPLOYEE SHALL SUBMIT FINGERPRINTS TO
4 THE BOARD FOR THE PURPOSE OF OBTAINING CRIMINAL HISTORY RECORD
5 INFORMATION. THE BOARD SHALL SUBMIT THE FINGERPRINTS OBTAINED
6 UNDER THIS SUBDIVISION TO THE DEPARTMENT OF STATE POLICE FOR A
7 STATE CRIMINAL HISTORY RECORD CHECK. THE DEPARTMENT OF STATE
8 POLICE SHALL FORWARD THE FINGERPRINTS TO THE FEDERAL BUREAU OF
9 INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORD CHECK.

10 (B) THE FINGERPRINT-BASED CRIMINAL HISTORY CHECK UNDER THIS
11 SECTION MUST BE CONDUCTED IN A MANNER PRESCRIBED BY THE
12 DEPARTMENT OF STATE POLICE. THE DEPARTMENT OF STATE POLICE SHALL
13 CONDUCT THE FINGERPRINT-BASED CRIMINAL HISTORY CHECK AND PROVIDE
14 A REPORT OF THE RESULTS TO THE BOARD. THE DEPARTMENT OF STATE
15 POLICE MAY CHARGE A FEE FOR THE FINGERPRINT-BASED CRIMINAL
16 HISTORY CHECK, AS PROVIDED UNDER SECTION 3 OF 1935 PA 120, MCL
17 28.273.

18 (C) THE DEPARTMENT OF STATE POLICE SHALL STORE AND MAINTAIN
19 ALL FINGERPRINTS SUBMITTED UNDER THIS SUBSECTION IN AN AUTOMATED
20 FINGERPRINT IDENTIFICATION SYSTEM DATABASE THAT PROVIDES FOR AN
21 AUTOMATIC NOTIFICATION WHEN A SUBSEQUENT CRIMINAL ARREST
22 FINGERPRINT CARD SUBMITTED INTO THE SYSTEM MATCHES A SET OF
23 FINGERPRINTS PREVIOUSLY SUBMITTED IN ACCORDANCE WITH THIS
24 SUBSECTION. WHEN THERE IS A MATCH, THE DEPARTMENT OF STATE POLICE
25 SHALL IMMEDIATELY NOTIFY THE BOARD AND THE BOARD SHALL TAKE THE
26 APPROPRIATE ACTION. AFTER THE FEDERAL BUREAU OF INVESTIGATION
27 IMPLEMENTS A SIMILAR AUTOMATIC NOTIFICATION SYSTEM, THE FEDERAL

1 BUREAU OF INVESTIGATION SHALL STORE AND MAINTAIN ALL FINGERPRINTS
2 SUBMITTED UNDER THIS SUBSECTION IN AN AUTOMATED FINGERPRINT
3 IDENTIFICATION SYSTEM DATABASE THAT PROVIDES FOR AN AUTOMATIC
4 NOTIFICATION WHEN A SUBSEQUENT CRIMINAL ARREST FINGERPRINT CARD
5 SUBMITTED INTO THE SYSTEM MATCHES A SET OF FINGERPRINTS
6 PREVIOUSLY SUBMITTED IN ACCORDANCE WITH THIS SUBSECTION. WHEN
7 THERE IS A MATCH, THE DEPARTMENT OF STATE POLICE SHALL
8 IMMEDIATELY FORWARD NOTIFICATION TO THE BOARD, AND THE BOARD
9 SHALL TAKE THE APPROPRIATE ACTION.

10 (D) ANY CRIMINAL HISTORY INFORMATION KEPT ON FILE BY THE
11 BOARD UNDER THIS SECTION IS EXEMPT FROM DISCLOSURE UNDER SECTION
12 13(1)(D) OF THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL
13 15.243.

14 (4) IF THE DIRECTOR HAS NOT NOTIFIED THE CHARITABLE GAMING
15 SERVICE PROVIDER WHETHER THE PROSPECTIVE EMPLOYEE IS QUALIFIED TO
16 BE EMPLOYED UNDER THIS ARTICLE WITHIN 10 DAYS AFTER THE BOARD IS
17 ADVISED OF THE PROSPECTIVE HIRING UNDER THIS SECTION, THE
18 CHARITABLE GAMING SERVICE PROVIDER MAY BEGIN TO TRAIN THE
19 PROSPECTIVE EMPLOYEE.

20 (5) IF THE DIRECTOR HAS NOT NOTIFIED THE CHARITABLE GAMING
21 SERVICE PROVIDER WHETHER THE PROSPECTIVE EMPLOYEE IS QUALIFIED TO
22 BE EMPLOYED UNDER THIS ARTICLE WITHIN 30 DAYS AFTER THE BOARD IS
23 ADVISED OF THE PROSPECTIVE HIRING UNDER THIS SECTION, THE
24 CHARITABLE GAMING SERVICE PROVIDER MAY CONSIDER THE EMPLOYEE TO
25 BE QUALIFIED UNDER THIS ACT AND EMPLOY THE EMPLOYEE, UNLESS THE
26 DIRECTOR LATER NOTIFIES THE CHARITABLE GAMING SERVICE PROVIDER OF
27 A NEGATIVE DETERMINATION.

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1 (6) AN INDIVIDUAL MAY REQUEST PRELIMINARY APPROVAL UNDER
2 THIS SECTION BEFORE A CHARITABLE GAMING SERVICE PROVIDER
3 INDICATES AN INTENT TO HIRE THE INDIVIDUAL BY SUBMITTING TO THE
4 BOARD ANY DOCUMENTS NECESSARY TO CONDUCT A BACKGROUND CHECK AND
5 THE FEE REQUIRED UNDER SUBSECTION (2).

<<(7) THIS SECTION TAKES EFFECT 90 DAYS AFTER THE EFFECTIVE
DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION.>>

6 SEC. 52. (1) <<A

>> CHARITABLE GAMING

8 SERVICE PROVIDER SHALL MAINTAIN CURRENT AND ACCURATE RECORDS OF
9 ALL OPERATIONS IN CONJUNCTION WITH THE PURCHASE, SALE, OR RENTAL
10 OF MILLIONAIRE PARTY EQUIPMENT AND THE PROVISION OF OPERATION
11 SERVICES AS REQUIRED BY THIS ACT.

12 (2) AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY REVIEW
13 THE RECORDS DESCRIBED IN SUBSECTION (1) AND ALL DOCUMENTS
14 SUPPORTING ENTRIES MADE IN THE RECORDS AT THE LOCATION.

15 (3) A CHARITABLE GAMING SERVICE PROVIDER SHALL KEEP THE
16 RECORDS DESCRIBED IN SUBSECTION (1) AND ALL DOCUMENTS SUPPORTING
17 ENTRIES MADE IN THE RECORDS FOR AT LEAST THE CALENDAR YEAR IN
18 WHICH THE EVENT OCCURRED AND THE 3 FOLLOWING YEARS.

19 (4) A CHARITABLE GAMING SERVICE PROVIDER SHALL REPORT TO THE
20 DIRECTOR, ON A FORM PRESCRIBED BY THE DIRECTOR, THE TYPE AND
21 TOTAL AMOUNT OF SALES AND RENTALS OF MILLIONAIRE PARTY EQUIPMENT.

22 SEC. 53. A PERSON SHALL NOT ACT AS A CHARITABLE GAMING
23 SERVICE PROVIDER UNLESS THE PERSON IS LICENSED AS A CHARITABLE
24 GAMING SERVICE PROVIDER UNDER THIS ARTICLE.

25 SEC. 54. (1) IF THE DIRECTOR DETERMINES THAT A LICENSEE
26 UNDER THIS ARTICLE HAS VIOLATED THIS ACT OR THE RULES PROMULGATED
27 UNDER THIS ARTICLE, THE DIRECTOR MAY PROCEED WITH LICENSING

1 SANCTIONS AS PROVIDED IN THIS ARTICLE AND SECTION 92 OF THE
2 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.292.

3 (2) IN DETERMINING A PROPER SANCTION FOR A VIOLATION OF THIS
4 ACT OR RULES PROMULGATED UNDER THIS ARTICLE, THE DIRECTOR SHALL
5 CONSIDER WHETHER THE VIOLATION WAS INADVERTENT OR INTENTIONAL AND
6 WHAT THE CONSEQUENCES OF THE VIOLATION WERE. FOR A VIOLATION, THE
7 DIRECTOR MAY ORDER 1 OR MORE OF THE FOLLOWING:

8 (A) THAT THE LICENSEE RECEIVE A WRITTEN WARNING.

9 (B) THAT THE LICENSEE BE PLACED ON PROBATION UNDER SECTION
10 55.

11 (C) FOR A FIRST VIOLATION, THAT THE LICENSEE PAY A FINE OF
12 UP TO \$1,000.00 AND, IF THE VIOLATION THREATENED THE PUBLIC
13 HEALTH, SAFETY, OR WELFARE OR PUBLIC TRUST, THAT THE LICENSE BE
14 SUSPENDED UNDER SECTION 56 FOR UP TO 30 DAYS.

15 (D) FOR A SECOND VIOLATION IN A 2-YEAR PERIOD, THAT THE
16 LICENSEE PAY A FINE OF UP TO \$2,000.00 AND, IF THE VIOLATION
17 THREATENED THE PUBLIC HEALTH, SAFETY, OR WELFARE OR PUBLIC TRUST,
18 THAT THE LICENSE BE SUSPENDED UNDER SECTION 56 FOR UP TO 60 DAYS.

19 (E) FOR A THIRD VIOLATION IN A 2-YEAR PERIOD, THAT THE
20 LICENSEE PAY A FINE OF UP TO \$3,000.00 AND, IF THE VIOLATION
21 THREATENED THE PUBLIC HEALTH, SAFETY, OR WELFARE OR PUBLIC TRUST,
22 THAT THE LICENSE BE SUSPENDED UNDER SECTION 56 FOR UP TO 90 DAYS.

23 (F) FOR A FOURTH OR SUBSEQUENT VIOLATION IN A 2-YEAR PERIOD,
24 THAT THE LICENSEE PAY A FINE OF UP TO \$4,000.00 AND, AT THE
25 DIRECTOR'S DISCRETION, THAT THE LICENSEE BE PROHIBITED FROM
26 HOLDING EVENTS FOR UP TO 2 YEARS. IF A 2-YEAR SUSPENSION IS
27 IMPOSED UNDER THIS SUBDIVISION, THE DIRECTOR SHALL NOT ISSUE A

1 LICENSE TO THE QUALIFIED ORGANIZATION OR CHARITABLE GAMING
2 SERVICE PROVIDER UNLESS THE ORGANIZATION OR CHARITABLE GAMING
3 SERVICE PROVIDER DEMONSTRATES TO THE DIRECTOR THE CHANGES THAT
4 HAVE BEEN PUT IN PLACE TO ENSURE THAT VIOLATIONS WILL NOT
5 CONTINUE.

6 SEC. 55. (1) THE DIRECTOR MAY PLACE A MILLIONAIRE PARTY
7 LICENSEE OR CHARITABLE GAMING SERVICE PROVIDER ON PROBATION OR
8 MAY CONDITION THE RENEWAL OF A LICENSE WITH TERMS OF PROBATION AS
9 PROVIDED IN SECTION 54.

10 (2) THE CONTINUATION OF A PROBATIONARY LICENSE UNDER THIS
11 SECTION IS CONDITIONED ON STRICT COMPLIANCE WITH THIS ACT, RULES
12 PROMULGATED UNDER THIS ARTICLE, AND TERMS OF PROBATION.

13 (3) IT IS A VIOLATION OF PROBATION UNDER THIS SECTION IF THE
14 LICENSEE FAILS TO COMPLY WITH THIS ACT, RULES PROMULGATED UNDER
15 THIS ARTICLE, OR TERMS OF PROBATION.

16 (4) THE DIRECTOR MAY SUMMARILY SUSPEND A PROBATIONARY
17 LICENSE ISSUED UNDER THIS SECTION AS PROVIDED IN SECTION 56 IF
18 THE LICENSEE VIOLATES THIS ACT, RULES PROMULGATED UNDER THIS
19 ARTICLE, AND TERMS OF PROBATION.

20 SEC. 56. (1) THE DIRECTOR MAY DENY, SUSPEND, SUMMARILY
21 SUSPEND, OR REVOKE A LICENSE ISSUED UNDER THIS ARTICLE 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 ARTICLE. THE DIRECTOR MAY SUMMARILY SUSPEND A LICENSE FOR A
25 PERIOD OF NOT MORE THAN 60 DAYS PENDING PROSECUTION,
26 INVESTIGATION, OR PUBLIC HEARING.

27 (2) A PROCEEDING TO SUSPEND OR REVOKE A LICENSE UNDER THIS

1 ARTICLE IS A CONTESTED CASE GOVERNED BY CHAPTER 4 OF THE
2 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.271 TO
3 24.287.

4 (3) ON PETITION OF THE DIRECTOR, THE CIRCUIT COURT AFTER A
5 HEARING MAY ISSUE SUBPOENAS TO COMPEL THE ATTENDANCE OF WITNESSES
6 AND THE PRODUCTION OF DOCUMENTS, PAPERS, BOOKS, RECORDS, AND
7 OTHER EVIDENCE BEFORE THE DIRECTOR IN A MATTER OVER WHICH THE
8 DIRECTOR HAS JURISDICTION, CONTROL, OR SUPERVISION. IF A PERSON
9 SUBPOENAED TO ATTEND IN ANY SUCH PROCEEDING OR HEARING FAILS TO
10 OBEY THE COMMAND OF THE SUBPOENA WITHOUT REASONABLE CAUSE, OR IF
11 A PERSON IN ATTENDANCE IN ANY SUCH PROCEEDING OR HEARING REFUSES,
12 WITHOUT LAWFUL CAUSE, TO BE EXAMINED OR TO ANSWER A LEGAL OR
13 PERTINENT QUESTION OR TO EXHIBIT A BOOK, ACCOUNT, RECORD, OR
14 OTHER DOCUMENT WHEN ORDERED TO DO SO BY THE COURT, THAT PERSON
15 MAY BE PUNISHED AS BEING IN CONTEMPT OF THE COURT.

16 SEC. 57. (1) A LICENSEE WHOSE LICENSE IS REVOKED FOR A
17 VIOLATION OF THIS ARTICLE OR A RULE PROMULGATED UNDER THIS
18 ARTICLE IS INELIGIBLE TO APPLY FOR A LICENSE FOR 2 YEARS.

19 (2) A PERSON CONVICTED OF AN OFFENSE UNDER SECTION 17 OR ANY
20 OTHER GAMBLING OFFENSE IS INELIGIBLE TO SERVE AS AN OFFICER OF A
21 LICENSEE OR TO PARTICIPATE IN CONDUCTING A MILLIONAIRE PARTY FOR
22 1 YEAR AFTER THE CONVICTION BECOMES FINAL. IF THE PERSON IS
23 LICENSED UNDER THIS ARTICLE, THE PERSON SHALL FORFEIT THE LICENSE
24 AND IS INELIGIBLE TO APPLY FOR THE ISSUANCE OR REISSUANCE OF THE
25 LICENSE FOR 1 YEAR AFTER THE CONVICTION BECOMES FINAL.

26 SEC. 58. (1) IF THE DIRECTOR ISSUES A LICENSING SANCTION
27 AGAINST A LICENSEE UNDER SECTION 54, THE LICENSEE MAY REQUEST A

1 HEARING BEFORE THE BOARD. A LICENSEE MUST REQUEST A HEARING UNDER
2 THIS SECTION IN WRITING BY FILING THE REQUEST WITH THE BOARD
3 WITHIN 10 DAYS AFTER THE LICENSEE RECEIVES NOTICE OF THE LICENSE
4 SANCTION.

5 (2) FOLLOWING A DETERMINATION BY THE BOARD AFTER A HEARING
6 UNDER SUBSECTION (1), A LICENSEE MAY REQUEST JUDICIAL REVIEW OF
7 THE DETERMINATION UNDER CHAPTER 6 OF THE ADMINISTRATIVE
8 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.301 TO 24.306.

9 SEC. 59. (1) ADMINISTRATIVE RULES RELATING TO THE CONDUCT OF
10 MILLIONAIRE PARTIES THAT WERE PROMULGATED AND IN EFFECT ON JUNE
11 11, 2012, REMAIN IN EFFECT, ARE CONSIDERED TO BE RULES
12 PROMULGATED UNDER THIS ARTICLE, AND ARE APPLICABLE TO THE
13 DIRECTOR, THE BOARD, ANY APPLICANT UNDER THIS ARTICLE, A
14 LICENSEE, AND ANY OTHER PERSON UNTIL RULES ARE PROMULGATED UNDER
15 SUBSECTION (4). HOWEVER, IF A PROVISION OF A RULE REFERRED TO IN
16 THIS SUBSECTION CONFLICTS WITH THIS ARTICLE, THIS ARTICLE
17 PREVAILS. IF THE RULES REFERRED TO IN THIS SUBSECTION ARE
18 RESCINDED BEFORE THIS ARTICLE TAKES EFFECT, THE DIRECTOR, THE
19 BOARD, ANY APPLICANT UNDER THIS ARTICLE, A LICENSEE, AND ANY
20 OTHER PERSON SHALL TREAT THE RULES IN ACCORDANCE WITH THIS
21 SUBSECTION AS IF NOT RESCINDED.

22 (2) ANY PROVISION OF A RULE REFERRED TO UNDER SUBSECTION (1)
23 THAT RELATES TO A SUPPLIER IS APPLICABLE TO A CHARITABLE GAMING
24 SERVICE PROVIDER AS PROVIDED UNDER SUBSECTION (1).

25 (3) ANY ADMINISTRATIVE RULES RELATING TO MILLIONAIRE PARTIES
26 PROMULGATED AFTER JUNE 11, 2012 AND BEFORE RULES ARE PROMULGATED
27 UNDER SUBSECTION (4) ARE RESCINDED.

1 (4) WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THIS ARTICLE,
2 THE DIRECTOR SHALL PROMULGATE RULES PURSUANT TO THE
3 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
4 24.328, TO IMPLEMENT THIS ARTICLE.

5 Enacting section 1. Sections 10a, 10b, and 20 of the
6 Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.110a,
7 432.110b, and 432.120, are repealed.