

HOUSE BILL No. 4437

March 5, 1991, Introduced by Rep. Joe Young, Jr. and referred to the Committee on State Affairs.

A bill to amend sections 1, 2, 3, 4, 5, 6, 7a, 8, 9, 10, 10a, 11, 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, 10a, 11, 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 432.101, 432.102, 432.103, 432.104, 432.105, 432.106, 432.107a, 432.108, 432.109, 432.110, 432.110a, 432.111, 432.112, 432.113, 432.114, 432.117, 432.118, and 432.119 of the Michigan Compiled Laws; to add sections 1a, 3a, 5a, and 17a; and to repeal certain parts of the act.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1, 2, 3, 4, 5, 6, 7a, 8, 9, 10, 10a,
2 11, 12, 13, 14, 17, 18, and 19 of Act No. 382 of the Public Acts
3 of 1972, sections 2, 3, 4, 5, 8, 9, 10, 10a, 11, 12, 13, 14, 18,

1 and 19 as amended and section 7a as added by Act No. 229 of the
2 Public Acts of 1981, being sections 432.101, 432.102, 432.103,
3 432.104, 432.105, 432.106, 432.107a, 432.108, 432.109, 432.110,
4 432.110a, 432.111, 432.112, 432.113, 432.114, 432.117, 432.118,
5 and 432.119 of the Michigan Compiled Laws, are amended and
6 sections 1a, 3a, 5a, and 17a are added to read as follows:

7 Sec. 1. This act shall be known and may be cited as the
8 "Traxler-McCauley-Law-Bowman ~~bingo~~ CHARITABLE GAMING act".

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

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

16 (2) "Bureau" means the bureau of state lottery as created by
17 THE MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT, Act No. 239
18 of the Public Acts of 1972, as amended, being sections 432.1 to
19 432.47 of the Michigan Compiled Laws.

20 (3) "Charity game" means the random resale, BY A QUALIFIED
21 ORGANIZATION, of a series of charity game tickets PURCHASED by
22 ~~a~~ THE qualified organization ~~which has purchased the charity~~
23 ~~game tickets~~ from ~~the bureau or~~ a licensed ~~supplier~~
24 DISTRIBUTOR AND RESOLD PURSUANT TO A CHARITY GAME LICENSE OR in
25 conjunction with a licensed bingo game, ~~or~~ a licensed million-
26 aire party, LICENSED RAFFLE, OR PURSUANT TO A SEPARATE CHARITY

1 GAME LICENSE. A SINGLE COMPLETE CHARITY GAME IS COMMONLY
2 REFERRED TO AS A "DEAL".

3 (4) "Charity game ticket" means a ticket which is approved
4 ~~and acquired~~ by the bureau and is distributed and sold by ~~the~~
5 ~~bureau or~~ a licensed ~~supplier~~ DISTRIBUTOR to a qualified orga-
6 nization for random resale. ~~in conjunction with a licensed~~
7 ~~bingo game or a licensed millionaire party whereby upon removal~~
8 ~~of a portion of the ticket to discover whether the ticket is a~~
9 ~~winning ticket the purchaser may be awarded a prize.~~ These tick-
10 ets are commonly referred to as "break open tickets" AND "JAR
11 TICKETS".

12 (5) "Commissioner" means the commissioner of state lottery
13 ~~as defined by section 3~~ APPOINTED PURSUANT TO SECTION 7 of Act
14 No. 239 of the Public Acts of 1972, BEING SECTION 432.7 OF THE
15 MICHIGAN COMPILED LAWS, AND HIS OR HER AUTHORIZED
16 REPRESENTATIVE.

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

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

5 (8) "REGULAR BINGO" MEANS A GATHERING OR SESSION CONDUCTED
6 ON THE SAME DAY EACH WEEK AT WHICH A SERIES OF SUCCESSIVE BINGO
7 GAMES ARE PLAYED PURSUANT TO A LICENSE FOR CONDUCTING BINGO
8 ISSUED UNDER SECTION 5(1) OR (2).

9 (9) ~~(8)~~ "Special ~~occasion~~ BINGO" means a single gather-
10 ing or session at which a series of successive bingo games ~~or~~
11 ~~other gambling events authorized by this act~~ are played pursuant
12 to a special license FOR CONDUCTING BINGO issued under section
13 ~~7~~ 5(4).

14 (10) ~~(9)~~ "Millionaire party" means an event at which
15 wagers are placed upon games of chance customarily associated
16 with a gambling casino through the use of imitation money which
17 has a nominal value that is EQUAL TO OR greater than the value of
18 the currency for which it was exchanged or is exchangeable, OR AN
19 EVENT AT WHICH WAGERS ARE PLACED ON GAMES OF CHANCE APPROVED BY
20 THE COMMISSIONER.

21 (11) "RAFFLE" MEANS THE SALE OF RAFFLE TICKETS AND THE EVENT
22 AT WHICH A WINNER OR WINNERS ARE SELECTED, EITHER BY RANDOMLY
23 SELECTING STUBS OR RECEIPTS FROM THE RAFFLE TICKETS SOLD FROM A
24 POOL CONSISTING OF ALL TICKETS SOLD FOR THAT EVENT, OR BY ANOTHER
25 MANNER APPROVED BY THE COMMISSIONER, AND AT WHICH A PREANNOUNCED
26 PRIZE IS AWARDED TO 1 OR MORE TICKETHOLDERS. ALL RAFFLE TICKET
27 NUMBERS SHALL BE SELECTED AND ALL WINNERS AND PRIZES SHALL BE

1 DETERMINED WITHIN THE DURATION OF THE LICENSE OR REGISTRATION.
2 THE TERM "LOTTO", "SUPER LOTTO", OR "LOTTERY" SHALL NOT BE USED
3 IN ANY MANNER TO DESCRIBE OR ADVERTISE A RAFFLE OR GAME OF
4 CHANCE.

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

13 (13) "MANUFACTURER" MEANS A PERSON WHO MANUFACTURES OR FAB-
14 RICATES FOR SALE ANY BINGO SHEETS OR CHARITY GAME TICKETS FOR
15 RESALE OR USE IN AUTHORIZED GAMING ACTIVITIES.

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

26 (2) "EDUCATIONAL SUBORDINATE ORGANIZATION" MEANS A
27 SEPARATELY ORGANIZED GROUP RELATED TO A QUALIFIED EDUCATIONAL

1 ORGANIZATION, SUCH AS A BOOSTER CLUB, PARENT-TEACHER ASSOCIATION,
2 OR SCHOLASTIC OR YOUTH ATHLETIC CLUB, NOT FOR PECUNIARY PROFIT,
3 WHICH HAS SEPARATE BYLAWS AND SEPARATELY ELECTED OFFICERS, IS
4 ESTABLISHED TO RAISE FUNDS SOLELY FOR ACTIVITIES WHICH ARE SPON-
5 SORED BY THE EDUCATIONAL ORGANIZATION, IS DIRECTLY UNDER THE CON-
6 TROL OF THE EDUCATIONAL ORGANIZATION, AND IS AUTHORIZED BY THE
7 PRESIDING OFFICER OF THE EDUCATIONAL ORGANIZATION TO CONDUCT THE
8 FUND-RAISING ACTIVITY. UPON DISSOLUTION, ALL ASSETS, REAL PROP-
9 ERTY, AND PERSONAL PROPERTY OF THE EDUCATIONAL SUBORDINATE ORGA-
10 NIZATION SHALL REVERT TO THE BENEFIT OF THE CONTROLLING QUALIFIED
11 EDUCATIONAL ORGANIZATION. A QUALIFIED EDUCATIONAL ORGANIZATION
12 AND ITS EDUCATIONAL SUBORDINATE ORGANIZATIONS, IF ANY, SHALL BE
13 ISSUED NOT MORE THAN A TOTAL OF 5 REGULAR BINGO LICENSES.

14 (3) ~~-(2)-~~ "Fraternal organization" means an organization
15 within this state, except college fraternities OR SORORITIES, not
16 for pecuniary profit, which is a branch, lodge, or chapter of a
17 national or state organization and exists for the common busi-
18 ness, brotherhood, SISTERHOOD, or other interests of its
19 members. A FRATERNAL ORGANIZATION MAY ALSO INCLUDE AN ORGANI-
20 ZATION WITHIN THIS STATE, NOT FOR PECUNIARY PROFIT, WHICH IS NOT
21 A BRANCH, LODGE, OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION
22 AND EXISTS FOR THE COMMON BUSINESS, BROTHERHOOD, SISTERHOOD, OR
23 OTHER INTERESTS OF ITS MEMBERS, WHICH HAS HAD AN ACTIVE BANK
24 ACCOUNT IN THE ORGANIZATION'S NAME FOR AT LEAST 5 CONTINUOUS
25 YEARS, AND WHOSE CONSTITUTION, CHARTER, ARTICLES OF INCORPORA-
26 TION, OR BYLAWS CONTAIN A PROVISION FOR THE PERPETUATION OF THE
27 ORGANIZATION AS A NONPROFIT ORGANIZATION AND A PROVISION THAT ALL

1 ASSETS, REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE
 2 BENEFIT OF A CHARITABLE PURPOSE UPON DISSOLUTION OF THE ORGANI-
 3 ZATION, AND NOT LESS THAN 25% OF ITS ANNUAL EXPENDITURES ARE FOR
 4 CHARITABLE PURPOSES.

5 (4) ~~-(3)-~~ "Licensee" means a PERSON OR qualified organi-
 6 zation licensed OR REGISTERED pursuant to this act.

7 (5) ~~-(4)-~~ "Member" means an individual who qualified for
 8 membership OR SIMILAR STATUS AS DETERMINED BY THE COMMISSIONER in
 9 a qualified organization pursuant to its bylaws, articles of
 10 incorporation, charter, rules, or other written statement.

11 (6) ~~-(5)-~~ "Person" means a natural person, firm, associa-
 12 tion, corporation, or other legal entity.

13 (7) ~~-(6)-~~ "Qualified organization" means ~~-a-~~ ANY OF THE
 14 FOLLOWING:

15 (A) A bona fide religious, RELIGIOUS SUBORDINATE, education-
 16 al, EDUCATIONAL SUBORDINATE, service, senior citizens, fraternal,
 17 or veterans' organization which operates without profit to its
 18 members and which either has been in existence continuously as
 19 such an organization for a period of ~~-5-~~ 3 years or is exempt FOR
 20 AT LEAST 1 YEAR from ~~taxation imposed by Act No. 228 of the~~
 21 ~~Public Acts of 1975, as amended, being sections 208.1 to 208.145~~
 22 ~~of the Michigan Compiled Laws. Qualified organization shall also~~
 23 ~~include a~~ FEDERAL INCOME TAX PURSUANT TO THE INTERNAL REVENUE
 24 CODE EXCEPT AN ORGANIZATION EXEMPT UNDER SECTION 501(c)(12) OR
 25 501(c)(16) OF THE INTERNAL REVENUE CODE, OR AN ORGANIZATION
 26 EXEMPT UNDER SECTION 501(c)(4) OF THE INTERNAL REVENUE CODE WHICH
 27 WOULD BE EXEMPT UNDER SECTION 501(c)(12) OF THE INTERNAL REVENUE

1 CODE BUT FOR ITS FAILURE TO MEET THE REQUIREMENTS IN SECTION
2 501(c)(12) THAT 85% OR MORE OF ITS INCOME MUST CONSIST OF AMOUNTS
3 COLLECTED FROM MEMBERS. IN THE CASE OF A QUALIFIED ORGANIZATION
4 SEEKING QUALIFICATION FOR A BINGO LICENSE, IT SHALL HAVE BEEN
5 EXEMPT FROM FEDERAL INCOME TAX AS DESCRIBED IN THIS SUBDIVISION
6 FOR NOT LESS THAN 1 YEAR. IF AN ORGANIZATION LOSES ITS TAX
7 EXEMPT STATUS AFTER HAVING APPLIED FOR OR HAVING RECEIVED A
8 LICENSE OR REGISTRATION, THE ORGANIZATION SHALL PROMPTLY NOTIFY
9 THE COMMISSIONER OF THE CHANGE IN STATUS. A LICENSE ISSUED BY
10 THE COMMISSIONER SHALL BE SUMMARILY SUSPENDED WHENEVER THE ORGA-
11 NIZATION TO WHICH IT IS ISSUED LOSES ITS TAX EXEMPT STATUS AND
12 UNTIL SUCH TIME AS THE COMMISSIONER MAY DETERMINE WHETHER THE
13 ORGANIZATION IS OTHERWISE QUALIFIED.

14 (B) A CITY, TOWNSHIP, OR VILLAGE FIRE DEPARTMENT, POLICE
15 DEPARTMENT, OR PARKS AND RECREATION DEPARTMENT.

16 (C) AN EMERGENCY MEDICAL SERVICE UNIT THAT COMPLIES WITH
17 PART 209 OF THE PUBLIC HEALTH CODE, ACT NO. 368 OF THE PUBLIC
18 ACTS OF 1978, BEING SECTIONS 333.20901 TO 333.20979 OF THE
19 MICHIGAN COMPILED LAWS.

20 (D) A GOVERNMENTAL AGENCY ESTABLISHED TO ADVANCE THE CAUSES
21 OF ELDERLY, RETIRED, OR HANDICAPPED PERSONS.

22 (E) A candidate committee as defined by, and ~~which is~~
23 organized pursuant to THE MICHIGAN CAMPAIGN FINANCE ACT, Act
24 No. 388 of the Public Acts of 1976, as amended, being sections
25 169.201 to 169.282 of the Michigan Compiled Laws.

26 (8) ~~(7)~~ "Religious organization" means ~~an organization,~~
27 A church, ~~body of communicants, or group, not for pecuniary~~

1 ~~profit,~~ SYNAGOGUE, OR OTHER ORGANIZATION OR ASSOCIATION THAT IS
2 gathered in common membership for mutual support and edification
3 in piety, worship, and religious ~~observances, or any society, not~~
4 ~~for pecuniary profit,~~ OBSERVANCES, of individuals united for
5 religious purposes ~~at a definite place, or a church-related pri-~~
6 ~~vate school,~~ not for pecuniary profit, AND THAT HAS BEEN IN
7 EXISTENCE WITHIN THIS STATE FOR AT LEAST 3 YEARS.

8 (9) "RELIGIOUS SUBORDINATE ORGANIZATION" MEANS A SEPARATELY
9 ORGANIZED SUBORDINATE GROUP RELATED TO A QUALIFIED RELIGIOUS
10 ORGANIZATION, SUCH AS AN ALTAR SOCIETY OR MEN'S CLUB, NOT FOR
11 PECUNIARY PROFIT, WHICH HAS SEPARATE BYLAWS AND SEPARATELY
12 ELECTED OFFICERS, IS DIRECTLY UNDER THE CONTROL OF THE RELIGIOUS
13 ORGANIZATION, AND IS AUTHORIZED BY THE PRESIDING OFFICER OF THE
14 RELIGIOUS ORGANIZATION TO CONDUCT THE FUND-RAISING ACTIVITY.
15 UPON DISSOLUTION, ALL ASSETS, REAL PROPERTY, AND PERSONAL PROP-
16 ERTY OF THE RELIGIOUS SUBORDINATE ORGANIZATION SHALL REVERT TO
17 THE BENEFIT OF THE CONTROLLING QUALIFIED RELIGIOUS ORGANIZATION.
18 A QUALIFIED RELIGIOUS ORGANIZATION AND ITS RELIGIOUS SUBORDINATE
19 ORGANIZATIONS, IF ANY, SHALL BE ISSUED NOT MORE THAN A TOTAL OF 5
20 REGULAR BINGO LICENSES. IF A QUALIFIED RELIGIOUS ORGANIZATION IS
21 ALSO WHOLLY AFFILIATED WITH AN EDUCATIONAL ORGANIZATION, THE
22 AFFILIATED ENTITY, INCLUDING ITS EDUCATIONAL SUBORDINATE ORGANI-
23 ZATIONS AND RELIGIOUS SUBORDINATE ORGANIZATIONS, SHALL BE ISSUED
24 NOT MORE THAN A TOTAL OF 5 REGULAR BINGO LICENSES.

25 (10) ~~(8)~~ "Senior citizens organization" means an organi-
26 zation within this state, not for pecuniary profit, which
27 consists of at least 15 members who are 60 years of age or older

1 and exists for their mutual support and advancing the causes of
2 elderly or retired persons, AND WHOSE CONSTITUTION, CHARTER,
3 ARTICLES OF INCORPORATION, OR BYLAWS CONTAIN A PROVISION THAT ALL
4 ASSETS, REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE
5 BENEFIT OF THE LOCAL GOVERNMENTAL SUBDIVISION UPON DISSOLUTION OF
6 THE ORGANIZATION, OR, IF EXEMPT FROM FEDERAL INCOME TAX UNDER
7 SECTION 501(c) OF THE INTERNAL REVENUE CODE, TO SUCH ORGANI-
8 ZATIONS AS ARE QUALIFIED AS TAX EXEMPT UNDER THE SAME SUBSECTION
9 OF SECTION 501(c) OF THE INTERNAL REVENUE CODE.

10 (11) ~~(9)~~ "Service organization" means a branch, lodge, or
11 chapter of a national or state organization, not for pecuniary
12 profit, which is authorized by its written constitution, charter,
13 articles of incorporation, or bylaws to engage in a ~~fraternal,~~
14 civic, CHARITABLE, or service purpose within the state; and a
15 local ~~civic~~ organization ~~, not for pecuniary profit and not~~
16 ~~affiliated with a state or national organization,~~ which is rec-
17 ognized by resolution adopted by the ~~city~~ LOCAL GOVERNMENTAL
18 SUBDIVISION in which the organization conducts its principal
19 activities OR A STATEWIDE ORGANIZATION WITHIN THIS STATE, WHICH
20 LOCAL OR STATEWIDE ORGANIZATION IS NOT FOR PECUNIARY PROFIT, AND
21 whose constitution, charter, articles of incorporation, or bylaws
22 contain a provision for the perpetuation of the organization as a
23 nonprofit organization whose ~~entire~~ PRIMARY assets are pledged
24 to charitable purposes, and whose constitution, charter, articles
25 of incorporation, or bylaws contain a provision that all assets,
26 real property, and personal property shall revert to the benefit
27 of the ~~city government~~ GOVERNMENTAL SUBDIVISION WHICH GRANTED

1 THE RESOLUTION upon dissolution of the organization, OR, IN THE
2 CASE OF A STATEWIDE ORGANIZATION, TO A CHARITABLE PURPOSE; OR, IF
3 EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(c) OF THE INTER-
4 NAL REVENUE CODE, TO THE BENEFIT OF SUCH ORGANIZATIONS AS ARE
5 QUALIFIED AS TAX EXEMPT UNDER THE SAME SUBSECTION OF SECTION
6 501(c) OF THE INTERNAL REVENUE CODE.

7 (12) ~~-(10)-~~ "Veterans' organization" means an organization
8 within this state, or a branch, or lodge, or chapter within this
9 state of a state organization or of a national organization
10 chartered by the congress of the United States, not for pecuniary
11 profit, the membership of which consists of individuals who were
12 members of the armed services or forces of the United States.

13 (13) "CHARITABLE PURPOSE" MEANS 1 OR MORE OF THE FOLLOWING
14 CAUSES, DEEDS, OR ACTIVITIES WHICH IS BENEFICIAL TO THE GENERAL
15 PUBLIC:

16 (A) RELIEF OF POVERTY.

17 (B) ADVANCEMENT OF EDUCATION.

18 (C) ADVANCEMENT OF RELIGION.

19 (D) PROTECTION OF HEALTH, OR RELIEF FROM DISEASE, SUFFERING,
20 OR DISTRESS.

21 (E) ADVANCEMENT OF CIVIC, GOVERNMENTAL, OR MUNICIPAL
22 PURPOSES.

23 (F) PROTECTION OF THE ENVIRONMENT AND CONSERVATION OF
24 WILDLIFE.

25 (G) ANY OTHER PURPOSE THAT THE COMMISSIONER DETERMINES TO BE
26 BENEFICIAL TO THE GENERAL PUBLIC.

1 (14) "LAWFUL PURPOSE" MEANS 1 OR MORE OF THE AUTHORIZED
2 PURPOSES STATED IN A QUALIFIED ORGANIZATION'S WRITTEN
3 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS, AND
4 ON FILE WITH THE BUREAU.

5 SEC. 3A. UNLESS OTHERWISE PROVIDED FOR IN THIS ACT, THE
6 REQUIREMENTS PERTAINING TO BINGO INCLUDE THE CONDUCTING OF BINGO
7 UNDER A REGULAR, SPECIAL, OR JOINT LICENSE.

8 Sec. 4. (1) Each applicant for a license OR REGISTRATION to
9 conduct bingo, ~~or~~ a millionaire party, OR A RAFFLE shall submit
10 to the commissioner a written application FOR A SPECIFIC EVENT OR
11 EVENTS prepared pursuant to and on a form prescribed by rule of
12 the commissioner. IF THE APPLICANT HAS NOT PREVIOUSLY BEEN
13 LICENSED OR REGISTERED WITH THE BUREAU, THE APPLICANT ALSO SHALL
14 APPLY FOR A QUALIFICATION DETERMINATION UNDER SUBSECTION (2).

15 (2) The QUALIFICATION DETERMINATION application shall
16 include ALL OF THE FOLLOWING:

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

18 (b) The name, ~~and~~ HOME address, TITLE, SOCIAL SECURITY
19 NUMBER, AND DATE OF BIRTH of EACH OF its officers AND A STATEMENT
20 AS TO WHETHER ANY OFFICER HAS BEEN CONVICTED OF A FELONY, GAMBL-
21 ING OFFENSE, CRIMINAL FRAUD, FORGERY, THEFT, OR FILING FALSE
22 REPORTS TO A GOVERNMENTAL AGENCY.

23 ~~(c) The location at which the applicant will conduct bingo~~
24 ~~or a millionaire party.~~

25 ~~(d) The day of the week on which the applicant will conduct~~
26 ~~bingo if a bingo license has been applied for, or the days of the~~
27 ~~year, not to exceed 2 nonconsecutive days or 3 consecutive days a~~

1 ~~year, except as provided in section 5(7), on which the applicant~~
2 ~~will conduct the millionaire party if a millionaire party license~~
3 ~~has been applied for.~~

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

7 (C) ~~(f)~~ Sufficient facts relating to its incorporation or
8 organization to enable the commissioner to determine whether the
9 applicant is a qualified organization.

10 (D) A NONREFUNDABLE PROCESSING FEE OF \$50.00.

11 (E) ~~(g)~~ A sworn statement attesting to the nonprofit char-
12 acter of the applicant organization CERTIFYING THAT THE INFORMA-
13 TION ON THE APPLICATION IS TRUE, CORRECT, AND COMPLETE TO THE
14 BEST OF HIS OR HER KNOWLEDGE, signed by the presiding officer and
15 the secretary OR ANOTHER OFFICER of that organization.

16 (F) ~~(h)~~ Other information considered advisable by the com-
17 missioner AS SET FORTH IN A RULE PROMULGATED BY THE COMMISSIONER.

18 (3) AFTER THE COMMISSIONER DETERMINES THAT AN ORGANIZATION
19 IS A QUALIFIED ORGANIZATION AND ASSIGNS A QUALIFICATION NUMBER TO
20 THE QUALIFIED ORGANIZATION, THE QUALIFIED ORGANIZATION MAY APPLY
21 TO CONDUCT A SPECIFIC EVENT OR EVENTS. THE APPLICATION SHALL
22 INCLUDE ALL OF THE FOLLOWING:

23 (A) THE NAME, ADDRESS, AND QUALIFICATION NUMBER OF THE QUAL-
24 IFIED ORGANIZATION.

25 (B) IF THE QUALIFIED ORGANIZATION IS APPLYING FOR A BINGO OR
26 MILLIONAIRE PARTY LICENSE, THE LOCATION AT WHICH THE QUALIFIED
27 ORGANIZATION WILL CONDUCT THE EVENT; IF THE QUALIFIED

1 ORGANIZATION IS APPLYING FOR A RAFFLE LICENSE OR REGISTRATION,
2 THE LOCATION OF THE DRAWING; OR IF THE QUALIFIED ORGANIZATION IS
3 APPLYING FOR A LICENSE TO SELL CHARITY GAME TICKETS, THE LOCATION
4 AT WHICH THE APPLICANT WILL OFFER FOR SALE THE TICKETS.

5 (C) IF THE QUALIFIED ORGANIZATION IS APPLYING FOR A REGULAR
6 OR JOINT BINGO LICENSE, THE DAY OF THE WEEK ON WHICH THE APPLI-
7 CANT WILL CONDUCT BINGO; IF THE QUALIFIED ORGANIZATION IS APPLY-
8 ING FOR A SPECIAL BINGO LICENSE, THE DAY OR DAYS NOT EXCEEDING 7
9 CONSECUTIVE DAYS ON WHICH THE APPLICANT WILL CONDUCT BINGO; IF
10 THE QUALIFIED ORGANIZATION IS APPLYING FOR A MILLIONAIRE PARTY
11 LICENSE, THE DAYS OF THE YEAR ON WHICH THE APPLICANT WILL CONDUCT
12 THE MILLIONAIRE PARTY; IF THE QUALIFIED ORGANIZATION IS APPLYING
13 FOR A RAFFLE LICENSE OR REGISTRATION, THE DATE AND TIME OF THE
14 DRAWING; OR IF THE QUALIFIED ORGANIZATION IS APPLYING FOR A CHAR-
15 ITY GAME LICENSE, THE TIME AND DAY OR DAYS OF THE WEEK ON WHICH
16 THE APPLICANT WILL BE SELLING CHARITY GAME TICKETS.

17 (D) THE NAME, HOME ADDRESS, SOCIAL SECURITY NUMBER, AND DATE
18 OF BIRTH OF THE MEMBER OR MEMBERS OF NOT LESS THAN 6 MONTHS OF
19 THE APPLICANT QUALIFIED ORGANIZATION UNDER WHOM THE BINGO GAMES,
20 MILLIONAIRE PARTY, OR RAFFLE WILL BE CONDUCTED, OR UNDER WHOM
21 CHARITY GAME TICKETS WILL BE SOLD PURSUANT TO A CHARITY GAME
22 LICENSE, AND A STATEMENT AS TO WHETHER THE PERSON HAS BEEN CON-
23 VICTED OF A FELONY, GAMBLING OFFENSE, CRIMINAL FRAUD, FORGERY,
24 THEFT, OR FILING A FALSE REPORT TO A GOVERNMENTAL AGENCY. THE
25 6-MONTH REQUIREMENT SHALL NOT APPLY TO A CANDIDATE COMMITTEE.

26 (E) A STATEMENT CERTIFYING THAT THE INFORMATION INCLUDED ON
27 THE APPLICATION IS TRUE, CORRECT, AND COMPLETE TO THE BEST OF HIS

1 OR HER KNOWLEDGE, SIGNED BY THE PRESIDING OFFICER AND THE
2 SECRETARY OR ANOTHER OFFICER OF THAT ORGANIZATION.

3 (F) OTHER INFORMATION CONSIDERED ADVISABLE BY THE COMMIS-
4 SIONER AS SET FORTH IN A RULE PROMULGATED BY THE COMMISSIONER.

5 (4) ~~(3)~~ A qualified organization which is licensed to con-
6 duct a bingo game, ~~or~~ a millionaire party, OR A RAFFLE may BE
7 AUTHORIZED TO also sell charity game tickets ~~and conduct a char-~~
8 ~~ity game~~ at the ~~time and location of and in conjunction with~~
9 ~~the~~ licensed bingo game, ~~or~~ licensed millionaire party, ~~An~~
10 ~~additional license~~ OR LICENSED RAFFLE AND shall not be required
11 to OBTAIN AN ADDITIONAL LICENSE TO sell charity game tickets.
12 ~~or to conduct a charity game but a~~ A qualified organization
13 which seeks to conduct a charity game shall pay the bureau ~~such~~
14 ~~fees as the commissioner may determine~~ AN ADDITIONAL FEE OF
15 \$50.00 ANNUALLY AND SHALL INDICATE THE ADDRESS OR ADDRESSES AND
16 DATE OR DATES AND HOURS THE TICKETS WILL BE SOLD. A QUALIFIED
17 ORGANIZATION MAY CONDUCT A CHARITY GAME NOT IN CONJUNCTION WITH A
18 LICENSED BINGO GAME, LICENSED RAFFLE, OR A LICENSED MILLIONAIRE
19 PARTY IF THE QUALIFIED ORGANIZATION FIRST OBTAINS A SPECIAL CHAR-
20 ITY GAME LICENSE UNDER SECTION 7A(2).

21 (5) LICENSE AND REGISTRATION FEES SHALL BE NONREFUNDABLE.

22 (6) UPON PAYMENT TO THE BUREAU OF A FEE OF \$350.00 AND
23 APPLICATION FROM 2 QUALIFIED ORGANIZATIONS, EACH OF WHICH HAVE
24 BEEN CONDUCTING LICENSED BINGO IN COMPLIANCE WITH THE ACT AND
25 PROMULGATED RULES FOR AT LEAST 1 YEAR, THE COMMISSIONER MAY ISSUE
26 A JOINT LICENSE FOR THE CONDUCTING OF BINGO TO THE APPLICANTS.
27 THE APPLICATION SHALL CONTAIN INFORMATION RELATING TO THE

1 DIVISION OF MANPOWER, COSTS, AND PROCEEDS. THE BUREAU SHALL
2 DETERMINE WHETHER THE DIVISION OF MANPOWER AND COSTS BEARS A REA-
3 SONABLE RELATIONSHIP TO THE DIVISION OF PROCEEDS. A JOINT
4 LICENSE SHALL BE SUBJECT TO THE SAME REQUIREMENTS OF A REGULAR
5 BINGO LICENSE EXCEPT THAT THE AGGREGATE RETAIL VALUE OF ALL
6 PRIZES OR MERCHANDISE AWARDED ON A SINGLE DAY OF BINGO SHALL NOT
7 EXCEED \$3,500.00 AND THE PRIZE AWARDED FOR 1 GAME SHALL NOT
8 EXCEED \$3,500.00 CASH OR ITS EQUIVALENT. A QUALIFIED ORGANI-
9 ZATION WHICH HOLDS A JOINT LICENSE SHALL NOT BE ELIGIBLE TO ALSO
10 SEPARATELY HOLD A REGULAR BINGO LICENSE. THE JOINT LICENSE MAY
11 BE REISSUED ANNUALLY UPON THE SUBMITTING OF AN APPLICATION FOR
12 REISSUANCE PROVIDED BY THE COMMISSIONER AND UPON THE PAYMENT OF A
13 RENEWAL FEE OF \$350.00. THE LICENSE EXPIRES AT MIDNIGHT ON THE
14 LAST DAY OF FEBRUARY.

15 (7) A REQUEST TO CHANGE THE DATE, TIME, OR LOCATION OF ANY
16 LICENSE OR REGISTRATION SHALL BE MADE ON A FORM PROVIDED BY THE
17 BUREAU AND ACCOMPANIED BY A FEE OF \$15.00.

18 Sec. 5. (1) ~~Upon~~ AFTER a determination by the commis-
19 sioner that the applicant is a qualified organization and is ~~not~~
20 ~~ineligible~~ ELIGIBLE pursuant to section 18, and upon the
21 applicant's payment to the bureau of a fee of ~~-\$150.00~~ \$200.00,
22 the commissioner may issue a REGULAR BINGO license ~~for the con-~~
23 ~~ducting of bingo~~ to the applicant. A license may be reissued
24 annually upon the submitting of an application for reissuance
25 provided by the commissioner and upon the licensee's payment of
26 ~~-\$150.00~~ A RENEWAL FEE OF \$200.00. A license expires at
27 midnight on the last day of February.

1 (2) A qualified organization ~~not ineligible~~ ELIGIBLE
2 pursuant to section 18 may be licensed by the commissioner, upon
3 the applicant's payment to the bureau of a fee of ~~\$55.00~~ \$75.00
4 to conduct REGULAR bingo on the same day each week, ~~the~~ IF
5 THE aggregate retail value of all prizes or merchandise awarded
6 on a single day ~~shall~~ DOES not exceed \$300.00, ~~with~~ AND the
7 prize for each game DOES not ~~to~~ exceed ~~\$25.00~~ \$75.00 in
8 value.

9 (3) ~~A~~ EXCEPT AS PROVIDED IN SECTION 3(2) AND (9), A
10 licensee may hold only 1 REGULAR BINGO license and that license
11 is valid for only 1 location. Not more than ~~7 licensees~~ 1
12 LICENSEE PER DAY may conduct bingo ~~during a 7 day period~~ at any
13 1 location.

14 (4) AFTER A DETERMINATION BY THE COMMISSIONER THAT THE
15 APPLICANT IS A QUALIFIED ORGANIZATION AND IS ELIGIBLE UNDER SEC-
16 TION 18, AND UPON THE APPLICANT'S PAYMENT OF A FEE TO THE BUREAU
17 OF \$25.00 PER DAY FOR A PERIOD NOT EXCEEDING 7 CONSECUTIVE DAYS,
18 THE COMMISSIONER MAY ISSUE TO THE APPLICANT A LICENSE FOR CON-
19 DUCTING SPECIAL BINGO. THE APPLICANT SHALL SUBMIT TO THE COMMIS-
20 SIONER A WRITTEN APPLICATION TO CONDUCT SPECIAL BINGO PREPARED
21 PURSUANT TO AND ON A FORM PRESCRIBED BY RULE OF THE
22 COMMISSIONER. THE APPLICATION SHALL INCLUDE THE INFORMATION
23 REQUIRED BY SECTION 4(3). A QUALIFIED ORGANIZATION SHALL NOT BE
24 ISSUED MORE THAN 4 SPECIAL BINGO LICENSES IN ANY CALENDAR YEAR
25 PERIOD.

1 (5) ~~-(4)-~~ A REGULAR OR SPECIAL BINGO license is not
2 assignable or transferable. THE BUREAU SHALL NOT ISSUE A JOINT
3 BINGO LICENSE EXCEPT AS PROVIDED FOR IN SECTION 4(6).

4 (6) ~~-(5)-~~ Upon AFTER a determination by the commissioner
5 that the applicant is a qualified organization and is ~~-not~~
6 ~~ineligible~~ ELIGIBLE pursuant to section 18, and upon the
7 applicant's payment to the bureau of a fee ~~-as set forth in this~~
8 ~~subsection~~ OF \$75.00 PER DAY, FOR NOT MORE THAN 8 DAYS PER CAL-
9 ENDAR YEAR, the commissioner may issue to the applicant a license
10 for the conducting of a millionaire party. ~~-A license may be~~
11 ~~reissued annually upon the submitting of an application for reis-~~
12 ~~suance provided by the commissioner and upon the licensee's pay-~~
13 ~~ment of a fee as set forth in this subsection.~~ A licensee may
14 hold only 1 license for the conducting of a millionaire party
15 ~~-. That~~ ON A SINGLE DAY. A license shall be valid for only 1
16 location and is not assignable or transferable. ~~-Except as pro-~~
17 ~~vided in subsection (7), the~~ A JOINT LICENSE FOR A MILLIONAIRE
18 PARTY SHALL NOT BE ISSUED. THE duration of the gambling event
19 shall not exceed ~~-24~~ THE hours ~~-for each day for the 2 noncon-~~
20 ~~secutive days or 72 hours for the 3 consecutive day period.~~ A
21 ~~fee of \$50.00 shall be charged for a license issued for each day~~
22 ~~for the 2 nonconsecutive days. A fee of \$100.00 shall be charged~~
23 ~~for a license issued for the 3 consecutive day period. An appli-~~
24 ~~cant shall be eligible only for two 24 hour licenses or one~~
25 ~~72 hour license per year. Only one 72 hour license shall be~~
26 ~~issued at the same location in a 7 day period~~ LISTED ON THE
27 LICENSE. A QUALIFIED ORGANIZATION WHICH IS LICENSED TO CONDUCT A

1 MILLIONAIRE PARTY MAY ALSO BE AUTHORIZED TO CONDUCT A RAFFLE AT
2 THE TIME AND LOCATION OF AND IN CONJUNCTION WITH THE LICENSED
3 MILLIONAIRE PARTY, AND SHALL NOT BE REQUIRED TO PAY AN ADDITIONAL
4 FEE TO CONDUCT THE RAFFLE. NOT MORE THAN 1 LICENSEE MAY CONDUCT
5 A MILLIONAIRE PARTY AT ANY 1 LOCATION ON ANY 1 DAY EXCEPT BY SPE-
6 CIAL PERMISSION OF THE COMMISSIONER.

7 (7) ~~(6)~~ A qualified organization may concurrently hold a
8 bingo license, ~~and~~ a millionaire party license AND A CHARITY
9 GAME LICENSE, and may conduct charity games in conjunction with
10 its functions and pursuant to this act under ~~either~~ a bingo
11 license, ~~or~~ a millionaire party LICENSE, OR A RAFFLE license.

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

17 (8) If ~~not ineligible~~ ELIGIBLE pursuant to section 18, a
18 qualified organization eligible pursuant to section 3 may apply
19 for a ~~millionaire party~~ license to conduct a raffle for a fee
20 ~~as specified in section 5(5)~~ OF \$75.00. No other games of
21 chance will be required. A qualified organization may, by rule
22 of the commissioner, be excused from the requirement of obtaining
23 a license to conduct a raffle if the total aggregate market value
24 of the prize or prizes to be awarded in the raffle ~~exceeds~~
25 ~~\$100.00 but~~ does not exceed \$500.00. However, in lieu of the
26 license, a qualified organization shall register ~~the raffle~~
27 ANNUALLY TO CONDUCT RAFFLES on a form provided by the bureau and

1 pay a fee, as may be determined by the commissioner, to cover the
2 cost of registration. Whether licensed or registered, a quali-
3 fied organization shall comply with the requirements of sections
4 9 and 10, and with rules promulgated pursuant to the authority
5 granted in sections 12 and 13. If at a single gathering OF ONLY
6 MEMBERS AND GUESTS OF THE QUALIFIED ORGANIZATION all raffle tick-
7 ets are sold and the drawing is held ON THE SAME DAY AND AT THE
8 SAME LOCATION and the total aggregate market value of the prize
9 or prizes to be awarded is \$100.00 or less, then the qualified
10 organization is excused from the requirements of obtaining a
11 license and registering with the commissioner under this act.

12 (9) THE COMMISSIONER MAY WAIVE 1 OR MORE OF THE CONDITIONS
13 IN THE DEFINITION OF QUALIFIED ORGANIZATION IN SECTION 3 TO
14 PERMIT THE LICENSING OF A SPECIAL BINGO OR RAFFLE, OR THE REGIS-
15 TRATION OF A RAFFLE, IF THE ORGANIZATION APPLYING IS OPERATING
16 THE EVENT NOT FOR PECUNIARY PROFIT; THE ENTIRE PROCEEDS OF THE
17 EVENT, MINUS THE ACTUAL EXPENSE OF CONDUCTING THE EVENT, ARE TO
18 BE DONATED OR USED FOR A NONPROFIT PURPOSE TO A SPECIFIED NON-
19 PROFIT ORGANIZATION OR CAUSE; AND THE ORGANIZATION COMPLIES WITH
20 ALL OTHER PROVISIONS OF THIS ACT AND RULES PROMULGATED UNDER THIS
21 ACT.

22 SEC. 5A. (1) RECREATIONAL BINGO MAY BE CONDUCTED BY A
23 SENIOR CITIZENS CLUB OR GROUP CONSISTING OF AT LEAST 15 MEMBERS
24 WHO ARE 60 YEARS OF AGE OR OLDER WITHOUT OBTAINING A LICENSE IF
25 ALL OF THE FOLLOWING CONDITIONS ARE MET:

1 (A) THE BINGO IS CONDUCTED SOLELY FOR THE AMUSEMENT AND
2 RECREATION OF THE MEMBERS AND GUESTS OF THE SENIOR CITIZENS CLUB
3 OR GROUP AND NOT FOR FUND-RAISING.

4 (B) ONLY ACTIVE MEMBERS OF THE SENIOR CITIZENS CLUB OR GROUP
5 PARTICIPATE IN THE OPERATION OF THE BINGO.

6 (C) THE BINGO IS CONDUCTED AFTER 10 A.M. AND BEFORE 12
7 MIDNIGHT.

8 (D) THE SENIOR CITIZENS CLUB OR GROUP HAS APPLIED FOR, ON A
9 FORM PROVIDED BY THE BUREAU, AND HAS RECEIVED AN IDENTIFICATION
10 NUMBER FROM THE BUREAU TO PERMIT THE PURCHASE OR RENTAL OF BINGO
11 EQUIPMENT FROM A LICENSED SUPPLIER.

12 (E) PLAYERS ARE CHARGED NOT MORE THAN 25 CENTS FOR A BINGO
13 CARD, AND THE AGGREGATE RETAIL VALUE OF ALL PRIZES AND MERCHAN-
14 DISE AWARDED ON A SINGLE OCCASION DOES NOT EXCEED \$100.00.

15 (F) ALL REVENUE FROM THE BINGO IS USED FOR PRIZES AND REA-
16 SONABLE EXPENSES INCURRED IN OPERATING THE BINGO, AND NO PERSON
17 IS COMPENSATED FOR PARTICIPATING IN THE CONDUCT OF BINGO.

18 (2) THE BUREAU MAY ISSUE AN IDENTIFICATION NUMBER TO ANY
19 SENIOR CITIZENS CLUB OR GROUP THAT SUBMITS A WRITTEN STATEMENT
20 CERTIFYING THAT THE CLUB OR GROUP MEETS THE REQUIREMENTS OF SUB-
21 SECTION (1), THAT THE BINGO GAME WILL BE CONDUCTED IN ACCORDANCE
22 WITH THE CONDITIONS OF SUBSECTION (1), AND THAT THE INFORMATION
23 INCLUDED ON THE APPLICATION IS TRUE, CORRECT, AND COMPLETE TO THE
24 BEST OF HIS OR HER KNOWLEDGE, SIGNED BY THE PRESIDING OFFICER OF
25 THE CLUB OR GROUP. ALL CHANGES TO THE CLUB OR GROUP WHICH MAY
26 AFFECT ITS QUALIFICATION UNDER THIS SECTION SHALL BE REGISTERED
27 IN WRITING WITH THE BUREAU.

1 Sec. 6. (1) Each bingo license shall contain the name and
2 address of the licensee, the location at which the licensee is
3 permitted to conduct bingo, the day of the week AND HOURS on
4 which the licensee is permitted to conduct bingo and the expira-
5 tion date of the license.

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

9 (3) Each millionaire party license shall contain the name
10 and address of the licensee, the address at which the licensee is
11 permitted to conduct the millionaire party, and the days of the
12 year on which the licensee is permitted to conduct the event.
13 The licensee shall display the license conspicuously at the loca-
14 tion where the operation is being conducted at all times during
15 the conduct of the event.

16 (4) EACH CHARITY GAME LICENSE SHALL CONTAIN THE NAME OF THE
17 LICENSEE, THE ADDRESS AT WHICH THE LICENSEE IS PERMITTED TO SELL
18 CHARITY GAME TICKETS, THE DAY OF THE WEEK AND HOURS ON WHICH THE
19 LICENSEE IS PERMITTED TO SELL CHARITY GAME TICKETS, AND THE EXPI-
20 RATION DATE OF THE LICENSE. THE LICENSEE SHALL DISPLAY THE
21 LICENSE CONSPICUOUSLY AT THE LOCATION WHERE THE CHARITY GAME
22 TICKETS ARE BEING SOLD AND AT ALL TIMES DURING THE SALE OF
23 TICKETS.

24 (5) EACH RAFFLE LICENSE SHALL CONTAIN THE NAME OF THE
25 LICENSEE, THE ADDRESS AT WHICH THE DRAWING WILL BE CONDUCTED, AND
26 THE DATE AND TIME OF THE DRAWING. THE LICENSEE SHALL DISPLAY THE
27 LICENSE CONSPICUOUSLY AT THE LOCATION WHERE THE OPERATION IS

1 BEING CONDUCTED AT ALL TIMES DURING THE CONDUCT OF THE EVENT AND
2 ON THE DATE OF THE DRAWING.

3 Sec. 7a. (1) The bureau may authorize a qualified organi-
4 zation WHICH DOES NOT HOLD A VALID CHARITY GAME LICENSE ISSUED
5 PURSUANT TO SUBSECTION (2), BUT WHICH IS licensed to conduct a
6 bingo game, RAFFLE, or a millionaire party, to ~~conduct a~~ SELL
7 charity game TICKETS in conjunction with and at the time and
8 location of the licensed bingo game, THE LICENSED RAFFLE, or the
9 licensed millionaire party. A QUALIFIED ORGANIZATION SO AUTHO-
10 RIZED AND WHICH HAS PAID THE FEE REQUIRED BY SECTION 4(4) MAY
11 ALSO SELL CHARITY GAME TICKETS AT THE TIME AND LOCATIONS PERMIT-
12 TED BY SUBSECTION (2).

13 (2) AFTER A DETERMINATION BY THE COMMISSIONER THAT THE
14 APPLICANT IS A QUALIFIED ORGANIZATION AND UPON PAYMENT OF A FEE
15 OF \$50.00, THE COMMISSIONER MAY ISSUE A LICENSE TO SELL CHARITY
16 GAME TICKETS NOT IN CONJUNCTION WITH A LICENSED BINGO GAME,
17 LICENSED RAFFLE, OR LICENSED MILLIONAIRE PARTY IF THE QUALIFIED
18 ORGANIZATION SELLS THE TICKETS ONLY AT A PREMISES OWNED AND OPER-
19 ATED BY THE QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
20 MEMBERS OR LEASED ON A CONTINUAL BASIS SOLELY FOR THE REGULAR USE
21 OF ITS MEMBERS AND OPERATED IN ACCORDANCE WITH RULES PROMULGATED
22 BY THE COMMISSIONER. A LICENSE MAY BE REISSUED ANNUALLY UPON THE
23 SUBMISSION OF AN APPLICATION FOR REISSUANCE PROVIDED BY THE COM-
24 MISSIONER AND PAYMENT OF A FEE OF \$50.00. THE FEE FOR A CERTI-
25 FIED COPY OF THE LICENSE SHALL BE \$5.00.

26 (3) UPON COMPLETION OF A FORM PRESCRIBED BY THE BUREAU, A
27 QUALIFIED ORGANIZATION MAY CONDUCT A NUMERAL MERCHANDISE GAME, IN

1 CONJUNCTION WITH A CARNIVAL OR OTHER ENTERTAINMENT EVENT, BY
2 WHICH IT AWARDS TOY OR NOVELTY PRIZES HAVING A WHOLESALE VALUE OF
3 NOT MORE THAN \$20.00. THE PLAYERS AT THESE EVENTS MAY BE LESS
4 THAN 18 YEARS OF AGE. AUTHORIZED JAR TICKETS, WHEELS, OR OTHER
5 EQUIPMENT APPROVED BY THE COMMISSIONER, AS DEFINED BY RULE OF THE
6 COMMISSIONER, SHALL BE USED TO CONDUCT THE NUMERAL MERCHANDISE
7 GAME. JAR TICKETS SHALL BE PURCHASED ONLY FROM A LICENSED
8 DISTRIBUTOR. APPROVED MERCHANDISE WHEELS SHALL BE OWNED BY THE
9 QUALIFIED ORGANIZATION OR RENTED FROM A LICENSED DISTRIBUTOR.
10 THE AGGREGATE VALUE OF MERCHANDISE PRIZES AWARDED FOR EACH
11 NUMERAL MERCHANDISE GAME SHALL NOT EXCEED \$500.00. IF HELD IN
12 CONJUNCTION WITH A LICENSED MILLIONAIRE PARTY, THE VALUE OF
13 PRIZES AWARDED IN A NUMERAL MERCHANDISE GAME SHALL NOT BE
14 INCLUDED WITHIN THE PRIZE LIMIT OF THE LICENSED MILLIONAIRE
15 PARTY. NOTWITHSTANDING THE FEE AND PRIZE PAYOUT ESTABLISHED BY
16 SUBSECTION (5), THE FEE COLLECTED BY THE LICENSED DISTRIBUTOR
17 FROM THE QUALIFIED ORGANIZATION FOR EACH GAME OF JAR TICKETS USED
18 IN CONJUNCTION WITH THIS SUBSECTION SHALL BE \$10.00 AND THE VALUE
19 OF PRIZES AWARDED SHALL BE A MINIMUM OF 50% OF THE GROSS RECEIPTS
20 FROM THE GAME. THE LICENSED DISTRIBUTOR SHALL REMIT THE FEES TO
21 THE COMMISSIONER AS PROVIDED IN SUBSECTION (5). EXCEPT AS OTHER-
22 WISE PROVIDED IN THIS SUBSECTION, ALL OTHER PROVISIONS OF THIS
23 ACT GOVERNING CHARITY GAME TICKETS SHALL BE APPLICABLE TO JAR
24 TICKETS USED IN CONJUNCTION WITH A NUMERAL MERCHANDISE GAME.

25 (4) ~~(2)~~ All charity game tickets used in the conduct of a
26 charity game shall be purchased by the qualified organization
27 from ~~the bureau or~~ a licensed ~~supplier. The bureau shall~~

~~1 determine the number of charity game tickets that constitute a~~
~~2 charity game. The bureau also shall determine the price at which~~
~~3 the qualified organization shall resell each charity game ticket~~
~~4 and shall have that price printed on each charity game ticket.~~
5 DISTRIBUTOR. A LICENSED DISTRIBUTOR SHALL ONLY DISPLAY, OFFER
6 FOR SALE, SELL, OR OTHERWISE FURNISH TO A QUALIFIED ORGANIZATION
7 CHARITY GAME TICKETS WHICH HAVE BEEN OBTAINED FROM A LICENSED
8 MANUFACTURER AND HAVE BEEN MANUFACTURED AND DISTRIBUTED IN COM-
9 PLIANCE WITH RULES PROMULGATED BY THE COMMISSIONER. A CHARITY
10 GAME TICKET SHALL BE A FOLDED AND BANDED TICKET OR CARD HAVING A
11 NUMBER, COLOR OR COLORS, OR SYMBOL OR SYMBOLS THAT ARE COVERED,
12 SOME OF WHICH HAVE BEEN DESIGNATED IN ADVANCE AND AT RANDOM AS
13 PRIZEWINNERS. THE RULES SHALL PROVIDE MINIMUM QUALITY AND TEST-
14 ING STANDARDS FOR CHARITY GAME TICKETS AND FOR THE IMPLEMENTATION
15 AND ENFORCEMENT OF THIS SECTION.

16 (5) ~~(3) The bureau or a licensed supplier~~ A LICENSED
17 DISTRIBUTOR shall ONLY sell charity game tickets to a qualified
18 organization ~~—~~ which is eligible to conduct a charity game ~~—~~
19 ~~at a percentage to be determined by the bureau, of the gross rev-~~
20 ~~enues which are realized by the resale of all the charity game~~
21 ~~tickets for that game at the price established by the bureau.~~
22 ~~The percentage retained by the qualified organization shall be~~
23 ~~equal to the percentage received by the bureau for the sale of~~
24 ~~charity game tickets.~~ AND SHALL COLLECT A FEE OF 10% OF THE
25 GROSS RECEIPTS LESS THE PRIZES FOR EACH CHARITY GAME SOLD WHICH
26 SHALL BE PAID BY THE QUALIFIED ORGANIZATION TO THE LICENSED
27 DISTRIBUTOR AT THE TIME OF SALE AS PROVIDED BY RULE OF THE

1 COMMISSIONER. THE LICENSED DISTRIBUTOR SHALL REMIT THE FEES
2 MONTHLY TO THE COMMISSIONER BY THE FIFTEENTH DAY OF EACH MONTH
3 AND REPORT TO THE COMMISSIONER WITH THE FREQUENCY AND IN THE
4 MANNER PRESCRIBED BY RULE OF THE COMMISSIONER. IN ADDITION TO
5 OTHER PENALTIES PROVIDED IN THIS ACT, A LATE FEE OF NOT MORE THAN
6 20% OF THE AMOUNT DUE MAY BE ASSESSED BY THE COMMISSIONER AGAINST
7 A LICENSED DISTRIBUTOR WHO FAILS TO REMIT THE REQUIRED FEES
8 WITHIN 10 DAYS AFTER THE DATE OWING. A qualified organization
9 which conducts a charity game shall be solely responsible for
10 paying prizes won by purchasers of winning charity game tickets.
11 When all charity game tickets are resold for that game, prizes
12 distributed shall have an aggregate value of ~~, as near as~~
13 ~~practicable,~~ not less than ~~60%~~ 65% of the resale value of all
14 the charity game tickets for that charity game.

15 ~~(4) The bureau shall determine the number of winning char-~~
16 ~~ity game tickets provided on a random basis for resale for any +~~
17 ~~charity game and shall establish the value of the prize won by~~
18 ~~each winning charity game ticket.~~

19 (6) ~~(5)~~ A charity game ticket shall not have a price for
20 resale by a qualified organization of ~~less~~ MORE than ~~30 cents~~
21 \$2.00 and a charity game shall not have a single maximum prize
22 exceeding ~~\$200.00~~ \$250.00.

23 ~~(6) The bureau shall have a bureau control number for iden-~~
24 ~~tification purposes imprinted upon each charity game ticket.~~

25 (7) EACH CHARITY GAME SHALL HAVE IMPRINTED UPON THE TICKETS
26 BY THE MANUFACTURER THE MANUFACTURER'S NAME AND A SERIAL NUMBER
27 UNIQUE TO THAT GAME FOR IDENTIFICATION AND TRACKING PURPOSES AS

1 REQUIRED BY RULE OF THE COMMISSIONER. A MANUFACTURER SHALL NOT
2 BE ELIGIBLE TO SELL OR OFFER FOR SALE CHARITY GAME TICKETS IN
3 THIS STATE UNLESS THE MANUFACTURER FIRST DEMONSTRATES TO THE COM-
4 MISSIONER ITS ABILITY TO IDENTIFY AND TRACK BY SERIAL NUMBER THE
5 PURCHASER OR HOLDER OF ALL CHARITY GAME TICKETS IT MANUFACTURES.

6 (8) ~~-(7)-~~ A value of prizes awarded for a charity game shall
7 not be included within the prize limitations of a licensed bingo
8 game or millionaire party in conjunction with which the charity
9 game is held.

10 (9) ~~-(8)-A~~ EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3),
11 A charity game ticket shall not be sold to a person under 18
12 years of age. This subsection shall not prohibit the purchase of
13 a charity game ticket by a person 18 years of age or older for
14 the purpose of making a gift to a person under 18 years of age,
15 and shall not prohibit a person under 18 years of age from
16 receiving a prize or prizes won in a charity game conducted pur-
17 suant to this act.

18 (10) ~~-(9)-~~ A qualified organization eligible to ~~conduct a~~
19 SELL charity game ~~shall not~~ TICKETS MAY advertise ~~the event,~~
20 ~~except~~ SALES to the extent and in the manner permitted by rule
21 of the commissioner.

22 Sec. 8. (1) All fees and revenue collected by the commis-
23 sioner or bureau under this act shall be paid into the state lot-
24 tery fund.

25 (2) All necessary expenses incurred by the bureau in the
26 administration and enforcement of this act and in the initiation,
27 implementation, and ongoing operation of charity games shall be

1 financed from the state lottery fund. ~~The~~ BEGINNING 18 MONTHS
 2 AFTER THE EFFECTIVE DATE OF THE 1991 AMENDATORY ACT THAT AMENDED
 3 THIS SECTION, THE amount of these necessary expenses shall not
 4 exceed 50% OF the amount of revenues received from the sale of
 5 charity game tickets and all fees collected under this act. ~~7~~
 6 ~~except that this limitation shall not apply before October 1,~~
 7 ~~1983.~~

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

14 Sec. 9. The entire net proceeds of a bingo game, ~~or~~ a
 15 millionaire party, A RAFFLE, OR CHARITY GAME TICKET SALE shall be
 16 devoted exclusively to the lawful purposes of the licensee. ~~The~~
 17 ~~entire net proceeds of a charity game shall be devoted exclu-~~
 18 ~~sively to the lawful purposes of the qualified organization which~~
 19 ~~conducted the charity game.~~ An item of expense shall not be
 20 incurred or paid in connection with the holding, operating, or
 21 conducting of bingo, ~~or~~ a millionaire party, A RAFFLE, OR CHAR-
 22 ITY GAME TICKET SALE except the ~~following~~ bona fide expenses in
 23 reasonable amounts OF ALL OF THE FOLLOWING:

24 (a) The purchase or rental of equipment necessary for con-
 25 ducting a bingo game, ~~or~~ a millionaire party, A RAFFLE, OR A
 26 CHARITY GAME and payment of services reasonably necessary for the
 27 repair of equipment.

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

(c) Rental of the location, INCLUDING ALL RELATED EXPENSES, at which bingo, ~~or~~ a millionaire party, A RAFFLE, OR THE SALE OF CHARITY GAME TICKETS is conducted.

(d) Janitorial services.

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

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

Sec. 10. (1) A person other than a bona fide member of the qualified organization shall not participate in the management of bingo, a millionaire party, A RAFFLE, or ~~a~~ THE SALE OF charity game TICKETS. Persons other than bona fide members of the qualified organization may participate in the operation of bingo, a millionaire party, A RAFFLE, or ~~a~~ THE SALE OF charity game TICKETS as provided by rule of the commissioner. A PERSON WHO HAS BEEN CONVICTED OF A FELONY, GAMBLING OFFENSE, CRIMINAL FRAUD, FORGERY, THEFT, OR THE FILING OF A FALSE REPORT WITH A GOVERNMENT AGENCY MAY BE PROHIBITED BY THE BUREAU FROM PARTICIPATING IN THE MANAGEMENT OR OPERATION OF AN ACTIVITY LICENSED UNDER THIS ACT. A PERSON LESS THAN 18 YEARS OF AGE SHALL NOT BE PERMITTED TO PLAY BINGO.

(2) A person shall not receive any commission, salary, pay, profit, or wage for participating in the management or operation of bingo, a millionaire party, A RAFFLE, or ~~a~~ THE SALE OF

1 charity game TICKETS except as provided by rule of the
2 commissioner.

3 (3) Except by special permission of the commissioner, A
4 QUALIFIED ORGANIZATION SHALL NOT CONDUCT bingo, a millionaire
5 party, A RAFFLE, or ~~a~~ THE SALE OF charity game ~~shall not be~~
6 ~~conducted~~ TICKETS with any equipment which is not owned, being
7 purchased, or being rented FROM A LICENSED DISTRIBUTOR at a rea-
8 sonable rate by the qualified organization.

9 (4) Except as provided in ~~section 5(2)~~ SECTIONS 4(6) AND
10 5(2), the aggregate retail value of all prizes or merchandise
11 awarded in a single day of bingo shall not exceed ~~\$2,000.00~~
12 \$3,500.00, and the prize awarded for 1 game shall not exceed
13 ~~\$500.00~~ \$2,000.00 cash or its equivalent. ~~A prize of merchan-~~
14 ~~dise shall not be redeemable or convertible into cash directly or~~
15 ~~indirectly.~~

16 (5) A licensee ~~shall not~~ MAY advertise bingo ~~except~~ to
17 the extent and in the manner permitted by rule of the
18 commissioner. ~~If the commissioner permits a licensee to adver-~~
19 ~~tise bingo, the licensee shall indicate in the advertisement the~~
20 ~~purposes for which the net proceeds will be used by the~~
21 ~~licensee.~~

22 (6) Except as provided in section 10a(c), the aggregate
23 market value of all prizes or merchandise awarded in 1 day of a
24 millionaire party shall not exceed ~~\$2,000.00~~ \$5,000.00. A
25 person participating in the event shall not be awarded prizes or
26 merchandise having an aggregate value greater than \$500.00.
27 Personal limitation on winnings shall be given at the location of

1 the event. ~~A prize of merchandise shall not be redeemable or~~
2 ~~convertible into cash directly or indirectly.~~

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

13 (8) A LICENSEE OR REGISTRANT MAY ADVERTISE A RAFFLE TO THE
14 EXTENT AND IN THE MANNER PERMITTED BY RULE OF THE COMMISSIONER.

15 Sec. 10a. In the conduct of a millionaire party OR RAFFLE,
16 ALL OF THE FOLLOWING APPLY:

17 (a) A person less than 18 years of age shall not be permit-
18 ted to wager.

19 (b) A wager may not be placed on a contest other than a game
20 of chance taking place at the location and during the time period
21 approved for the ~~event~~ MILLIONAIRE PARTY, and in no event may a
22 wager be placed upon an athletic event or upon a game involving
23 personal skill.

24 (c) Only games of chance in which participants compete
25 against the licensee shall be permitted; participants in the
26 games shall not be permitted to directly compete against each
27 other, other than as participants in an auction sale or a raffle,

1 as defined by the commissioner, which is held in conjunction with
2 a millionaire party OR AS A SEPARATELY LICENSED EVENT. The
3 prizes awarded at a raffle are not subject to the limitations of
4 section 10(6).

5 (d) The licensee under the millionaire party OR RAFFLE
6 license OR REGISTRATION shall be responsible for insuring that
7 the requirements of this section are complied with.

8 Sec. 11. State or local taxes of any kind shall not be
9 imposed upon the recipient of a prize, whether merchandise or
10 money, awarded by a licensee during a bingo game, a millionaire
11 party, A RAFFLE, or a charity game conducted in conformity with
12 this act.

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

16 (2) The commissioner by rule shall regulate the holding,
17 operation, or conducting of bingo, millionaire parties, RAFFLES,
18 and THE SALE OF charity ~~games~~ GAME TICKETS including the
19 following:

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

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

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

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

26 (3) The commissioner shall promulgate rules requiring the
27 licensing AND REGULATION of all persons, ELIGIBLE PURSUANT TO

1 SECTION 18, WHO ARE selling, leasing, MANUFACTURING BINGO SHEETS
2 AND CHARITY GAME TICKETS, or distributing CHARITY GAME TICKETS
3 AND equipment used in conducting bingo, a millionaire party, A
4 RAFFLE, or a charity game.

5 (4) Licensed ~~suppliers shall be~~ DISTRIBUTORS OF CHARITY
6 GAME TICKETS SHALL HAVE THEIR PRINCIPAL OFFICE LOCATED IN THIS
7 STATE AND SHALL BE authorized to sell charity game tickets only
8 upon approval of the commissioner according to rules promulgated
9 by the commissioner. ~~The commissioner shall require suppliers~~
10 ~~authorized to sell charity game tickets to post a performance~~
11 ~~bond which shall be an amount not less than \$50,000.00 and not~~
12 ~~greater than \$100,000.00.~~ THE COMMISSIONER SHALL REQUIRE
13 LICENSED DISTRIBUTORS AUTHORIZED TO SELL CHARITY GAME TICKETS TO
14 POST A BOND. THE BOND SHALL RUN TO THE BUREAU WITH SUFFICIENT
15 SURETY CONDITIONED FOR COMPLIANCE WITH THIS ACT. THE AMOUNT OF
16 THE BOND SHALL BE NOT LESS THAN \$50,000.00 AND NOT GREATER THAN
17 \$100,000.00 AS REQUIRED BY RULE OF THE COMMISSIONER. Qualified
18 organizations licensed to conduct bingo, ~~or~~ a millionaire
19 party, A RAFFLE, OR A CHARITY GAME shall obtain equipment only
20 from licensed ~~suppliers~~ DISTRIBUTORS and shall obtain charity
21 game tickets only from ~~the bureau or a licensed supplier.~~ A
22 ~~licensed supplier shall remit to the bureau an amount equal to~~
23 ~~the qualified organization's purchase price of the charity game~~
24 ~~tickets less an amount which shall be not less than the sum of~~
25 ~~\$.008 for each ticket sold plus 1.0% of the total resale value~~
26 ~~for all charity game tickets sold. A supplier~~ AN AUTHORIZED
27 LICENSED DISTRIBUTOR. A LICENSED DISTRIBUTOR shall pay an annual

1 license fee of ~~\$300.00 to the bureau~~ \$1,000.00 FOR THE FIRST
2 LOCATION AND \$500.00 FOR EACH ADDITIONAL LOCATION WHERE BUSINESS
3 IS CONDUCTED OR EQUIPMENT IS STORED. AN ADDITIONAL ANNUAL FEE OF
4 \$1,500.00 SHALL BE PAID BY THE LICENSED DISTRIBUTOR FOR EACH
5 SALES OFFICE FROM WHICH THE DISTRIBUTOR IS LICENSED TO SELL CHAR-
6 ITY GAME TICKETS.

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

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

17 (7) APPLICANTS FOR A MANUFACTURER'S OR DISTRIBUTOR'S LICENSE
18 SHALL REIMBURSE THE BUREAU FOR REASONABLE COSTS INCURRED FOR
19 BACKGROUND INVESTIGATIONS WITH RELATION TO THEIR APPLICATION FOR
20 LICENSE.

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

24 (9) A PERSON WHO RENTS OR LEASES PREMISES FOR THE CONDUCT OF
25 THE LICENSED ACTIVITIES CONDUCTED BY A QUALIFIED ORGANIZATION
26 SHALL NOT RECEIVE DIRECT OR INDIRECT FINANCIAL BENEFIT FROM A
27 PERSON LICENSED AS A MANUFACTURER OR DISTRIBUTOR TO ENCOURAGE OR

1 REQUIRE THE SALE OF CHARITY GAME TICKETS TO LICENSED QUALIFIED
2 ORGANIZATIONS WHO RENT OR LEASE THE PREMISES.

3 (10) A PERSON LICENSED AS A DISTRIBUTOR SHALL NOT SELL OR
4 OTHERWISE MAKE AVAILABLE IN THIS STATE ANY EQUIPMENT OR CHARITY
5 GAME TICKETS UNLESS THE DISTRIBUTOR FIRST DETERMINES THAT THE
6 PURCHASER OR LESSEE IS A LICENSED QUALIFIED ORGANIZATION,
7 LICENSED DISTRIBUTOR, OR A PERSON THE BUREAU DETERMINES IS EXEMPT
8 FROM LICENSURE UNDER THIS ACT.

9 (11) A MANUFACTURER SHALL NOT SELL OR OTHERWISE MAKE AVAIL-
10 ABLE IN THIS STATE BINGO SHEETS OR CHARITY GAME TICKETS TO A DIS-
11 TRIBUTOR UNLESS THE MANUFACTURER FIRST DETERMINES THAT THE PUR-
12 CHASER IS A LICENSED DISTRIBUTOR OR A PERSON THE BUREAU DETER-
13 MINES IS EXEMPT FROM LICENSURE UNDER THIS ACT.

14 (12) A LICENSED MANUFACTURER SHALL FILE WITH THE COMMIS-
15 SIONER A REPORT OF ALL SALES OF BINGO SHEETS AND CHARITY GAME
16 TICKETS TO ANY LICENSED DISTRIBUTOR IN THIS STATE IN SUCH DETAIL
17 AND WITH SUCH FREQUENCY AS MAY BE REQUIRED BY RULE OF THE
18 COMMISSIONER.

19 (13) A LICENSED DISTRIBUTOR SHALL FILE WITH THE COMMISSIONER
20 A REPORT OF ALL SALES AND RENTALS OF EQUIPMENT AND CHARITY GAME
21 TICKETS IN SUCH DETAIL AND WITH SUCH FREQUENCY AS MAY BE REQUIRED
22 BY RULE OF THE COMMISSIONER.

23 (14) A PERSON APPLYING FOR A LICENSE UNDER THIS SUBSECTION,
24 OR ANY AUTHORIZED SALES REPRESENTATIVE OF THE APPLICANT, MAY BE
25 PROHIBITED BY THE BUREAU FROM DOING BUSINESS IN THIS STATE WITH
26 LICENSED QUALIFIED ORGANIZATIONS OR LICENSED PERSONS IF THE
27 APPLICANT OR APPLICANT'S REPRESENTATIVE HAS BEEN CONVICTED OF A

1 FELONY, GAMBLING OFFENSE, CRIMINAL FRAUD, FORGERY, THEFT, OR
2 FILING A FALSE REPORT WITH A GOVERNMENT AGENCY.

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

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

13 (A) IN THE CASE OF A LICENSED QUALIFIED ORGANIZATION THAT
14 LEASES ITS PREMISES TO ANOTHER LICENSED QUALIFIED ORGANIZATION,
15 \$250.00 PER YEAR.

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

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

21 (18) A PERSON WHO IS NOT A QUALIFIED ORGANIZATION AND WHO
22 WISHES TO CONDUCT A GAME THAT DOES NOT CONSTITUTE PROHIBITED GAM-
23 BLING UNDER SECTION 301 OF THE MICHIGAN PENAL CODE, ACT NO. 328
24 OF THE PUBLIC ACTS OF 1931, BEING SECTION 750.301 OF THE MICHIGAN
25 COMPILED LAWS, MAY RENT OR PURCHASE EQUIPMENT FROM A LICENSED
26 SUPPLIER IN ORDER TO CONDUCT A NONGAMBLING BINGO OR NONGAMBLING
27 MILLIONAIRE PARTY, IF THE PERSON COMPLIES WITH THIS SUBSECTION.

1 THE PERSON SHALL SUBMIT AN APPLICATION FOR SPECIAL PERMISSION TO
2 A LICENSED SUPPLIER BEFORE THE GAME IS CONDUCTED. THE APPLICA-
3 TION SHALL BE IN A FORM APPROVED BY THE BUREAU AND SHALL MADE
4 AVAILABLE TO APPLICANTS BY THE LICENSED SUPPLIER. A COMPLETED
5 APPLICATION SHALL BE FORWARDED BY THE LICENSED SUPPLIER TO THE
6 BUREAU, AS DETERMINED BY THE COMMISSIONER. THE COMMISSIONER MAY
7 PROMULGATE RULES TO PRESCRIBE REPORTING AND AUDITING PROCEDURES
8 FOR NONGAMBLING EVENTS TO ENSURE COMPLIANCE WITH THIS SUBSECTION.

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

14 (2) ~~To facilitate the earliest possible implementation of~~
15 ~~this act with regard to charity games, the commissioner may adopt~~
16 ~~and promulgate temporary rules which shall not be subject to~~
17 ~~chapter 3 of Act No. 306 of the Public Acts of 1969, as amended.~~
18 ~~Temporary rules shall be filed in the office of the secretary of~~
19 ~~state and become effective after the date of filing as determined~~
20 ~~by the commissioner. Temporary rules shall not be effective~~
21 ~~after December 31, 1982.~~ THE COMMISSIONER SHALL CONTINUE TO SELL
22 CHARITY GAME TICKETS TO LICENSED DISTRIBUTORS AT COST PLUS A REA-
23 SONABLE HANDLING FEE AS DETERMINED BY THE COMMISSIONER UNTIL THE
24 DEPLETION OF THE BUREAU'S SUPPLY OF TICKETS IN EXISTENCE AND ON
25 ORDER ON THE EFFECTIVE DATE OF THE 1991 AMENDATORY ACT THAT
26 AMENDED THIS SUBSECTION, AFTER WHICH TIME LICENSED DISTRIBUTORS
27 SHALL BEGIN TO SELL TICKETS IN ACCORDANCE WITH THIS ACT.

1 (3) Rules adopted and promulgated by the commissioner shall
2 insure the integrity and honest operation of bingo games, mil-
3 lionaire parties, RAFFLES, and THE SALE OF charity ~~games~~ GAME
4 TICKETS and shall be consistent with the legislative objective
5 that bingo, millionaire parties, RAFFLES, and THE SALE OF charity
6 ~~games~~ GAME TICKETS shall be conducted in a friendly, social,
7 and noncommercial manner.

8 (4) ~~Charity game tickets shall not be sold by the bureau~~
9 ~~other than at or from the bureau's central or regional offices.~~
10 THE BUREAU SHALL NOT REGULATE ANY GAMES NOT DIRECTLY LICENSED AT
11 FESTIVALS, CARNIVALS, OR FAIRS ON THE SAME PREMISES REGARDLESS OF
12 THE EXISTENCE OF LICENSED BINGO OR MILLIONAIRE PARTIES ON THE
13 SAME PREMISES. REGULATION OF SUCH GAMES AT FESTIVALS, CARNIVALS,
14 OR FAIRS SHALL CONTINUE TO BE THE RESPONSIBILITY OF LOCAL LAW
15 ENFORCEMENT OFFICIALS.

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

1 ORGANIZATION'S GENERAL FUND AND THE operation of the bingo game,
2 millionaire party, RAFFLE, or THE SALE OF charity game TICKETS.

3 (2) ~~Annually each licensee~~ A LICENSED QUALIFIED
4 ORGANIZATION shall file with the commissioner a financial state-
5 ment of receipts and expenses related to the conducting of the
6 bingo game, millionaire party, RAFFLE, or charity game TICKET
7 SALES in such detail AND WITH SUCH FREQUENCY as may be required
8 by rule of the commissioner. THE COMMISSIONER MAY ASSESS UP TO A
9 \$100.00 LATE FEE PENALTY FOR EACH REPORT NOT TIMELY SUBMITTED
10 AFTER WRITTEN NOTICE. UPON PERMANENT DISSOLUTION OF AN EVENT
11 LICENSED OR REGISTERED UNDER THIS ACT, THE LICENSED ORGANIZATION
12 SHALL FILE WITH THE COMMISSIONER A FINAL FINANCIAL STATEMENT IN
13 SUCH DETAIL AS MAY BE REQUIRED BY RULE OF THE COMMISSIONER AND
14 SHALL TRANSFER ALL REMAINING ASSETS TO THE GENERAL FUND OF THE
15 LICENSED QUALIFIED ORGANIZATION, OR, IF THE LICENSED QUALIFIED
16 ORGANIZATION IS ALSO DISSOLVED, TO THE PURPOSE STATED IN THEIR
17 QUALIFICATION DOCUMENTS. Where the revenue from a bingo game,
18 millionaire party, RAFFLE, or charity game TICKET SALES is repre-
19 sented to be used or applied by a licensee for a charitable pur-
20 pose, the licensee shall file a copy of the financial statement
21 with the attorney general pursuant to THE SUPERVISION OF TRUSTEES
22 FOR CHARITABLE PURPOSES ACT, Act No. 101 of the Public Acts of
23 1961, as amended, being sections 14.251 to 14.266 of the Michigan
24 Compiled Laws.

25 (3) The location at which the bingo, millionaire party,
26 RAFFLE, or SALE OF charity game TICKETS is being conducted or at
27 which an applicant or licensee intends to conduct the bingo,

1 millionaire party, RAFFLE, or SALE OF charity game TICKETS AND
 2 THE LOCATION OR LOCATIONS AT WHICH LICENSED DISTRIBUTORS AND MAN-
 3 UFACTURERS OPERATE shall be open to inspection at all times by ~~a~~
 4 ~~duly~~ AN authorized employee of the bureau, ~~or by~~ the state
 5 police, or a peace officer of a political subdivision of this
 6 state. IF AN AUTHORIZED EMPLOYEE OF THE BUREAU, THE STATE
 7 POLICE, OR A PEACE OFFICER OF A POLITICAL SUBDIVISION OF THIS
 8 STATE HAS PROBABLE CAUSE TO BELIEVE THAT ANY EQUIPMENT OR CHARITY
 9 GAME TICKETS WERE OBTAINED FROM AN UNLICENSED SOURCE OR FAIL TO
 10 MEET THE STANDARDS PROVIDED BY RULES PROMULGATED UNDER THIS ACT,
 11 HE OR SHE SHALL REMOVE AND IMPOUND THE EQUIPMENT OR TICKETS FOR
 12 THE PURPOSE OF EXAMINATION AND DETENTION. THE TICKETS AND EQUIP-
 13 MENT SHALL NOT BE DESTROYED EXCEPT PURSUANT TO AN ORDER OF A
 14 COURT OF COMPETENT JURISDICTION.

15 (4) THE COMMISSIONER MAY PROMULGATE RULES TO ESTABLISH AND
 16 ASSESS FEE PENALTIES FOR VIOLATIONS OF THIS ACT OR RULES PROMUL-
 17 GATED UNDER THIS ACT AFTER A HEARING PURSUANT TO THE ADMINISTRA-
 18 TIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC ACTS OF
 19 1969, BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN COMPILED
 20 LAWS.

21 Sec. 17. (1) A person who ~~wilfully violates this act~~ DOES
 22 ANY OF THE FOLLOWING is guilty of a misdemeanor ~~and shall be~~
 23 ~~fined~~ PUNISHABLE BY A FINE OF not more than ~~\$1,000.00~~
 24 \$5,000.00 or ~~imprisoned~~ IMPRISONMENT FOR not more than ~~6~~ 12
 25 months, or both: ~~—~~

26 (A) WILLFULLY VIOLATES THIS ACT OR A RULE PROMULGATED UNDER
 27 THIS ACT.

1 (B) PROVIDES FALSE INFORMATION OR FAILS TO DISCLOSE
2 INFORMATION REQUESTED ON AN APPLICATION OR FINANCIAL REPORT.

3 (C) CONDUCTS A BINGO, MILLIONAIRE PARTY, OR RAFFLE, OR
4 OFFERS CHARITY GAME TICKETS FOR SALE WITHOUT FIRST COMPLYING WITH
5 THIS ACT.

6 (D) MANUFACTURES, OFFERS FOR SALE, SELLS, DISTRIBUTES, OR
7 POSSESSES BINGO SHEETS OR CHARITY GAME TICKETS OTHER THAN AS
8 AUTHORIZED BY THIS ACT.

9 (E) MANUFACTURES, OFFERS FOR SALE, SELLS, DISTRIBUTES, OR
10 LEASES EQUIPMENT OR CHARITY GAME TICKETS IN THIS STATE WITHOUT
11 FIRST OBTAINING A LICENSE UNDER THIS ACT.

12 (F) USES PROCEEDS IN AN AMOUNT OF NOT MORE THAN \$100.00 FROM
13 A LICENSED OR REGISTERED ACTIVITY OTHER THAN FOR A PURPOSE AUTHO-
14 RIZED UNDER THIS ACT.

15 (2) A PERSON WHO USES PROCEEDS IN AN AMOUNT WHICH EXCEEDS
16 \$100.00 FROM A LICENSED OR REGISTERED ACTIVITY FOR OTHER THAN A
17 PURPOSE AUTHORIZED UNDER THIS ACT IS GUILTY OF A FELONY AND SHALL
18 BE FINED NOT MORE THAN \$10,000.00 OR IMPRISONED NOT MORE THAN 5
19 YEARS, OR BOTH.

20 (3) A PERSON WHO DOES EITHER OF THE FOLLOWING IS GUILTY OF A
21 MISDEMEANOR, PUNISHABLE BY A FINE OF NOT MORE THAN \$5,000.00 OR
22 IMPRISONMENT FOR NOT MORE THAN 2 YEARS, OR BOTH:

23 (A) HINDERS OR OBSTRUCTS THE COMMISSIONER OR AN AUTHORIZED
24 EMPLOYEE OF THE BUREAU IN THE CONDUCT OF ACTIVITIES AUTHORIZED
25 UNDER THIS ACT, KNOWING THAT PERSON TO BE THE COMMISSIONER OR AN
26 AUTHORIZED EMPLOYEE OF THE BUREAU.

1 (B) ASSAULTS OR BATTERS THE COMMISSIONER OR AN AUTHORIZED
2 EMPLOYEE OF THE BUREAU, KNOWING THAT PERSON TO BE THE
3 COMMISSIONER OR AN AUTHORIZED EMPLOYEE OF THE BUREAU.

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

10 (A) CONDUCTS A BINGO, MILLIONAIRE PARTY, OR RAFFLE, OR SELLS
11 CHARITY GAME TICKETS WITHOUT FIRST OBTAINING A LICENSE AS
12 REQUIRED BY THIS ACT.

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

16 (C) CONTINUES TO CONDUCT BINGO, RAFFLES, OR MILLIONAIRE PAR-
17 TIES, OR CONTINUES TO SELL CHARITY GAME TICKETS AFTER A LICENSE
18 SUSPENSION OR REVOCATION.

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

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

24 (A) ALTERS OR ATTEMPTS TO ALTER A BINGO SHEET FOR HIMSELF OR
25 HERSELF, OR FOR ANOTHER PERSON, AND USES THAT SHEET TO CLAIM OR
26 ATTEMPT TO CLAIM A PRIZE.

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

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

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

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

15 Sec. 18. (1) A licensee whose license is revoked in conse-
16 quence of a violation of this act or a rule promulgated under
17 this act is ineligible, for a period of 1 year after the revoca-
18 tion, to apply for a license or to conduct a charity game.
19 ~~exempted from licensing requirements by section 4(3).~~

20 (2) A person convicted of an offense under section 17, 17A,
21 or any other gambling OR THEFT offense is ineligible to serve as
22 an officer of a licensee or to participate in conducting bingo, a
23 millionaire party, A RAFFLE, or a charity game OR IN MANUFACTUR-
24 ING, SELLING, LEASING, OR DISTRIBUTING EQUIPMENT OR SELLING CHAR-
25 ITY GAME TICKETS for a period of 1 year after the conviction
26 becomes final. If the person is licensed pursuant to this act,
27 the person shall forfeit the license and is ineligible to apply

1 for the issuance or reissuance of the license for a period of 1
2 year after the conviction becomes final.

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

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

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

24 Section 2. Section 7 of Act No. 382 of the Public Acts of
25 1972, being section 432.107 of the Michigan Compiled Laws, is
26 repealed.

1 Section 3. This amendatory act shall take effect upon the
2 expiration of 90 days after the date of its enactment.