

# HOUSE BILL No. 4099

February 6, 1991. Introduced by Reps. Muxlow, Joe Young, Jr., London, Randall, Middaugh, Sparks, Ouwinga, Dalman, Strand, Sikkema, Allen, Bender, DeLange, Horton, Johnson, McNutt and McBryde and referred to the Committee on State Affairs.

A bill to amend sections 9 and 11 of Act No. 239 of the

Public Acts of 1972, entitled as amended

"McCauley-Traxler-Law-Bowman-McNeely lottery act,"

section 9 as amended by Act No. 62 of the Public Acts of 1987 and

section 11 as amended by Act No. 55 of the Public Acts of 1987,

being sections 432.9 and 432.11 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Sections 9 and 11 of Act No. 239 of the Public  
2 Acts of 1972, section 9 as amended by Act No. 62 of the Public  
3 Acts of 1987 and section 11 as amended by Act No. 55 of the  
4 Public Acts of 1987, being sections 432.9 and 432.11 of the  
5 Michigan Compiled Laws, are amended to read as follows:

6       Sec. 9. (1) The commissioner shall initiate, establish, and  
7 operate a state lottery at the earliest feasible and practicable  
8 time. The lottery shall produce the maximum amount of net

1 revenues for the state consonant with the general welfare of the  
2 people. The commissioner shall solicit bids from financially  
3 responsible vendors of data processing equipment and services for  
4 the operation of the lottery and may contract with the approval  
5 of the state administrative board.

6 (2) THE COMMISSIONER SHALL NOT CONDUCT A LOTTERY BASED UPON  
7 AN ACTIVITY WHICH UTILIZES THE MECHANICAL, PHYSICAL, OR MENTAL  
8 SKILLS OF THE PARTICIPANT AND WHICH IS TRADITIONALLY REGARDED AS  
9 A SPORTING EVENT.

10 Sec. 11. (1) The commissioner shall promulgate rules pursu-  
11 ant to the administrative procedures act of 1969, Act No. 306 of  
12 the Public Acts of 1969, as amended, being sections 24.201 to  
13 24.328 of the Michigan Compiled Laws, as necessary to implement  
14 this act.

15 (2) The rules AUTHORIZED UNDER THIS SECTION may include ANY  
16 OF THE FOLLOWING:

17 (a) The type of lottery to be conducted SUBJECT TO SECTION  
18 9(2).

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

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

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

23 (e) The manner of payment of prizes to the holders of win-  
24 ning tickets or shares, subject to section 32.

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

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

3 (h) The method to be used in selling tickets or shares,  
4 except that no person's name shall be printed on such tickets or  
5 shares.

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

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

12 (k) The apportionment of the total annual revenues accruing  
13 from the sale of lottery tickets or shares and from all other  
14 sources for the payment of prizes to the holders of winning tick-  
15 ets or shares, for the payment of costs incurred in the operation  
16 and administration of the lottery, including the expenses of the  
17 bureau and the costs resulting from any contract or contracts  
18 entered into for promotional, advertising, consulting or oper-  
19 ational services or for the purchase or lease of lottery equip-  
20 ment and materials, for the repayment of the ~~moneys~~ MONEY  
21 appropriated to the state lottery fund and for transfer to the  
22 general fund.