

HOUSE BILL No. 4091

February 6, 1991, Introduced by Reps. Varga, Bartnik, Scott, Hoffman, Law, O'Connor and Porreca and referred to the Committee on State Affairs.

A bill to amend sections 2, 3, 4, 5, 6, 7a, 8, 9, 10, 12, 13, 14, 17, 18, and 19 of Act No. 382 of the Public Acts of 1972, entitled as amended

"Traxler-McCauley-Law-Bowman bingo act,"

sections 2, 3, 4, 5, 8, 9, 10, 12, 13, 14, 18, and 19 as amended and section 7a as added by Act No. 229 of the Public Acts of 1981, being sections 432.102, 432.103, 432.104, 432.105, 432.106, 432.107a, 432.108, 432.109, 432.110, 432.112, 432.113, 432.114, 432.117, 432.118, and 432.119 of the Michigan Compiled Laws; and to add sections 1a and 17a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 2, 3, 4, 5, 6, 7a, 8, 9, 10, 12, 13,
2 14, 17, 18, and 19 of Act No. 382 of the Public Acts of 1972,
3 sections 2, 3, 4, 5, 8, 9, 10, 12, 13, 14, 18, and 19 as amended
4 and section 7a as added by Act No. 229 of the Public Acts of

1 1981, being sections 432.102, 432.103, 432.104, 432.105, 432.106,
2 432.107a, 432.108, 432.109, 432.110, 432.112, 432.113, 432.114,
3 432.117, 432.118, and 432.119 of the Michigan Compiled Laws, are
4 amended and sections 1a and 17a are added to read as follows:

5 SEC. 1A. FOR PURPOSES OF THIS ACT, THE WORDS AND PHRASES
6 DEFINED IN SECTIONS 2 AND 3 HAVE THE MEANINGS ASCRIBED TO THEM IN
7 THOSE SECTIONS.

8 Sec. 2. (1) "Bingo" means that specific kind of game of
9 chance commonly known as bingo in which prizes are awarded on the
10 basis of designated numbers or symbols on a card conforming to
11 numbers or symbols selected at random.

12 (2) "Bureau" means the bureau of state lottery as created by
13 THE MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT, Act No. 239
14 of the Public Acts of 1972, as amended, being sections 432.1 to
15 432.47 of the Michigan Compiled Laws.

16 (3) "Charity game" means the random resale, BY A QUALIFIED
17 ORGANIZATION, of a series of charity game tickets PURCHASED by
18 ~~a~~ THE qualified organization ~~which has purchased the charity~~
19 ~~game tickets~~ from ~~the bureau or~~ a licensed ~~supplier~~
20 DISTRIBUTOR AND RESOLD in conjunction with a licensed bingo game,
21 ~~or~~ a licensed millionaire party, OR PURSUANT TO A SEPARATE
22 CHARITY GAME LICENSE. A SINGLE COMPLETE CHARITY GAME IS COMMONLY
23 REFERRED TO AS A "DEAL".

24 (4) "Charity game ticket" means a ticket which is approved
25 ~~and acquired~~ by the bureau and is distributed and sold by ~~the~~
26 ~~bureau or~~ a licensed ~~supplier~~ DISTRIBUTOR to a qualified
27 organization for random resale. ~~in conjunction with a licensed~~

1 ~~bingo game or a licensed millionaire party whereby upon removal~~
2 ~~of a portion of the ticket to discover whether the ticket is a~~
3 ~~winning ticket the purchaser may be awarded a prize.~~ These tick-
4 ets are commonly referred to as "break open tickets" AND "JAR
5 TICKETS".

6 (5) "Commissioner" means the commissioner of state lottery
7 ~~as defined by section 3~~ APPOINTED PURSUANT TO SECTION 7 of Act
8 No. 239 of the Public Acts of 1972, BEING SECTION 432.7 OF THE
9 MICHIGAN COMPILED LAWS.

10 (6) "Equipment" means the BINGO receptacle and numbered
11 objects drawn from it, the master board upon which such objects
12 are placed as drawn, the cards or sheets bearing numbers or other
13 designations to be covered and the objects used to cover them,
14 and the boards or signs, however operated, used to announce or
15 display the numbers or designations as they are drawn. Equipment
16 includes devices AND GAMBLING-RELATED SUPPLIES and materials cus-
17 tomarily used OR INTENDED FOR USE in the operation of a ~~gambling~~
18 ~~casino on those occasions when a license for the operation of a~~
19 ~~millionaire party is issued~~ BINGO, CHARITY GAME, OR MILLIONAIRE
20 PARTY, OTHER THAN RAFFLE TICKETS.

21 (7) "Location" means a single building, hall, enclosure, or
22 outdoor area used for the purpose of ~~playing bingo, or~~ conduct-
23 ing ~~a millionaire party~~ AN EVENT pursuant to a license issued
24 under this act.

25 (8) "Special occasion" means a single gathering or session
26 at which a series of successive bingo games or other gambling

1 events authorized by this act are played pursuant to a special
2 license issued under section 7.

3 (9) "Millionaire party" means an event at which wagers are
4 placed upon games of chance customarily associated with a gamb-
5 ling casino through the use of imitation money which has a nominal
6 value that is greater than the value of the currency for which it
7 was exchanged or is exchangeable.

8 (10) "DISTRIBUTOR" MEANS A PERSON WHO OBTAINS ANY EQUIPMENT
9 OR CHARITY GAME TICKETS FOR USE IN AUTHORIZED GAMING ACTIVITIES
10 FROM ANY PERSON AND SELLS OR OTHERWISE FURNISHES THE EQUIPMENT OR
11 CHARITY GAME TICKETS TO ANOTHER PERSON FOR RESALE, DISPLAY, OPER-
12 ATION OR USE. DISTRIBUTOR SHALL NOT INCLUDE PERSONS WHO SELL
13 CHIPS, DAUBERS, AND BINGO GAMES FOR HOME USE ONLY IF SUCH SALES
14 ARE AN INCIDENTAL PORTION OF THEIR BUSINESS AND SALES ARE NOT
15 MADE TO PERSONS LICENSED UNDER THIS ACT.

16 (11) "MANUFACTURER" MEANS A PERSON WHO MANUFACTURES, FABRI-
17 CATES FOR SALE, OR OFFERS FOR SALE ANY BINGO SHEETS OR CHARITY
18 GAME TICKETS FOR RESALE OR USE IN AUTHORIZED GAMING ACTIVITIES.

19 Sec. 3. (1) "Educational organization" means an organi-
20 zation within this state, not for pecuniary profit, whose primary
21 purpose is educational in nature and designed to develop the
22 capabilities of individuals by instruction in any public or pri-
23 vate elementary or secondary school which complies with THE
24 SCHOOL CODE OF 1976, Act No. 451 of the Public Acts of 1976, as
25 amended, being sections 380.1 to 380.1852 of the Michigan
26 Compiled Laws, ~~or any private or~~ public college or

1 university, OR ANY PRIVATE COLLEGE OR UNIVERSITY not for
2 pecuniary profit, and approved by the state board of education.

3 (2) "Fraternal organization" means an organization within
4 this state, except college fraternities OR SORORITIES, not for
5 pecuniary profit, which is a branch, lodge, or chapter of a
6 national or state organization and exists for the common busi-
7 ness, brotherhood, SISTERHOOD, or other interests of its
8 members.

9 (3) "Licensee" means a qualified organization licensed pur-
10 suant to this act.

11 (4) "Member" means an individual who qualified for member-
12 ship in a qualified organization pursuant to its bylaws, articles
13 of incorporation, charter, rules, or other written statement.

14 (5) "Person" means a natural person, firm, association, cor-
15 poration, or other legal entity.

16 (6) "Qualified organization" means a bona fide religious,
17 educational, service, senior citizens, fraternal, or veterans'
18 organization which operates without profit to its members and
19 which either has been in existence continuously as such an orga-
20 nization for a period of 5 years or is exempt from taxation
21 imposed by THE SINGLE BUSINESS TAX ACT, Act No. 228 of the Public
22 Acts of 1975, as amended, being sections 208.1 to 208.145 of the
23 Michigan Compiled Laws. Qualified organization shall also
24 include a candidate committee as defined by, and which is orga-
25 nized pursuant to THE MICHIGAN CAMPAIGN FINANCE ACT, Act No. 388
26 of the Public Acts of 1976, as amended, being sections 169.201 to
27 169.282 of the Michigan Compiled Laws.

1 (7) "Religious organization" means an organization, church,
2 body of communicants, or group, not for pecuniary profit, gath-
3 ered in common membership for mutual support and edification in
4 piety, worship, and religious ~~observances~~ OBSERVANCES; or any
5 society, not for pecuniary profit, of individuals united for
6 religious purposes at a definite place; or a church related pri-
7 vate school, not for pecuniary profit.

8 (8) "Senior citizens organization" means an organization
9 within this state, not for pecuniary profit, which consists of at
10 least 15 members who are 60 years of age or older and exists for
11 their mutual support and advancing the causes of elderly or
12 retired persons.

13 (9) "Service organization" means a branch, lodge, or chapter
14 of a national or state organization, not for pecuniary profit,
15 which is authorized by its written constitution, charter, arti-
16 cles of incorporation, or bylaws to engage in a fraternal, civic,
17 or service purpose within the state; and a local civic organi-
18 zation, not for pecuniary profit and not affiliated with a state
19 or national organization, which is recognized by resolution
20 adopted by the city in which the organization conducts its prin-
21 cipal activities, whose constitution, charter, articles of incor-
22 poration, or bylaws contain a provision for the perpetuation of
23 the organization as a nonprofit organization whose entire assets
24 are pledged to charitable purposes, and whose constitution,
25 charter, articles of incorporation, or bylaws contain a provision
26 that all assets, real property, and personal property shall

1 revert to the benefit of the city government upon dissolution of
2 the organization.

3 (10) "Veterans' organization" means an organization within
4 this state, or a branch, or lodge, or chapter within this state
5 of a state organization or of a national organization chartered
6 by the congress of the United States, not for pecuniary profit,
7 the membership of which consists of individuals who were members
8 of the armed services or forces of the United States.

9 Sec. 4. (1) Each applicant for a license to conduct bingo,
10 ~~or~~ a millionaire party, OR A CHARITY GAME shall submit to the
11 commissioner a written application prepared pursuant to and on a
12 form prescribed by rule of the commissioner.

13 (2) The application shall include:

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

15 (b) The name and address of its officers.

16 (c) The location at which the applicant will conduct bingo
17 or a millionaire party.

18 (d) The day of the week on which the applicant will conduct
19 bingo if a bingo license has been applied for, or the days of the
20 year, not to exceed 2 nonconsecutive days or 3 consecutive days a
21 year, except as provided in section 5(7), on which the applicant
22 will conduct the millionaire party if a millionaire party license
23 has been applied for.

24 (e) The member or members, of not less than 6 months, of the
25 applicant organization under whom the bingo games or the million-
26 aire party will be conducted.

1 (f) Sufficient facts relating to its incorporation or
2 organization to enable the commissioner to determine whether the
3 applicant is a qualified organization.

4 (g) A sworn statement attesting to the nonprofit character
5 of the applicant organization, signed by the presiding officer
6 and the secretary of that organization.

7 (h) Other information considered advisable by the
8 commissioner.

9 (3) A qualified organization which is licensed to conduct a
10 bingo game or a millionaire party may BE AUTHORIZED TO also sell
11 charity game tickets ~~and conduct a charity game at the time and~~
12 ~~location of and in conjunction with the~~ AT THE licensed bingo
13 game or licensed millionaire party ~~. An additional license~~ AND
14 shall not be required to OBTAIN AN ADDITIONAL LICENSE TO sell
15 charity game tickets. ~~or to conduct a charity game but a~~ A
16 qualified organization which seeks to conduct a charity game
17 shall pay the bureau ~~such fees as the commissioner may~~
18 ~~determine~~ AN ADDITIONAL FEE OF \$50.00 ANNUALLY AND SHALL INDI-
19 CATE THE ADDRESS OR ADDRESSES AND DATE OR DATES AND HOURS THE
20 TICKETS WILL BE SOLD. A QUALIFIED ORGANIZATION MAY CONDUCT A
21 CHARITY GAME NOT IN CONJUNCTION WITH A LICENSED BINGO GAME OR A
22 LICENSED MILLIONAIRE PARTY IF THE QUALIFIED ORGANIZATION FIRST
23 OBTAINS A SPECIAL CHARITY GAME LICENSE UNDER SECTION 7A(2).

24 Sec. 5. (1) ~~Upon~~ AFTER a determination by the commis-
25 sioner that the applicant is a qualified organization and is ~~not~~
26 ~~ineligible~~ ELIGIBLE pursuant to section 18, and upon the
27 applicant's payment to the bureau of a fee of ~~-\$150.00~~ \$200.00,

1 the commissioner may issue a license for the conducting of bingo
2 to the applicant. A license may be reissued annually upon the
3 submitting of an application for reissuance provided by the com-
4 missioner and upon the licensee's payment of ~~-\$150.00-~~ A RENEWAL
5 FEE OF \$200.00. A license expires at midnight on the last day of
6 February.

7 (2) A qualified organization ~~not ineligible~~ ELIGIBLE pur-
8 suant to section 18 may be licensed by the commissioner, upon the
9 applicant's payment to the bureau of a fee of \$55.00 to conduct
10 bingo on the same day each week, ~~---The~~ IF THE aggregate retail
11 value of all prizes or merchandise awarded on a single day
12 ~~shall~~ DOES not exceed \$300.00, ~~with~~ AND the prize for each
13 game DOES not ~~to~~ exceed \$25.00 in value.

14 (3) A licensee may hold only 1 license and that license is
15 valid for only 1 location. Not more than 7 licensees may conduct
16 bingo during a 7-day period at any 1 location.

17 (4) A license is not assignable or transferable.

18 (5) Upon a determination by the commissioner that the appli-
19 cant is a qualified organization and is not ineligible pursuant
20 to section 18, and upon the applicant's payment to the bureau of
21 a fee as set forth in this subsection, the commissioner may issue
22 to the applicant a license for the conducting of a millionaire
23 party. A license may be reissued annually upon the submitting of
24 an application for reissuance provided by the commissioner and
25 upon the licensee's payment of a fee as set forth in this
26 subsection. A licensee may hold only 1 license for the
27 conducting of a millionaire party. That license shall be valid

1 for only 1 location and is not assignable or transferable.
2 Except as provided in subsection (7), the duration of the gambl-
3 ing event shall not exceed 24 hours for each day for the 2 non-
4 consecutive days or 72 hours for the 3 consecutive day period. A
5 fee of \$50.00 shall be charged for a license issued for each day
6 for the 2 nonconsecutive days. A fee of \$100.00 shall be charged
7 for a license issued for the 3 consecutive day period. An appli-
8 cant shall be eligible only for two 24-hour licenses or one
9 72-hour license per year. Only one 72-hour license shall be
10 issued at the same location in a 7-day period.

11 (6) A qualified organization may concurrently hold a bingo
12 license, ~~and~~ a millionaire party license, AND A CHARITY GAME
13 LICENSE and may conduct charity games in conjunction with its
14 functions and pursuant to this act under ~~either a bingo license~~
15 ~~or a millionaire party license~~ ANY OF THOSE LICENSES.

16 (7) Upon application the commissioner may issue a license
17 for a period which exceeds the 72-hour period set forth in sub-
18 section (5). If an extension is granted it shall not exceed 24
19 hours. A fee of \$50.00 shall be charged for each additional
20 24-hour period.

21 (8) If not ineligible pursuant to section 18, a qualified
22 organization eligible pursuant to section 3 may apply for a mil-
23 lionaire party license to conduct a raffle for a fee as specified
24 in ~~section 5(5)~~ SUBSECTION (5). No other games of chance will
25 be required. A qualified organization may, by rule of the com-
26 missioner, be excused from the requirement of obtaining a license
27 to conduct a raffle if the total aggregate market value of the

1 prize or prizes to be awarded in the raffle exceeds \$100.00 but
2 does not exceed \$500.00. However, in lieu of the license, a
3 qualified organization shall register the raffle on a form pro-
4 vided by the bureau and pay a fee, as may be determined by the
5 commissioner, to cover the cost of registration. Whether
6 licensed or registered, a qualified organization shall comply
7 with the requirements of sections 9 and 10, and with rules
8 promulgated pursuant to the authority granted in sections 12 and
9 13. If at a single gathering all raffle tickets are sold and the
10 drawing is held and the total aggregate market value of the prize
11 or prizes to be awarded is \$100.00 or less, then the qualified
12 organization is excused from the requirements of obtaining a
13 license and registering with the commissioner under this act.

14 Sec. 6. (1) Each bingo license shall contain the name and
15 address of the licensee, the location at which the licensee is
16 permitted to conduct bingo, the day of the week on which the
17 licensee is permitted to conduct bingo and the expiration date of
18 the license.

19 (2) The bingo licensee shall display the license conspicu-
20 ously at the location where bingo is being conducted at all times
21 during the conduct of the games.

22 (3) Each millionaire party license shall contain the name
23 and address of the licensee, the address at which the licensee is
24 permitted to conduct the millionaire party, and the days of the
25 year on which the licensee is permitted to conduct the event.
26 The licensee shall display the license conspicuously at the

1 location where the operation is being conducted at all times
2 during the conduct of the event.

3 (4) EACH CHARITY GAME LICENSE SHALL CONTAIN THE NAME OF THE
4 LICENSEE, THE ADDRESS AT WHICH THE LICENSEE IS PERMITTED TO SELL
5 CHARITY GAME TICKETS, THE DAY OF THE WEEK AND HOURS ON WHICH THE
6 LICENSEE IS PERMITTED TO SELL CHARITY GAME TICKETS, AND THE EXPI-
7 RATION DATE OF THE LICENSE. THE LICENSEE SHALL DISPLAY THE
8 LICENSE CONSPICUOUSLY AT THE LOCATION WHERE THE CHARITY GAME
9 TICKETS ARE BEING SOLD AND AT ALL TIMES DURING THE SALE OF
10 TICKETS.

11 Sec. 7a. (1) The bureau may authorize a qualified organi-
12 zation WHICH DOES NOT HOLD A VALID CHARITY GAME LICENSE ISSUED
13 PURSUANT TO SUBSECTION (2), BUT WHICH IS licensed to conduct a
14 bingo game or a millionaire party, to ~~conduct a~~ SELL charity
15 game TICKETS in conjunction with and at the time and location of
16 the licensed bingo game or the licensed millionaire party. A
17 QUALIFIED ORGANIZATION SO AUTHORIZED AND WHICH HAS PAID THE FEE
18 REQUIRED BY SECTION 4(3) MAY ALSO SELL CHARITY GAME TICKETS AT
19 THE TIME AND LOCATIONS PERMITTED BY SUBSECTION (2).

20 (2) AFTER A DETERMINATION BY THE COMMISSIONER THAT THE
21 APPLICANT IS A QUALIFIED ORGANIZATION AND UPON PAYMENT OF A FEE
22 OF \$50.00, THE COMMISSIONER MAY ISSUE A LICENSE TO SELL CHARITY
23 GAME TICKETS NOT IN CONJUNCTION WITH A LICENSED BINGO GAME OR
24 LICENSED MILLIONAIRE PARTY IF THE QUALIFIED ORGANIZATION SELLS
25 THE TICKETS ONLY AT A PREMISES OWNED AND OPERATED BY THE QUALI-
26 FIED ORGANIZATION FOR THE REGULAR USE OF ITS MEMBERS. A LICENSE
27 MAY BE REISSUED ANNUALLY UPON THE SUBMISSION OF AN APPLICATION

1 FOR REISSUANCE PROVIDED BY THE COMMISSIONER AND PAYMENT OF A FEE
2 OF \$50.00. THE FEE FOR A CERTIFIED COPY OF THE LICENSE SHALL BE
3 \$5.00.

4 (3) ~~(2)~~ All charity game tickets used in the conduct of a
5 charity game shall be purchased by the qualified organization
6 from ~~the bureau or~~ a licensed ~~supplier. The bureau shall~~
7 ~~determine the number of charity game tickets that constitute a~~
8 ~~charity game. The bureau also shall determine the price at which~~
9 ~~the qualified organization shall resell each charity game ticket~~
10 ~~and shall have that price printed on each charity game ticket.~~
11 DISTRIBUTOR. A LICENSED DISTRIBUTOR SHALL ONLY POSSESS, DISPLAY,
12 OFFER FOR SALE, SELL, OR OTHERWISE FURNISH TO A QUALIFIED ORGANI-
13 ZATION CHARITY GAME TICKETS WHICH HAVE BEEN MANUFACTURED AND DIS-
14 TRIBUTED IN COMPLIANCE WITH RULES PROMULGATED BY THE
15 COMMISSIONER. A CHARITY GAME TICKET SHALL BE A FOLDED AND BANDED
16 TICKET OR CARD HAVING A NUMBER, COLOR OR COLORS, OR SYMBOL OR
17 SYMBOLS THAT ARE COVERED, SOME OF WHICH HAVE BEEN DESIGNATED IN
18 ADVANCE AND AT RANDOM AS PRIZEWINNERS. THE RULES SHALL PROVIDE
19 MINIMUM QUALITY AND TESTING STANDARDS FOR CHARITY GAME TICKETS
20 AND FOR THE IMPLEMENTATION AND ENFORCEMENT OF THIS SECTION.

21 (4) ~~(3) The bureau or a licensed supplier~~ A LICENSED
22 DISTRIBUTOR shall ONLY sell charity game tickets to a qualified
23 organization, which is eligible to conduct a charity game ~~, at a~~
24 ~~percentage to be determined by the bureau, of the gross revenues~~
25 ~~which are realized by the resale of all the charity game tickets~~
26 ~~for that game at the price established by the bureau. The~~
27 ~~percentage retained by the qualified organization shall be equal~~

1 ~~to the percentage received by the bureau for the sale of charity~~
2 ~~game tickets.~~ AND SHALL COLLECT A FEE OF 10% OF THE GROSS
3 RECEIPTS LESS THE PRIZES FOR EACH CHARITY GAME SOLD WHICH SHALL
4 BE PAID BY THE QUALIFIED ORGANIZATION TO THE LICENSED DISTRIBUTOR
5 AT THE TIME OF SALE AS PROVIDED BY RULE OF THE COMMISSIONER. THE
6 LICENSED DISTRIBUTOR SHALL REMIT THE FEES MONTHLY TO THE COMMIS-
7 SIONER BY THE TENTH DAY OF EACH MONTH AND REPORT TO THE COMMIS-
8 SIONER WITH THE FREQUENCY AND IN THE MANNER PRESCRIBED BY RULE OF
9 THE COMMISSIONER. IN ADDITION TO OTHER PENALTIES PROVIDED IN
10 THIS ACT, A LATE FEE OF NOT MORE THAN 20% OF THE AMOUNT DUE MAY
11 BE ASSESSED BY THE COMMISSIONER AGAINST A LICENSED DISTRIBUTOR
12 WHO FAILS TO REMIT THE REQUIRED FEES WITHIN 10 DAYS AFTER THE
13 DATE OWING. A qualified organization which conducts a charity
14 game shall be solely responsible for paying prizes won by pur-
15 chasers of winning charity game tickets. When all charity game
16 tickets are resold for that game, prizes distributed shall have
17 an aggregate value of ~~, as near as practicable,~~ not less than
18 ~~60%~~ 65% of the resale value of all the charity game tickets for
19 that charity game.

20 ~~(4) The bureau shall determine the number of winning char-~~
21 ~~ity game tickets provided on a random basis for resale for any~~
22 ~~charity game and shall establish the value of the prize won by~~
23 ~~each winning charity game ticket.~~

24 (5) A charity game ticket shall not have a price for resale
25 by a qualified organization of ~~less~~ MORE than ~~30 cents~~ \$2.00
26 and a charity game shall not have a single maximum prize
27 exceeding ~~\$200.00~~ \$250.00.

1 (6) ~~The bureau shall have a bureau control number for~~
2 ~~identification purposes imprinted upon each charity game ticket.~~
3 EACH CHARITY GAME SHALL HAVE IMPRINTED UPON THE TICKETS BY THE
4 MANUFACTURER A SERIAL NUMBER UNIQUE TO THAT GAME FOR IDENTIFICA-
5 TION AND TRACKING PURPOSES AS REQUIRED BY RULE OF THE
6 COMMISSIONER. A MANUFACTURER SHALL NOT BE ELIGIBLE TO SELL OR
7 OFFER FOR SALE CHARITY GAME TICKETS IN THIS STATE UNLESS THE MAN-
8 UFACTURER FIRST DEMONSTRATES TO THE COMMISSIONER ITS ABILITY TO
9 IDENTIFY AND TRACK BY SERIAL NUMBER THE PURCHASER OR HOLDER OF
10 ALL CHARITY GAME TICKETS IT MANUFACTURES.

11 (7) A value of prizes awarded for a charity game shall not
12 be included within the prize limitations of a licensed bingo game
13 or millionaire party in conjunction with which the charity game
14 is held.

15 (8) A charity game ticket shall not be sold to a person
16 under 18 years of age. This subsection shall not prohibit the
17 purchase of a charity game ticket by a person 18 years of age or
18 older for the purpose of making a gift to a person under 18 years
19 of age, and shall not prohibit a person under 18 years of age
20 from receiving a prize or prizes won in a charity game conducted
21 pursuant to this act.

22 (9) A qualified organization eligible to ~~conduct a~~ SELL
23 charity game ~~shall not~~ TICKETS MAY advertise ~~the event,~~
24 ~~except~~ SALES to the extent and in the manner permitted by rule
25 of the commissioner.

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.

4 (2) All necessary expenses incurred by the bureau in the
5 administration and enforcement of this act and in the initiation,
6 implementation, and ongoing operation of charity games shall be
7 financed from the state lottery fund. ~~The~~ BEGINNING 18 MONTHS
8 AFTER THE EFFECTIVE DATE OF THE 1991 AMENDATORY ACT THAT AMENDED
9 THIS SUBSECTION, THE amount of these necessary expenses shall not
10 exceed the amount of revenues received from the sale of charity
11 game tickets and all fees collected under this act. ~~, except~~
12 ~~that this limitation shall not apply before October 1, 1983.~~

13 (3) At the end of each fiscal year all money, including
14 interest, in the state lottery fund which is attributable to fees
15 and revenue collected pursuant to this act but which has not been
16 expended pursuant to this section shall be deposited in the state
17 ~~general fund~~ SCHOOL AID FUND AND SHALL BE DISTRIBUTED AS PRO-
18 VIDED BY LAW.

19 (4) NOT LATER THAN THE EFFECTIVE DATE OF THE 1991 AMENDATORY
20 ACT THAT ADDED THIS SUBSECTION, THE BUREAU SHALL MAKE AVAILABLE
21 TO THE PUBLIC AND TO LICENSEES UNDER THIS ACT PRINTED MATERIAL
22 EXPLAINING THE PROVISIONS OF THIS ACT INCLUDING, BUT NOT LIMITED
23 TO, PROHIBITED CONDUCT, PENALTIES, AND CHANGES MADE BY THE 1991
24 AMENDATORY ACT THAT ADDED THIS SUBSECTION.

25 Sec. 9. The entire net proceeds of a bingo game, ~~or~~ a
26 millionaire party, OR CHARITY GAME TICKET SALE shall be devoted
27 exclusively to the lawful purposes of the licensee. ~~The entire~~

1 ~~net proceeds of a charity game shall be devoted exclusively to~~
2 ~~the lawful purposes of the qualified organization which conducted~~
3 ~~the charity game.~~ An item of expense shall not be incurred or
4 paid in connection with the holding, operating, or conducting of
5 bingo, ~~or~~ a millionaire party, OR CHARITY GAME TICKET SALE
6 except the ~~following~~ bona fide expenses in reasonable amounts
7 OF ALL OF THE FOLLOWING:

8 (a) The purchase or rental of equipment necessary for con-
9 ducting a bingo game, ~~or~~ a millionaire party, OR A CHARITY GAME
10 and payment of services reasonably necessary for the repair of
11 equipment.

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

13 (c) Rental of the location at which bingo, ~~or~~ a million-
14 aire party, OR THE SALE OF CHARITY GAME TICKETS is conducted.

15 (d) Janitorial services.

16 (e) The fee required for issuance or reissuance of a license
17 to conduct bingo, ~~or~~ a millionaire party, OR FOR THE SALE OF
18 CHARITY GAME TICKETS.

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

22 Sec. 10. (1) A person other than a bona fide member of the
23 qualified organization shall not participate in the management of
24 bingo, a millionaire party, or ~~a~~ THE SALE OF charity game
25 TICKETS. Persons other than bona fide members of the qualified
26 organization may participate in the operation of bingo, a
27 millionaire party, or ~~a~~ THE SALE OF charity game TICKETS as

1 provided by rule of the commissioner. A PERSON WHO HAS BEEN
2 CONVICTED OF A FELONY, GAMBLING OFFENSE, CRIMINAL FRAUD, FORGERY,
3 THEFT, OR THE FILING OF A FALSE REPORT WITH A GOVERNMENT AGENCY
4 MAY BE PROHIBITED BY THE BUREAU FROM PARTICIPATING IN THE MANAGE-
5 MENT OR OPERATION OF AN ACTIVITY LICENSED UNDER THIS ACT.

6 (2) A person shall not receive any commission, salary, pay,
7 profit, or wage for participating in the management or operation
8 of bingo, a millionaire party, or ~~a~~ THE SALE OF charity game
9 TICKETS except as provided by rule of the commissioner.

10 (3) Except by special permission of the commissioner, A
11 QUALIFIED ORGANIZATION SHALL NOT CONDUCT bingo, a millionaire
12 party, or ~~a~~ THE SALE OF charity game ~~shall not be conducted~~
13 TICKETS with any equipment which is not owned, being purchased,
14 or being rented FROM A LICENSED DISTRIBUTOR at a reasonable rate
15 by the qualified organization.

16 (4) Except as provided in section 5(2), the aggregate retail
17 value of all prizes or merchandise awarded in a single day of
18 bingo shall not exceed ~~\$2,000.00~~ \$3,500.00, and the prize
19 awarded for 1 game shall not exceed ~~\$500.00~~ \$2,000.00 cash or
20 its equivalent. ~~A prize of merchandise shall not be redeemable~~
21 ~~or convertible into cash directly or indirectly.~~

22 (5) A licensee ~~shall not~~ MAY advertise bingo ~~except~~ to
23 the extent and in the manner permitted by rule of the
24 commissioner. ~~If the commissioner permits a licensee to adver-~~
25 ~~tise bingo, the licensee shall indicate in the advertisement the~~
26 ~~purposes for which the net proceeds will be used by the~~
27 ~~licensee.~~

1 (6) Except as provided in section 10a(c), the aggregate
2 market value of all prizes or merchandise awarded in 1 day of a
3 millionaire party shall not exceed ~~\$2,000.00~~ \$5,000.00. A
4 person participating in the event shall not be awarded prizes or
5 merchandise having an aggregate value greater than \$500.00.
6 Personal limitation on winnings shall be given at the location of
7 the event. ~~A prize of merchandise shall not be redeemable or~~
8 ~~convertible into cash directly or indirectly.~~

9 (7) A millionaire party may be described in the licensee's
10 advertising as a Las Vegas OR ATLANTIC CITY party. The holder of
11 a millionaire party license ~~shall not~~ MAY advertise the event
12 ~~, except~~ to the extent and in the manner permitted by rule of
13 the commissioner. ~~If the commissioner permits a licensee to~~
14 ~~advertise the event, the licensee~~ A LICENSEE WHO ADVERTISES THE
15 EVENT shall indicate in the advertising the purposes for which
16 the net proceeds will be used by the licensee, and shall give
17 notice of the \$500.00 personal limitation on winnings required by
18 subsection (6).

19 (8) A LICENSEE MAY ADVERTISE A RAFFLE TO THE EXTENT AND IN
20 THE MANNER PERMITTED BY RULE OF THE COMMISSIONER.

21 Sec. 12. (1) The bureau shall enforce and supervise the
22 administration of this act. The commissioner shall employ per-
23 sonnel as necessary to implement this act.

24 (2) The commissioner by rule shall regulate the holding,
25 operation, or conducting of bingo, millionaire parties, and THE
26 SALE OF charity ~~games~~ GAME TICKETS including the following:

1 (a) The method of play and selection of winners.

2 (b) The type of equipment to be used.

3 (c) The maximum charge per card or price for participation
4 in a bingo game. ~~, for a day, or for a special occasion.~~

5 (d) The games of chance and other activities that may be
6 conducted during a millionaire party.

7 (3) The commissioner shall promulgate rules requiring the
8 licensing AND REGULATION of all persons, ELIGIBLE PURSUANT TO
9 SECTION 18, WHO ARE selling, leasing, MANUFACTURING, or distrib-
10 uting CHARITY GAME TICKETS AND equipment used in conducting
11 bingo, a millionaire party, or a charity game.

12 (4) Licensed ~~suppliers shall be~~ DISTRIBUTORS OF CHARITY
13 GAME TICKETS SHALL HAVE THEIR PRINCIPAL OFFICE LOCATED IN THIS
14 STATE AND SHALL BE authorized to sell charity game tickets only
15 upon approval of the commissioner according to rules promulgated
16 by the commissioner. ~~The commissioner shall require suppliers~~
17 ~~authorized to sell charity game tickets to post a performance~~
18 ~~bond which shall be an amount not less than \$50,000.00 and not~~
19 ~~greater than \$100,000.00.~~ THE COMMISSIONER SHALL REQUIRE
20 LICENSED DISTRIBUTORS AUTHORIZED TO SELL CHARITY GAME TICKETS TO
21 POST A BOND. THE BOND SHALL RUN TO THE BUREAU WITH SUFFICIENT
22 SURETY CONDITIONED FOR COMPLIANCE WITH THIS ACT. THE AMOUNT OF
23 THE BOND SHALL BE NOT LESS THAN \$50,000.00 AND NOT GREATER THAN
24 \$100,000.00 AS REQUIRED BY RULE OF THE COMMISSIONER. Qualified
25 organizations licensed to conduct bingo, ~~or~~ a millionaire
26 party, OR A CHARITY GAME shall obtain equipment only from
27 licensed ~~suppliers~~ DISTRIBUTORS and shall obtain charity game

1 tickets only from ~~the bureau or a licensed supplier. A licensed~~
2 ~~supplier shall remit to the bureau an amount equal to the quali-~~
3 ~~fied organization's purchase price of the charity game tickets~~
4 ~~less an amount which shall be not less than the sum of \$.008 for~~
5 ~~each ticket sold plus 1.0% of the total resale value for all~~
6 ~~charity game tickets sold. A supplier~~ AN AUTHORIZED LICENSED
7 DISTRIBUTOR. A LICENSED DISTRIBUTOR shall pay an annual license
8 fee of ~~-\$300.00 to the bureau~~ \$1,000.00 FOR THE FIRST LOCATION
9 AND \$500.00 FOR EACH ADDITIONAL LOCATION WHERE BUSINESS IS CON-
10 DUCTED OR EQUIPMENT IS STORED. AN ADDITIONAL ANNUAL FEE OF
11 \$1,500.00 SHALL BE PAID BY THE LICENSED DISTRIBUTOR FOR EACH
12 SALES OFFICE FROM WHICH THE DISTRIBUTOR IS LICENSED TO SELL CHAR-
13 ITY GAME TICKETS.

14 (5) A LICENSED MANUFACTURER SHALL PAY AN ANNUAL LICENSE FEE
15 OF \$3,500.00, EXCEPT THAT THE FEE FOR THE FIRST LICENSE ISSUED TO
16 A PERSON UNDER THIS SUBSECTION SHALL BE \$5,000.00. A LICENSE MAY
17 BE REISSUED ANNUALLY UPON THE SUBMITTING OF AN APPLICATION FOR
18 RENEWAL PROVIDED BY THE COMMISSIONER AND UPON THE LICENSEE'S PAY-
19 MENT OF THE LICENSE FEE.

20 (6) IF THE COMMISSIONER DENIES AN APPLICATION FOR A
21 MANUFACTURER'S OR DISTRIBUTOR'S LICENSE, A FEE OF \$100.00 SHALL
22 BE RETAINED BY THE BUREAU TO COVER THE COST OF PROCESSING THE
23 APPLICATION.

24 (7) APPLICANTS FOR A MANUFACTURER'S OR DISTRIBUTOR'S LICENSE
25 SHALL REIMBURSE THE BUREAU FOR REASONABLE COSTS INCURRED FOR
26 BACKGROUND INVESTIGATIONS WITH RELATION TO THEIR APPLICATION FOR
27 LICENSE.

1 (8) A MANUFACTURER OR DISTRIBUTOR SHALL NOT BE INVOLVED IN
2 THE LEASING OR RENTAL OF ANY PREMISES FOR THE CONDUCT OF LICENSED
3 ACTIVITIES CONDUCTED BY A QUALIFIED ORGANIZATION.

4 (9) A PERSON WHO RENTS OR LEASES PREMISES FOR THE CONDUCT OF
5 THE LICENSED ACTIVITIES CONDUCTED BY A QUALIFIED ORGANIZATION
6 SHALL NOT RECEIVE DIRECT OR INDIRECT FINANCIAL BENEFIT FROM A
7 PERSON LICENSED AS A MANUFACTURER OR DISTRIBUTOR TO ENCOURAGE OR
8 REQUIRE THE SALE OF CHARITY GAME TICKETS TO LICENSED QUALIFIED
9 ORGANIZATIONS WHO RENT OR LEASE THE PREMISES.

10 (10) A PERSON LICENSED AS A DISTRIBUTOR SHALL NOT SELL OR
11 OTHERWISE MAKE AVAILABLE IN THIS STATE ANY EQUIPMENT OR CHARITY
12 GAME TICKETS UNLESS THE DISTRIBUTOR FIRST DETERMINES THAT THE
13 PURCHASER OR LESSEE IS A LICENSED QUALIFIED ORGANIZATION,
14 LICENSED DISTRIBUTOR, OR A PERSON THE BUREAU DETERMINES IS EXEMPT
15 FROM LICENSURE UNDER THIS ACT.

16 (11) A MANUFACTURER SHALL NOT SELL OR OTHERWISE MAKE AVAIL-
17 ABLE IN THIS STATE BINGO CARDS OR SHEETS OR CHARITY GAME TICKETS
18 TO A DISTRIBUTOR UNLESS THE MANUFACTURER FIRST DETERMINES THAT
19 THE PURCHASER IS A LICENSED DISTRIBUTOR OR A PERSON THE BUREAU
20 DETERMINES IS EXEMPT FROM LICENSURE UNDER THIS ACT.

21 (12) A LICENSED MANUFACTURER SHALL FILE WITH THE COMMIS-
22 SIONER A REPORT OF ALL SALES OF BINGO CARDS OR SHEETS AND CHARITY
23 GAME TICKETS TO ANY LICENSED DISTRIBUTOR IN THIS STATE IN SUCH
24 DETAIL AND WITH SUCH FREQUENCY AS MAY BE REQUIRED BY RULE OF THE
25 COMMISSIONER.

26 (13) A LICENSED DISTRIBUTOR SHALL FILE WITH THE COMMISSIONER
27 A REPORT OF ALL SALES AND RENTALS OF EQUIPMENT AND CHARITY GAME

1. TICKETS IN SUCH DETAIL AND WITH SUCH FREQUENCY AS MAY BE REQUIRED
2 BY RULE OF THE COMMISSIONER.

3 (14) A PERSON APPLYING FOR A LICENSE UNDER THIS SUBSECTION,
4 OR ANY AUTHORIZED SALES REPRESENTATIVE OF THE APPLICANT, MAY BE
5 PROHIBITED BY THE BUREAU FROM DOING BUSINESS IN THIS STATE WITH
6 LICENSED QUALIFIED ORGANIZATIONS OR LICENSED PERSONS IF THE
7 APPLICANT OR APPLICANT'S REPRESENTATIVE HAS BEEN CONVICTED OF A
8 FELONY, GAMBLING OFFENSE, CRIMINAL FRAUD, FORGERY, THEFT, OR
9 FILING A FALSE REPORT WITH A GOVERNMENT AGENCY.

10 (15) A DISTRIBUTOR SHALL CONSIDER PURCHASING CHARITY GAME
11 TICKETS FROM A LICENSED MICHIGAN-BASED MANUFACTURER.

12 (16) ALL PERSONS WHO OWN OR LEASE PREMISES ON WHICH A QUALI-
13 FIED ORGANIZATION INTENDS TO CONDUCT BINGO, EXCEPT FOR PREMISES
14 ON WHICH THE QUALIFIED ORGANIZATION OR AN AFFILIATE OF THE QUALI-
15 FIED ORGANIZATION INTENDING TO CONDUCT BINGO ALSO HAS ITS OFFICE
16 OR HEADQUARTERS OR CONDUCTS ITS REGULAR ACTIVITIES AND WHICH IS
17 NOT LEASED TO ANOTHER ORGANIZATION TO CONDUCT BINGO, SHALL ANNU-
18 ALLY REGISTER WITH THE COMMISSION. THE FEE FOR REGISTRATION
19 UNDER THIS SUBSECTION SHALL BE AS FOLLOWS:

20 (A) IN THE CASE OF A LICENSED QUALIFIED ORGANIZATION THAT
21 LEASES ITS PREMISES TO ANOTHER LICENSED QUALIFIED ORGANIZATION,
22 \$250.00 PER YEAR.

23 (B) IN THE CASE OF A PERSON WHO OWNS THE PREMISES BUT IS NOT
24 A LICENSED QUALIFIED ORGANIZATION, \$500.00 PER YEAR.

25 (17) AS A CONDITION OF REGISTRATION, THE PERSON WHO OWNS OR
26 LEASES THE PREMISES SHALL DEMONSTRATE THAT EQUIPMENT RELATED TO
27 THE CONDUCT OF BINGO OR CHARITY GAMES IS OPERABLE.

1 (18) A PERSON WHO IS NOT A QUALIFIED ORGANIZATION AND WHO
2 WISHES TO CONDUCT A GAME THAT DOES NOT CONSTITUTE PROHIBITED GAM-
3 BLING UNDER SECTION 301 OF THE MICHIGAN PENAL CODE, ACT NO. 328
4 OF THE PUBLIC ACTS OF 1931, BEING SECTION 750.301 OF THE MICHIGAN
5 COMPILED LAWS, MAY RENT OR PURCHASE EQUIPMENT FROM A LICENSED
6 SUPPLIER IN ORDER TO CONDUCT A NONGAMBLING BINGO OR NONGAMBLING
7 MILLIONAIRE PARTY, IF THE PERSON COMPLIES WITH THIS SUBSECTION.
8 THE PERSON SHALL SUBMIT AN APPLICATION FOR SPECIAL PERMISSION TO
9 A LICENSED SUPPLIER BEFORE THE GAME IS CONDUCTED. THE APPLICA-
10 TION SHALL BE IN A FORM APPROVED BY THE BUREAU AND SHALL BE MADE
11 AVAILABLE TO APPLICANTS BY THE LICENSED SUPPLIER. A COMPLETED
12 APPLICATION SHALL BE FORWARDED BY THE LICENSED SUPPLIER TO THE
13 BUREAU, AS DETERMINED BY THE COMMISSIONER. THE COMMISSIONER MAY
14 PROMULGATE RULES TO PRESCRIBE REPORTING AND AUDITING PROCEDURES
15 FOR NONGAMBLING EVENTS TO ENSURE COMPLIANCE WITH THIS SUBSECTION.

16 Sec. 13. (1) The commissioner shall promulgate rules to
17 implement this act pursuant to THE ADMINISTRATIVE PROCEDURES ACT
18 OF 1969, Act No. 306 of the Public Acts of 1969, as amended,
19 being sections 24.201 to ~~24.315~~ 24.328 of the Michigan Compiled
20 Laws.

21 (2) ~~To facilitate the earliest possible implementation of~~
22 ~~this act with regard to charity games, the commissioner may adopt~~
23 ~~and promulgate temporary rules which shall not be subject to~~
24 ~~chapter 3 of Act No. 306 of the Public Acts of 1969, as amended.~~
25 ~~Temporary rules shall be filed in the office of the secretary of~~
26 ~~state and become effective after the date of filing as determined~~
27 ~~by the commissioner. Temporary rules shall not be effective~~

1 ~~after December 31, 1982.~~ THE COMMISSIONER SHALL CONTINUE TO SELL
 2 CHARITY GAME TICKETS TO LICENSED DISTRIBUTORS AT COST PLUS A REA-
 3 SONABLE HANDLING FEE AS DETERMINED BY THE COMMISSIONER UNTIL THE
 4 DEPLETION OF THE BUREAU'S SUPPLY OF TICKETS IN EXISTENCE AND ON
 5 ORDER ON THE EFFECTIVE DATE OF THE 1991 AMENDATORY ACT THAT
 6 AMENDED THIS SUBSECTION, AFTER WHICH TIME LICENSED DISTRIBUTORS
 7 SHALL BEGIN TO SELL TICKETS IN ACCORDANCE WITH THE AMENDATORY
 8 PROVISIONS OF THIS ACT.

9 (3) Rules adopted and promulgated by the commissioner shall
 10 insure the integrity and honest operation of bingo games, mil-
 11 lionaire parties, and THE SALE OF charity ~~games~~ GAME TICKETS
 12 and shall be consistent with the legislative objective that
 13 bingo, millionaire parties, and THE SALE OF charity ~~games~~ GAME
 14 TICKETS shall be conducted in a friendly, social, and noncommer-
 15 cial manner.

16 ~~(4) Charity game tickets shall not be sold by the bureau~~
 17 ~~other than at or from the bureau's central or regional offices.~~

18 Sec. 14. (1) Each ~~licensee~~ LICENSED QUALIFIED
 19 ORGANIZATION shall keep a record of bingo games, millionaire par-
 20 ties, and THE SALE OF charity ~~games conducted within the previ-~~
 21 ~~ous year~~ GAME TICKETS as provided by rule of the commissioner
 22 AND ON FORMS PROVIDED BY THE COMMISSIONER. The record shall be
 23 open to inspection by a ~~duly~~ authorized employee of the bureau
 24 during reasonable business hours. Upon the request of the com-
 25 missioner, the state auditor general or a certified public
 26 accountant firm appointed by the auditor general shall examine
 27 and conduct a postaudit of a licensee's records, accounts, and

1 transactions related to the QUALIFIED ORGANIZATION'S GENERAL FUND
2 operation of the bingo game, millionaire party, or THE SALE OF
3 charity game TICKETS.

4 (2) ~~Annually each licensee~~ A LICENSED QUALIFIED
5 ORGANIZATION shall file with the commissioner a financial state-
6 ment of receipts and expenses related to the conducting of the
7 bingo game, millionaire party, or charity game TICKET SALES in
8 such detail AND WITH SUCH FREQUENCY as may be required by rule of
9 the commissioner. THE COMMISSIONER MAY ASSESS UP TO A \$100.00
10 LATE FEE PENALTY FOR EACH REPORT NOT TIMELY SUBMITTED AFTER WRIT-
11 TEN NOTICE. Where the revenue from a bingo game, millionaire
12 party, or charity game TICKET SALES is represented to be used or
13 applied by a licensee for a charitable purpose, the licensee
14 shall file a copy of the financial statement with the attorney
15 general pursuant to THE SUPERVISION OF TRUSTEES FOR CHARITABLE
16 PURPOSES ACT, Act No. 101 of the Public Acts of 1961, as amended,
17 being sections 14.251 to 14.266 of the Michigan Compiled Laws.

18 (3) The location at which the bingo, millionaire party, or
19 SALE OF charity game TICKETS is being conducted or at which an
20 applicant or licensee intends to conduct the bingo, millionaire
21 party, or SALE OF charity game TICKETS AND THE LOCATION OR LOCA-
22 TIONS AT WHICH LICENSED DISTRIBUTORS AND MANUFACTURERS OPERATE
23 shall be open to inspection at all times by ~~a duly~~ AN autho-
24 rized employee of the bureau, ~~or by~~ the state police, or a
25 peace officer of a political subdivision of this state. IF AN
26 AUTHORIZED EMPLOYEE OF THE BUREAU, THE STATE POLICE, OR A PEACE
27 OFFICER OF A POLITICAL SUBDIVISION OF THIS STATE HAS PROBABLE

1 CAUSE TO BELIEVE THAT ANY EQUIPMENT OR CHARITY GAME TICKETS WERE
2 OBTAINED FROM AN UNLICENSED SOURCE OR FAIL TO MEET THE STANDARDS
3 PROVIDED BY RULES PROMULGATED UNDER THIS ACT, HE OR SHE SHALL
4 REMOVE AND IMPOUND THE EQUIPMENT OR TICKETS FOR THE PURPOSE OF
5 EXAMINATION AND DETENTION. THE TICKETS AND EQUIPMENT SHALL NOT
6 BE DESTROYED EXCEPT PURSUANT TO AN ORDER OF A COURT OF COMPETENT
7 JURISDICTION.

8 (4) THE COMMISSIONER MAY PROMULGATE RULES TO ESTABLISH AND
9 ASSESS FEE PENALTIES FOR VIOLATIONS OF THIS ACT OR RULES PROMUL-
10 GATED UNDER THIS ACT AFTER A HEARING PURSUANT TO THE ADMINISTRA-
11 TIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC ACTS OF
12 1969, BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN COMPILED
13 LAWS.

14 Sec. 17. (1) A person NOT A MANUFACTURER OR DISTRIBUTOR who
15 ~~wilfully violates this act~~ DOES ANY OF THE FOLLOWING is guilty
16 of a misdemeanor ~~and shall be fined~~ PUNISHABLE BY A FINE OF not
17 more than \$1,000.00 or ~~imprisoned~~ IMPRISONMENT FOR not more
18 than 6 months, or both: —

19 (A) WILLFULLY VIOLATES THIS ACT OR A RULE PROMULGATED UNDER
20 THIS ACT.

21 (B) PROVIDES FALSE INFORMATION OR FAILS TO DISCLOSE INFORMA-
22 TION REQUESTED ON AN APPLICATION OR FINANCIAL REPORT.

23 (C) CONDUCTS A BINGO OR MILLIONAIRE PARTY OR OFFERS CHARITY
24 GAME TICKETS FOR SALE WITHOUT FIRST COMPLYING WITH THIS ACT.

25 (D) USES PROCEEDS IN AN AMOUNT OF NOT MORE THAN \$100.00 FROM
26 A LICENSED OR REGISTERED ACTIVITY OTHER THAN FOR A PURPOSE
27 AUTHORIZED UNDER THIS ACT.

1 (2) A PERSON WHO IS A MANUFACTURER OR DISTRIBUTOR AND WHO
2 DOES ANY OF THE FOLLOWING IS GUILTY OF A MISDEMEANOR PUNISHABLE
3 BY A FINE OF NOT MORE THAN \$5,000.00 OR IMPRISONMENT FOR NOT MORE
4 THAN 12 MONTHS, OR BOTH, FOR A FIRST OFFENSE AND IS GUILTY OF A
5 FELONY PUNISHABLE BY A FINE OF NOT MORE THAN \$10,000.00 OR
6 IMPRISONMENT OF NOT MORE THAN 5 YEARS, OR BOTH, FOR A SECOND OR
7 SUBSEQUENT OFFENSE:

8 (A) WILLFULLY VIOLATES THIS ACT OR A RULE PROMULGATED UNDER
9 THIS ACT.

10 (B) PROVIDES FALSE INFORMATION OR FAILS TO DISCLOSE INFORMA-
11 TION REQUESTED ON AN APPLICATION OR FINANCIAL REPORT.

12 (C) MANUFACTURES, OFFERS FOR SALE, SELLS, DISTRIBUTES, OR
13 POSSESSES FOR RESALE BINGO SHEETS OR CHARITY GAME TICKETS OTHER
14 THAN AS AUTHORIZED BY THIS ACT.

15 (D) MANUFACTURES, OFFERS FOR SALE, SELLS, DISTRIBUTES, OR
16 LEASES EQUIPMENT OR CHARITY GAME TICKETS IN THIS STATE WITHOUT
17 FIRST OBTAINING A LICENSE UNDER THIS ACT.

18 (3) A PERSON WHO USES PROCEEDS IN AN AMOUNT WHICH EXCEEDS
19 \$100.00 FROM A LICENSED OR REGISTERED ACTIVITY FOR OTHER THAN A
20 PURPOSE AUTHORIZED UNDER THIS ACT IS GUILTY OF A FELONY AND SHALL
21 BE FINED NOT MORE THAN \$10,000.00 OR IMPRISONED NOT MORE THAN 5
22 YEARS, OR BOTH.

23 (4) A PERSON WHO DOES EITHER OF THE FOLLOWING IS GUILTY OF A
24 MISDEMEANOR, PUNISHABLE BY A FINE OF NOT MORE THAN \$5,000.00 OR
25 IMPRISONMENT FOR NOT MORE THAN 2 YEARS, OR BOTH:

26 (A) HINDERS OR OBSTRUCTS THE COMMISSIONER OR AN AUTHORIZED
27 EMPLOYEE OF THE BUREAU CONDUCTING ACTIVITIES AUTHORIZED UNDER

1 THIS ACT, KNOWING THAT PERSON TO BE THE COMMISSIONER OR AN
2 AUTHORIZED EMPLOYEE OF THE BUREAU.

3 (B) ASSAULTS OR BATTERS THE COMMISSIONER OR AN AUTHORIZED
4 EMPLOYEE OF THE BUREAU, KNOWING THAT PERSON TO BE THE COMMIS-
5 SIONER OR AN AUTHORIZED EMPLOYEE OF THE BUREAU.

6 (5) IN ADDITION TO OTHER PENALTIES PROVIDED FOR IN THIS ACT,
7 A PERSON WHO DOES ANY OF THE FOLLOWING IS SUBJECT TO A CIVIL FINE
8 EQUAL TO THE GROSS PROCEEDS DERIVED FROM THE UNLICENSED ACTIVI-
9 TIES AND TO THE CONFISCATION AND FORFEITURE OF ALL CHARITY GAME
10 TICKETS AND EQUIPMENT FOUND TO BE RELATED TO THE CONDUCT OF THOSE
11 ACTIVITIES:

12 (A) CONDUCTS A BINGO OR MILLIONAIRE PARTY OR SELLS CHARITY
13 GAME TICKETS WITHOUT FIRST OBTAINING A LICENSE AS REQUIRED BY
14 THIS ACT.

15 (B) MANUFACTURES, SELLS, DISTRIBUTES, OR LEASES EQUIPMENT OR
16 SELLS CHARITY GAME TICKETS WITHOUT FIRST OBTAINING A LICENSE AS
17 REQUIRED BY THIS ACT.

18 (C) CONTINUES TO CONDUCT BINGO OR MILLIONAIRE PARTIES, OR
19 CONTINUES TO SELL CHARITY GAME TICKETS AFTER A LICENSE SUSPENSION
20 OR REVOCATION.

21 (D) MANUFACTURES, SELLS, DISTRIBUTES, OR LEASES EQUIPMENT OR
22 SELLS CHARITY GAME TICKETS AFTER A LICENSE SUSPENSION OR
23 REVOCATION.

24 SEC. 17A. (1) A PERSON WHO DOES ANY OF THE FOLLOWING IS
25 GUILTY OF A MISDEMEANOR:

1 (A) ALTERS OR ATTEMPTS TO ALTER A BINGO SHEET FOR HIMSELF OR
2 HERSELF, OR FOR ANOTHER PERSON, AND USES THAT CARD OR SHEET TO
3 CLAIM OR ATTEMPT TO CLAIM A PRIZE.

4 (B) IN THE CASE OF A PERSON WORKING AT A BINGO EVENT,
5 ASSISTS OR ATTEMPTS TO ASSIST A PLAYER IN ANY WAY TO WIN A BINGO
6 GAME WHEN THE PLAYER HAS NOT VALIDLY WON THE BINGO GAME.

7 (C) IN THE CASE OF A PERSON PLAYING BINGO, ACCEPTS OR
8 ATTEMPTS TO OBTAIN ASSISTANCE FROM A WORKER FOR THE PURPOSE OF
9 WINNING A BINGO GAME WHEN THE PLAYER HAS NOT VALIDLY WON THE
10 BINGO GAME.

11 (2) A VIOLATION OF SUBSECTION (1) WHICH INVOLVES AN AMOUNT
12 OF MONEY OF LESS THAN \$100.00 IS PUNISHABLE BY A FINE OF NOT MORE
13 THAN \$1,000.00 OR IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR
14 BOTH.

15 (3) A VIOLATION OF SUBSECTION (1) WHICH INVOLVES AN AMOUNT
16 OF MONEY OF \$100.00 OR MORE IS PUNISHABLE BY A FINE OF NOT MORE
17 THAN \$5,000.00 OR IMPRISONMENT OF NOT MORE THAN 2 YEARS.

18 Sec. 18. (1) A licensee whose license is revoked in conse-
19 quence of a violation of this act or a rule promulgated under
20 this act is ineligible, for a period of 1 year after the revoca-
21 tion, to apply for a license or to conduct a charity game.

22 ~~exempted from licensing requirements by section 4(3).~~

23 (2) A person convicted of an offense under section 17 or any
24 other gambling OR THEFT offense is ineligible to serve as an
25 officer of a licensee or to participate in conducting bingo, a
26 millionaire party, or a charity game OR IN MANUFACTURING,
27 SELLING, LEASING, OR DISTRIBUTING EQUIPMENT OR SELLING CHARITY

1 GAME TICKETS for a period of 1 year after the conviction becomes
2 final. If the person is licensed pursuant to this act, the
3 person shall forfeit the license and is ineligible to apply for
4 the issuance or reissuance of the license for a period of 1 year
5 after the conviction becomes final.

6 (3) If a license is suspended, in addition to other penal-
7 ties which may be imposed, the commissioner may declare the vio-
8 lator ineligible to conduct a game of bingo, a millionaire party,
9 or charity game OR TO MANUFACTURE, SELL, LEASE, OR DISTRIBUTE
10 EQUIPMENT OR SELL CHARITY GAME TICKETS or to apply for a license
11 under this act for a period not exceeding 1 year.

12 (4) The licensee shall return its license to the commis-
13 sioner on or before the effective date of a suspension, revoca-
14 tion, or forfeiture. Whether returned or not, the license shall
15 not be valid beyond the effective date of the suspension, revoca-
16 tion, or forfeiture.

17 Sec. 19. Any other law providing a penalty or disability
18 upon a person who conducts or participates in a bingo game, mil-
19 lionaire party, or charity game; who MANUFACTURES, DISTRIBUTES,
20 sells, or possesses CHARITY GAME TICKETS OR equipment used in
21 conducting bingo or a millionaire party; who permits bingo, a
22 millionaire party, or a charity game to be conducted on his or
23 her premises; or who does other acts in connection with bingo, a
24 millionaire party, or a charity game shall not apply to such con-
25 duct when done pursuant to this act or rules promulgated under
26 this act.

1 Section 2. This amendatory act shall take effect upon the
2 expiration of 90 days after the date of its enactment.