



SENATE BILL No. 3

January 13, 1993, Introduced by Senator DI NELLO and referred to the Committee on State Affairs and Military/Veteran Affairs.

A bill to amend sections 1, 2, 3, 4, 5, 6, 7a, 8, 9, 10, 10a, 11, 12, 13, 14, 16, 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, 432.116, 432.117, 432.118, and 432.119 of the Michigan Compiled Laws; to add sections 3a, 5a, and 5b; 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, 16, 17, 18, and 19 of Act No. 382 of the Public
3 Acts of 1972, sections 2, 3, 4, 5, 8, 9, 10, 10a, 11, 12, 13, 14,

1 18, and 19 as amended and section 7a as added by Act No. 229 of
2 the Public Acts of 1981, being sections 432.101, 432.102,
3 432.103, 432.104, 432.105, 432.106, 432.107a, 432.108, 432.109,
4 432.110, 432.110a, 432.111, 432.112, 432.113, 432.114, 432.116,
5 432.117, 432.118, and 432.119 of the Michigan Compiled Laws, are
6 amended and sections 3a, 5a, and 5b are added to read as
7 follows:

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

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

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

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

26 (4) "Charity game ticket" means a ticket ~~which~~ THAT is
27 approved and acquired by the bureau and is distributed and sold

1 by the bureau or a licensed ~~supplier~~ DISTRIBUTOR to a qualified
2 organization for random resale ~~in conjunction with a licensed~~
3 ~~bingo game or a licensed millionaire party~~ whereby upon removal
4 of a portion of the ticket to discover whether the ticket is a
5 winning ticket the purchaser may be awarded a prize. These tick-
6 ets are commonly referred to as "break open tickets".

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

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

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

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

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

10 (10) ~~-(9)-~~ "Millionaire party" means an event at which
11 wagers are placed upon games of chance customarily associated
12 with a gambling casino through the use of imitation money ~~-which-~~
13 THAT has a nominal value that is EQUAL TO OR greater than the
14 value of the currency for which it was exchanged or is
15 exchangeable.

16 (11) "RAFFLE" MEANS THE SALE OF RAFFLE TICKETS AND THE EVENT
17 AT WHICH A WINNER OR WINNERS ARE SELECTED, EITHER BY RANDOMLY
18 SELECTING STUBS OR RECEIPTS FROM THE RAFFLE TICKETS SOLD FROM A
19 POOL CONSISTING OF ALL TICKETS SOLD FOR THAT EVENT, OR BY ANOTHER
20 MANNER APPROVED BY THE COMMISSIONER, AND AT WHICH A PREANNOUNCED
21 PRIZE IS AWARDED TO 1 OR MORE TICKETHOLDERS. ALL RAFFLE TICKET
22 NUMBERS SHALL BE SELECTED AND ALL WINNERS AND PRIZES SHALL BE
23 DETERMINED WITHIN THE DURATION OF THE LICENSE OR REGISTRATION.
24 THE TERM "LOTTO", "SUPER LOTTO", OR "LOTTERY" SHALL NOT BE USED
25 IN ANY MANNER TO DESCRIBE OR ADVERTISE A RAFFLE OR GAME OF
26 CHANCE.

1 (12) "DISTRIBUTOR" MEANS A PERSON WHO OBTAINS ANY EQUIPMENT
2 FOR USE IN AUTHORIZED GAMING ACTIVITIES FROM ANY PERSON AND SELLS
3 OR OTHERWISE FURNISHES THE EQUIPMENT TO ANOTHER PERSON FOR
4 RESALE, DISPLAY, OPERATION, OR USE. DISTRIBUTOR DOES NOT INCLUDE
5 PERSONS WHO SELL CHIPS, DAUBERS, AND BINGO GAMES FOR HOME USE
6 ONLY IF THE SALES ARE AN INCIDENTAL PORTION OF THEIR BUSINESS AND
7 SALES ARE NOT MADE TO PERSONS LICENSED UNDER THIS ACT.

8 (13) "MANUFACTURER" MEANS A PERSON WHO MANUFACTURES OR FAB-
9 RICATES FOR SALE ANY BINGO SHEETS OR NUMERAL TICKETS FOR RESALE
10 OR USE IN AUTHORIZED GAMING ACTIVITIES.

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

21 (2) "EDUCATIONAL SUBORDINATE ORGANIZATION" MEANS A SEPA-
22 RATELY ORGANIZED GROUP, SUCH AS A BOOSTER CLUB, PARENT-TEACHER
23 ASSOCIATION, OR SCHOLASTIC OR YOUTH ATHLETIC CLUB, NOT FOR PECU-
24 NIARY PROFIT, THAT HAS SEPARATE BYLAWS AND SEPARATELY ELECTED
25 OFFICERS, IS ESTABLISHED TO RAISE FUNDS SOLELY FOR ACTIVITIES
26 THAT ARE SPONSORED BY AN EDUCATIONAL ORGANIZATION, IS DIRECTLY
27 UNDER THE CONTROL OF THE EDUCATIONAL ORGANIZATION, AND IS

1 AUTHORIZED BY THE PRINCIPAL OFFICER OF THE EDUCATIONAL
2 ORGANIZATION TO CONDUCT THE FUND-RAISING ACTIVITY. UPON DISSOLU-
3 TION, ALL ASSETS, REAL PROPERTY, AND PERSONAL PROPERTY OF THE
4 EDUCATIONAL SUBORDINATE ORGANIZATION SHALL REVERT TO THE BENEFIT
5 OF THE CONTROLLING QUALIFIED EDUCATIONAL ORGANIZATION. A QUALI-
6 FIED EDUCATIONAL ORGANIZATION AND ITS EDUCATIONAL SUBORDINATE
7 ORGANIZATIONS, IF ANY, SHALL BE ISSUED NOT MORE THAN A TOTAL OF 5
8 REGULAR BINGO LICENSES.

9 (3) ~~-(2)-~~ "Fraternal organization" means an organization
10 within this state, except college fraternities OR SORORITIES, not
11 for pecuniary profit, ~~which~~ THAT is a branch, lodge, or chapter
12 of a national or state organization and exists for the common
13 business, brotherhood, SISTERHOOD, or other interests of its
14 members.

15 (4) "SOCIAL ORGANIZATION" MEANS AN ORGANIZATION WITHIN THIS
16 STATE, NOT FOR PECUNIARY PROFIT AND NOT A BRANCH, LODGE, OR CHAP-
17 TER OF A NATIONAL OR STATE ORGANIZATION, THAT EXISTS FOR THE
18 COMMON BUSINESS, BROTHERHOOD, SISTERHOOD, OR OTHER INTERESTS OF
19 ITS MEMBERS, AND, NOTWITHSTANDING SUBSECTION (8), HAS HAD AN
20 ACTIVE BANK ACCOUNT IN THE ORGANIZATION'S NAME FOR AT LEAST 5
21 CONTINUOUS YEARS; HAS PROVISIONS IN ITS CONSTITUTION, CHARTER,
22 ARTICLES OF INCORPORATION, OR BYLAWS FOR THE PERPETUATION OF THE
23 ORGANIZATION AS A NONPROFIT ORGANIZATION AND THE REVERSION OF ALL
24 ASSETS, REAL PROPERTY, AND PERSONAL PROPERTY TO THE BENEFIT OF A
25 CHARITABLE PURPOSE UPON DISSOLUTION OF THE ORGANIZATION; AND THAT
26 EXPENDS NOT LESS THAN 25% OF ITS ANNUAL REVENUES FOR CHARITABLE
27 PURPOSES.

1 (5) ~~-(3)-~~ "Licensee" means a PERSON OR qualified
2 organization licensed OR REGISTERED pursuant to this act.

3 (6) ~~-(4)-~~ "Member" means an individual who qualified for
4 membership OR SIMILAR STATUS AS DETERMINED BY THE COMMISSIONER in
5 a qualified organization pursuant to its bylaws, articles of
6 incorporation, charter, rules, or other written statement.

7 (7) ~~-(5)-~~ "Person" means a natural person, firm, associa-
8 tion, corporation, or other legal entity.

9 (8) ~~-(6)-~~ "Qualified organization" means ~~a-~~ ANY OF THE FOL-
10 LOWING SUBJECT TO SUBDIVISION (C):

11 (A) A bona fide religious, RELIGIOUS SUBORDINATE, education-
12 al, EDUCATIONAL SUBORDINATE, service, senior citizens, SOCIAL,
13 fraternal, or veterans' organization, ~~which~~ OR AN EMERGENCY
14 MEDICAL SERVICE UNIT COMPLYING WITH PART 209 OF THE PUBLIC HEALTH
15 CODE, ACT NO. 368 OF THE PUBLIC ACTS OF 1978, BEING
16 SECTIONS 333.20901 TO 333.20979 OF THE MICHIGAN COMPILED LAWS,
17 THAT operates without profit to its members and ~~which~~ THAT
18 either has been in existence continuously as such an organization
19 for a period of 5 years or is exempt FOR AT LEAST 1 YEAR from
20 ~~taxation imposed by Act No. 228 of the Public Acts of 1975, as~~
21 ~~amended, being sections 208.1 to 208.145 of the Michigan Compiled~~
22 ~~Laws. Qualified organization shall also include a~~ FEDERAL
23 INCOME TAX PURSUANT TO THE INTERNAL REVENUE CODE, EXCEPT AN ORGA-
24 NIZATION EXEMPT UNDER SECTION 501(c)(12) OR 501(c)(16) OF THE
25 INTERNAL REVENUE CODE OR AN ORGANIZATION EXEMPT UNDER SECTION
26 501(c)(4) OF THE INTERNAL REVENUE CODE THAT WOULD BE EXEMPT UNDER
27 SECTION 501(c)(12) OF THE INTERNAL REVENUE CODE BUT FOR ITS

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

14 (B) A GOVERNMENTAL AGENCY ESTABLISHED TO ADVANCE THE CAUSES
 15 OF ELDERLY, RETIRED, OR HANDICAPPED PERSONS.

16 (C) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT
 17 THAT AMENDED THIS SUBDIVISION, QUALIFIED ORGANIZATION DOES NOT
 18 INCLUDE A candidate committee, A BALLOT QUESTION COMMITTEE, AN
 19 INDEPENDENT COMMITTEE, OR A SEPARATE SEGREGATED FUND OF 1 OF
 20 THOSE COMMITTEES as defined by, and ~~which is~~ organized pursuant
 21 to, THE MICHIGAN CAMPAIGN FINANCE ACT, Act No. 388 of the Public
 22 Acts of 1976, as amended, being sections 169.201 to 169.282 of
 23 the Michigan Compiled Laws.

24 (9) ~~(7)~~ "Religious organization" means ~~an organization,~~
 25 A church, ~~body of communicants, or group, not for pecuniary~~
 26 ~~profit,~~ SYNAGOGUE, OR OTHER ORGANIZATION OR ASSOCIATION THAT IS
 27 gathered in common membership for mutual support and edification

1 in piety, worship, and religious ~~observances, or any society, not~~
2 ~~for pecuniary profit,~~ OBSERVANCES, of individuals united for
3 religious purposes at a definite place; or a church related pri-
4 vate school, not for pecuniary profit, AND THAT HAS BEEN IN EXIS-
5 TENCE WITHIN THIS STATE FOR AT LEAST 5 CONTINUOUS YEARS. A RELI-
6 GIOUS ORGANIZATION SHALL HAVE PROVISIONS IN ITS CONSTITUTION,
7 CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS FOR USE OF THE
8 MONEY GENERATED BY ACTIVITIES REGULATED BY THIS ACT FOR A CHARI-
9 TABLE PURPOSE AND FOR REVERSION OF ALL ASSETS, REAL PROPERTY, AND
10 PERSONAL PROPERTY TO THE BENEFIT OF A CHARITABLE PURPOSE UPON
11 DISSOLUTION OF THE ORGANIZATION.

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

1 ORGANIZATIONS AND RELIGIOUS SUBORDINATE ORGANIZATIONS, SHALL BE
2 ISSUED NOT MORE THAN A TOTAL OF 5 REGULAR BINGO LICENSES.

3 (11) ~~-(8)-~~ "Senior citizens organization" means an organi-
4 zation within this state, not for pecuniary profit, ~~which~~ THAT
5 consists of at least 15 members who are 60 years of age or older
6 and exists for their mutual support and advancing the causes of
7 elderly or retired persons, AND WHOSE CONSTITUTION, CHARTER,
8 ARTICLES OF INCORPORATION, OR BYLAWS CONTAIN A PROVISION THAT ALL
9 ASSETS, REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE
10 BENEFIT OF A CHARITABLE PURPOSE UPON DISSOLUTION OF THE
11 ORGANIZATION.

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

1 assets, real property, and personal property shall revert to the
2 benefit of the ~~city government~~ GOVERNMENTAL SUBDIVISION THAT
3 GRANTED THE RESOLUTION upon dissolution of the organization, OR,
4 IN THE CASE OF A STATEWIDE ORGANIZATION, TO A CHARITABLE PURPOSE;
5 OR, IF EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(c) OF THE
6 INTERNAL REVENUE CODE, TO THE BENEFIT OF ORGANIZATIONS THAT QUAL-
7 IFY AS TAX EXEMPT UNDER THE SAME SUBSECTION OF SECTION 501(c) OF
8 THE INTERNAL REVENUE CODE.

9 (13) ~~-(10)-~~ "Veterans' organization" means an organization
10 within this state, or a branch, ~~or~~ lodge, or chapter within
11 this state of a state organization or of a national organization
12 chartered by the congress of the United States, not for pecuniary
13 profit, the membership of which consists of individuals who were
14 members of the armed services or forces of the United States.

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

18 (A) RELIEF OF POVERTY.

19 (B) ADVANCEMENT OF EDUCATION.

20 (C) ADVANCEMENT OF RELIGION.

21 (D) PROTECTION OF HEALTH, OR RELIEF FROM DISEASE, SUFFERING,
22 OR DISTRESS.

23 (E) ADVANCEMENT OF CIVIC, GOVERNMENTAL, OR MUNICIPAL
24 PURPOSES.

25 (F) PROTECTION OF THE ENVIRONMENT AND CONSERVATION OF
26 WILDLIFE.

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

3 (15) "LAWFUL PURPOSE" MEANS 1 OR MORE OF THE AUTHORIZED PUR-
4 POSES STATED IN A QUALIFIED ORGANIZATION'S WRITTEN CONSTITUTION,
5 CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS, AND ON FILE WITH
6 THE BUREAU. THE LAWFUL PURPOSE OR PURPOSES SHALL BE IN ACCORD-
7 ANCE WITH THE ORGANIZATION CATEGORY IN WHICH THE ORGANIZATION IS
8 QUALIFIED FOR LICENSING UNDER THIS ACT.

9 SEC. 3A. (1) UNLESS OTHERWISE PROVIDED FOR IN THIS ACT, THE
10 REQUIREMENTS PERTAINING TO BINGO INCLUDE THE CONDUCTING OF BINGO
11 UNDER A REGULAR OR SPECIAL LICENSE.

12 (2) EXCEPT AS OTHERWISE PROVIDED IN SECTION 7A(3), PROVI-
13 SIONS OF THIS ACT GOVERNING THE CONDUCT OF A CHARITY GAME OR OF
14 CHARITY GAME TICKETS APPLY TO NUMERICAL MERCHANDISE GAMES AND
15 NUMERAL TICKETS USED IN CONJUNCTION WITH A NUMERICAL MERCHANDISE
16 GAME.

17 Sec. 4. (1) Each applicant for a license OR REGISTRATION to
18 conduct bingo, ~~or~~ a millionaire party, OR A RAFFLE, OR TO SELL
19 CHARITY GAME TICKETS, shall submit to the commissioner a written
20 application FOR A SPECIFIC EVENT OR EVENTS prepared pursuant to
21 and on a form prescribed by rule of the commissioner. IF THE
22 APPLICANT HAS NOT PREVIOUSLY BEEN LICENSED OR REGISTERED WITH THE
23 BUREAU, THE APPLICANT ALSO SHALL APPLY FOR A QUALIFICATION DETER-
24 MINATION UNDER SUBSECTION (2).

25 (2) The QUALIFICATION DETERMINATION application shall
26 include ALL OF THE FOLLOWING:

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

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

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

9 ~~(d) The day of the week on which the applicant will conduct~~
10 ~~bingo if a bingo license has been applied for, or the days of the~~
11 ~~year, not to exceed 2 nonconsecutive days or 3 consecutive days a~~
12 ~~year, except as provided in section 5(7), on which the applicant~~
13 ~~will conduct the millionaire party if a millionaire party license~~
14 ~~has been applied for.~~

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

18 (C) ~~(f)~~ Sufficient facts relating to its incorporation or
19 organization to enable the commissioner to determine whether the
20 applicant is a qualified organization.

21 (D) A NONREFUNDABLE PROCESSING FEE OF \$12.50 OR 10% OF ANY
22 FEE SUBMITTED WITH THE APPLICATION, WHICHEVER IS GREATER.

23 (E) ~~(g)~~ A sworn statement attesting to the nonprofit char-
24 acter of the applicant organization CERTIFYING THAT THE INFORMA-
25 TION ON THE APPLICATION IS TRUE, CORRECT, AND COMPLETE TO THE
26 BEST OF HIS OR HER KNOWLEDGE, signed by the ~~presiding~~ PRINCIPAL

1 officer and the secretary OR ANOTHER OFFICER of that
2 organization.

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

5 (3) AFTER THE COMMISSIONER DETERMINES THAT AN ORGANIZATION
6 IS A QUALIFIED ORGANIZATION AND ASSIGNS A QUALIFICATION NUMBER TO
7 THE QUALIFIED ORGANIZATION, THE QUALIFIED ORGANIZATION MAY APPLY
8 TO CONDUCT A SPECIFIC EVENT OR EVENTS. THE APPLICATION SHALL BE
9 MADE ON A FORM PRESCRIBED AND PROVIDED BY THE BUREAU AND SHALL
10 INCLUDE A STATEMENT CERTIFYING THAT THE INFORMATION INCLUDED ON
11 THE APPLICATION IS TRUE, CORRECT, AND COMPLETE TO THE BEST OF HIS
12 OR HER KNOWLEDGE, SIGNED BY THE PRESIDING OFFICER AND THE SECRE-
13 TARY OR ANOTHER OFFICER OF THAT ORGANIZATION. OTHER INFORMATION
14 CONSIDERED ADVISABLE BY THE COMMISSIONER MAY BE REQUIRED TO BE
15 SUBMITTED WITH THE APPLICATION.

16 (4) ~~-(3)-~~ A qualified organization ~~which~~ THAT is licensed
17 to conduct a bingo game, ~~or~~ a millionaire party, OR A RAFFLE
18 may BE AUTHORIZED TO also sell charity game tickets ~~and conduct~~
19 ~~a charity game~~ at the ~~time and location of and in conjunction~~
20 ~~with the~~ licensed bingo game, ~~or~~ licensed millionaire party,
21 ~~. An additional license shall not be~~ OR LICENSED RAFFLE AND IS
22 NOT required to OBTAIN AN ADDITIONAL LICENSE TO sell charity game
23 tickets. ~~or to conduct a charity game but a~~ A qualified orga-
24 nization ~~which~~ THAT seeks to conduct a charity game shall pay
25 the bureau ~~such fees as the commissioner may determine~~ AN ADDI-
26 TIONAL FEE OF \$50.00 ANNUALLY AND SHALL INDICATE THE ADDRESS OR
27 ADDRESSES AND DATE OR DATES AND HOURS THE TICKETS WILL BE SOLD.

1 A QUALIFIED ORGANIZATION MAY CONDUCT A CHARITY GAME NOT IN
2 CONJUNCTION WITH A LICENSED BINGO GAME, LICENSED RAFFLE, OR A
3 LICENSED MILLIONAIRE PARTY IF THE QUALIFIED ORGANIZATION FIRST
4 OBTAINS A SPECIAL CHARITY GAME LICENSE UNDER SECTION 7A(2).

5 (5) LICENSE AND REGISTRATION FEES ARE NONREFUNDABLE EXCEPT
6 AS PROVIDED BY RULE OF THE COMMISSIONER.

7 (6) A REQUEST TO CHANGE THE DATE, TIME, OR LOCATION OF ANY
8 LICENSE OR REGISTRATION SHALL BE MADE ON A FORM PROVIDED BY THE
9 BUREAU AND ACCOMPANIED BY A FEE OF \$7.50.

10 Sec. 5. (1) ~~Upon~~ AFTER a determination by the commis-
11 sioner that the applicant is a qualified organization and is ~~not~~
12 ~~ineligible~~ ELIGIBLE pursuant to section 18, and upon the
13 applicant's payment to the bureau of a fee of ~~-\$150.00-~~ \$122.50,
14 the commissioner may issue a REGULAR license for the conducting
15 of bingo to the applicant. A license may be reissued annually
16 upon the submitting of an application for reissuance provided by
17 the commissioner and upon the licensee's payment of ~~-\$150.00-~~
18 \$122.50. A license ISSUED AFTER FEBRUARY 28, 1993 BUT BEFORE
19 MARCH 1, 1994 expires at midnight on ~~the last day of~~
20 February 29, 1994. EFFECTIVE MARCH 1, 1994, THE COMMISSIONER
21 SHALL ESTABLISH A PROGRAM FOR DISTRIBUTING LICENSE EXPIRATION
22 DATES EVENLY THROUGHOUT THE YEAR. FEES FOR LICENSES ISSUED FOR
23 PERIODS OTHER THAN 1 YEAR SHALL BE PRORATED BY THE BUREAU. AFTER
24 LICENSE EXPIRATION DATES ARE DISTRIBUTED PURSUANT TO THIS SUBSEC-
25 TION, THE LICENSE SHALL BE OF 1 YEAR'S DURATION, RENEWABLE
26 ANNUALLY.

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~~ \$45.00
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 in value.

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

13 (4) AFTER A DETERMINATION BY THE COMMISSIONER THAT THE
14 APPLICANT IS A QUALIFIED ORGANIZATION AND IS ELIGIBLE UNDER SEC-
15 TION 18, AND UPON THE APPLICANT'S PAYMENT OF A FEE TO THE BUREAU
16 OF \$12.50 PER DAY FOR A PERIOD NOT EXCEEDING 7 CONSECUTIVE DAYS,
17 THE COMMISSIONER MAY ISSUE TO THE APPLICANT A SPECIAL LICENSE FOR
18 CONDUCTING BINGO. THE APPLICANT SHALL SUBMIT TO THE COMMISSIONER
19 A WRITTEN APPLICATION TO CONDUCT SPECIAL BINGO PREPARED PURSUANT
20 TO AND ON A FORM PRESCRIBED BY RULE OF THE COMMISSIONER. THE
21 APPLICATION SHALL INCLUDE THE INFORMATION REQUIRED BY SECTION
22 4(3). A QUALIFIED ORGANIZATION SHALL NOT BE ISSUED MORE THAN 2
23 SPECIAL BINGO LICENSES IN ANY CALENDAR YEAR PERIOD.

24 (5) ~~(4)~~ A REGULAR OR SPECIAL BINGO license is not assign-
25 able or transferable. THE BUREAU SHALL NOT ISSUE A JOINT BINGO
26 LICENSE.

1 (6) ~~(5) Upon~~ AFTER a determination by the commissioner
2 that the applicant is a qualified organization and is ~~not~~
3 ~~ineligible~~ ELIGIBLE pursuant to section 18, and upon the
4 applicant's payment to the bureau of a fee ~~as set forth in this~~
5 ~~subsection~~ OF \$45.00 PER 24-HOUR PERIOD, the commissioner may
6 issue to the applicant a license for the conducting of a million-
7 aire party. A license may be reissued annually upon the
8 ~~submitting~~ SUBMISSION of an application for reissuance provided
9 by the commissioner and upon the licensee's payment of a fee as
10 set forth in this subsection. A licensee may hold only 1 license
11 for the conducting of a millionaire party ~~That~~ ON A SINGLE
12 DAY. A license shall be valid for only 1 location and is not
13 assignable or transferable. ~~Except as provided in subsection~~
14 ~~(7), the~~ A JOINT LICENSE FOR A MILLIONAIRE PARTY SHALL NOT BE
15 ISSUED. THE duration of the gambling event shall not exceed 24
16 hours for each day for the ~~2~~ 3 nonconsecutive days or 72 hours
17 for the 3 consecutive day period. ~~A fee of \$50.00 shall be~~
18 ~~charged for a license issued for each day for the 2 nonconsecu-~~
19 ~~tive days. A fee of \$100.00 shall be charged for a license~~
20 ~~issued for the 3 consecutive day period.~~ An applicant ~~shall be~~
21 IS eligible only for ~~two~~ THREE 24-hour licenses or one 72-hour
22 license per year. Only one 72-hour license shall be issued at
23 the same location in a 7-day period LISTED ON THE LICENSE. A
24 QUALIFIED ORGANIZATION THAT IS LICENSED TO CONDUCT A MILLIONAIRE
25 PARTY MAY ALSO BE AUTHORIZED TO CONDUCT A RAFFLE AT THE TIME AND
26 LOCATION OF AND IN CONJUNCTION WITH THE LICENSED MILLIONAIRE
27 PARTY AND IS NOT REQUIRED TO PAY AN ADDITIONAL FEE TO CONDUCT THE

1 RAFFLE. NOT MORE THAN 1 LICENSEE MAY CONDUCT A MILLIONAIRE PARTY
2 AT ANY 1 LOCATION ON ANY 1 DAY EXCEPT BY SPECIAL PERMISSION OF
3 THE COMMISSIONER.

4 (7) ~~-(6)-~~ A qualified organization may concurrently hold a
5 bingo license, ~~-and-~~ a millionaire party license, AND A CHARITY
6 GAME LICENSE, and may conduct charity games in conjunction with
7 its functions and pursuant to this act under either a bingo
8 license, ~~-or-~~ a millionaire party, OR A RAFFLE license.

9 (8) ~~-(7)-~~ Upon application, the commissioner may issue a
10 license for a period ~~-which-~~ THAT exceeds the 72-hour period set
11 forth in subsection ~~-(5)-~~ (6). If an extension is granted, it
12 shall not exceed 24 hours. ~~-A fee of \$50.00 shall be charged for~~
13 ~~each additional 24 hour period.-~~

14 (9) ~~-(8)-~~ If ~~-not ineligible-~~ ELIGIBLE pursuant to section
15 18, a qualified organization eligible pursuant to section 3 may
16 apply for a ~~-millionaire party-~~ license to conduct a raffle for a
17 fee ~~-as specified in section 5(5)-~~ OF \$45.00. No other games of
18 chance ~~-will be-~~ ARE required. A qualified organization, ~~-may,-~~
19 by rule of the commissioner, MAY be excused from the requirement
20 of obtaining a license to conduct a raffle if the total aggregate
21 market value of the prize or prizes to be awarded in the raffle
22 ~~-exceeds \$100.00 but-~~ does not exceed ~~-\$500.00-~~ \$250.00.

23 However, in lieu of the license, a qualified organization shall
24 register the raffle on a form provided by the bureau and pay a
25 fee, as may be determined by the commissioner, to cover the cost
26 of registration. Whether licensed or registered, a qualified
27 organization shall comply with the requirements of sections 9 and

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

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

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

23 (A) THE BINGO IS CONDUCTED SOLELY FOR THE AMUSEMENT AND REC-
24 REATION OF THE MEMBERS AND GUESTS OF THE SENIOR CITIZENS CLUB OR
25 GROUP AND NOT FOR FUND-RAISING.

1 (B) ONLY BONA FIDE MEMBERS AND EMPLOYEES OF THE SENIOR
2 CITIZENS CLUB OR GROUP PARTICIPATE IN THE OPERATION OF THE
3 BINGO.

4 (C) THE BINGO IS CONDUCTED AFTER 9 A.M. AND BEFORE 12
5 MIDNIGHT.

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

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

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

17 (2) THE BUREAU MAY ISSUE AN IDENTIFICATION NUMBER TO ANY
18 SENIOR CITIZENS CLUB OR GROUP THAT SUBMITS A WRITTEN STATEMENT
19 CERTIFYING THAT THE CLUB OR GROUP MEETS THE REQUIREMENTS OF SUB-
20 SECTION (1), THAT THE BINGO GAME WILL BE CONDUCTED IN ACCORDANCE
21 WITH THE CONDITIONS OF SUBSECTION (1), AND THAT THE INFORMATION
22 INCLUDED ON THE APPLICATION IS TRUE, CORRECT, AND COMPLETE TO THE
23 BEST OF HIS OR HER KNOWLEDGE, SIGNED BY THE PRINCIPAL OFFICER OF
24 THE CLUB OR GROUP.

25 SEC. 5B. (1) RECREATIONAL CARD PLAYING MAY BE CONDUCTED AT
26 A SENIOR CITIZENS CENTER BY A SENIOR CITIZENS CLUB OR GROUP
27 CONSISTING OF AT LEAST 15 MEMBERS WHO ARE 60 YEARS OF AGE OR

1 OLDER WITHOUT OBTAINING A LICENSE IF ALL OF THE FOLLOWING
2 CONDITIONS ARE MET:

3 (A) THE CARD PLAYING IS CONDUCTED SOLELY FOR THE AMUSEMENT
4 AND RECREATION OF THE MEMBERS AND GUESTS OF THE SENIOR CITIZENS
5 CLUB OR GROUP AND NOT FOR FUND-RAISING.

6 (B) A SINGLE DAY'S RECREATIONAL CARD PLAYING ACTIVITIES
7 INVOLVE NOT MORE THAN 50 PARTICIPANTS.

8 (C) ONLY BONA FIDE MEMBERS AND EMPLOYEES OF THE SENIOR CITI-
9 ZENS CLUB OR GROUP PARTICIPATE IN THE OPERATION OF THE ACTIVITY.

10 (D) THE CARD PLAYING IS CONDUCTED AFTER 9 A.M. AND BEFORE 12
11 MIDNIGHT.

12 (E) CARDPLAYERS BET NOT MORE THAN 10 CENTS PER BET, AND
13 TOTAL PRIZES AWARDED DO NOT EXCEED \$50.00 PER DAY.

14 (F) ALL REVENUE FROM THE ACTIVITY IS USED FOR REASONABLE
15 EXPENSES INCURRED IN OPERATING THE CARD PLAYING, AND NO PERSON IS
16 COMPENSATED FOR PARTICIPATING IN THE CONDUCT OF THE ACTIVITY.

17 (2) UPON THE PAYMENT OF A FEE OF \$25.00 BY THE SENIOR CITI-
18 ZENS CLUB OR GROUP, THE BUREAU MAY ISSUE A LICENSE TO ANY SENIOR
19 CITIZENS CLUB OR GROUP THAT SUBMITS A WRITTEN STATEMENT CERTIFY-
20 ING THAT THE CLUB OR GROUP MEETS THE REQUIREMENTS OF SUBSECTION
21 (1), THAT THE CARD PLAYING WILL BE CONDUCTED IN ACCORDANCE WITH
22 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 PRINCIPAL OFFICER OF
25 THE CLUB OR GROUP. THE LICENSE SHALL EXPIRE ON SEPTEMBER 30 OF
26 EACH YEAR AND MAY BE RENEWED UPON APPLICATION PURSUANT TO THIS
27 SUBSECTION.

1 (3) THE BUREAU MAY PROMULGATE RULES TO ENFORCE THIS
2 SECTION.

3 (4) AS USED IN THIS SECTION, "RECREATIONAL CARD PLAYING"
4 MEANS THE PLAYING OF ANY CARD GAMES WHERE THE PARTICIPANTS ARE
5 BETTING ONLY AGAINST EACH OTHER AND NOT AGAINST THE HOUSE.

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

11 ~~(2) The bingo licensee shall display the license conspicu-~~
12 ~~ously at the location where bingo is being conducted at all times~~
13 ~~during the conduct of the games.~~

14 (2) ~~(3)~~ Each millionaire party license shall contain the
15 name and address of the licensee, the address at which the
16 licensee is permitted to conduct the millionaire party, and the
17 days of the year AND HOURS on which the licensee is permitted to
18 conduct the event. ~~The licensee shall display the license con-~~
19 ~~spicuously at the location where the operation is being conducted~~
20 ~~at all times during the conduct of the event.~~

21 (3) EACH CHARITY GAME LICENSE SHALL CONTAIN THE NAME OF THE
22 LICENSEE, THE ADDRESS AT WHICH THE LICENSEE IS PERMITTED TO SELL
23 CHARITY GAME TICKETS, THE DAY OF THE WEEK AND HOURS ON WHICH THE
24 LICENSEE IS PERMITTED TO SELL CHARITY GAME TICKETS, AND THE EXPI-
25 RATION DATE OF THE LICENSE.

1 (4) EACH RAFFLE LICENSE SHALL CONTAIN THE NAME OF THE
2 LICENSEE, THE ADDRESS AT WHICH THE DRAWING WILL BE CONDUCTED, AND
3 THE DATE AND TIME OF THE DRAWING.

4 (5) A BINGO LICENSEE, MILLIONAIRE PARTY LICENSEE, CHARITY
5 GAME LICENSEE, AND RAFFLE LICENSEE SHALL DISPLAY THE LICENSE CON-
6 SPICUOUSLY AT THE LOCATION WHERE THE GAME OR EVENT IS BEING CON-
7 DUCTED AT ALL TIMES DURING THE CONDUCT OF THE GAME OR EVENT.

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

18 (2) AFTER A DETERMINATION BY THE COMMISSIONER THAT THE
19 APPLICANT IS A QUALIFIED ORGANIZATION AND UPON PAYMENT OF A FEE
20 OF \$25.00, THE COMMISSIONER MAY ISSUE A LICENSE TO SELL CHARITY
21 GAME TICKETS NOT IN CONJUNCTION WITH A LICENSED BINGO GAME,
22 LICENSED RAFFLE, OR LICENSED MILLIONAIRE PARTY IF THE QUALIFIED
23 ORGANIZATION SELLS THE TICKETS ONLY AT A PREMISES OWNED AND OPER-
24 ATED BY THE QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
25 MEMBERS OR LEASED ON A CONTINUAL BASIS SOLELY FOR THE REGULAR USE
26 OF ITS MEMBERS AND OPERATED IN ACCORDANCE WITH RULES PROMULGATED
27 BY THE COMMISSIONER. A LICENSE SHALL BE OF 1 YEAR'S DURATION AND

1 MAY BE REISSUED ANNUALLY UPON THE SUBMISSION OF AN APPLICATION
2 FOR REISSUANCE PROVIDED BY THE COMMISSIONER AND PAYMENT OF A FEE
3 OF \$25.00. THE FEE FOR A CERTIFIED COPY OF THE LICENSE SHALL BE
4 \$5.00.

5 (3) UPON COMPLETION OF A FORM PRESCRIBED BY THE BUREAU, A
6 QUALIFIED ORGANIZATION MAY CONDUCT A NUMERAL MERCHANDISE GAME, IN
7 CONJUNCTION WITH A CARNIVAL OR OTHER ENTERTAINMENT EVENT, BY
8 WHICH IT AWARDS TOY OR NOVELTY PRIZES HAVING A WHOLESALE VALUE OF
9 NOT MORE THAN \$20.00. THE PLAYERS AT THESE EVENTS MAY BE LESS
10 THAN 18 YEARS OF AGE. AUTHORIZED NUMERAL TICKETS, WHEELS, OR
11 OTHER EQUIPMENT APPROVED BY THE COMMISSIONER, AS DEFINED BY RULE
12 OF THE COMMISSIONER, SHALL BE USED TO CONDUCT THE NUMERAL MER-
13 CHANDISE GAME. NUMERAL TICKETS SHALL BE PURCHASED ONLY FROM A
14 LICENSED DISTRIBUTOR. APPROVED MERCHANDISE WHEELS SHALL BE OWNED
15 BY THE QUALIFIED ORGANIZATION OR RENTED FROM A LICENSED
16 DISTRIBUTOR. THE AGGREGATE VALUE OF MERCHANDISE PRIZES AWARDED
17 FOR EACH NUMERAL MERCHANDISE GAME SHALL NOT EXCEED \$500.00. IF
18 HELD IN CONJUNCTION WITH A LICENSED MILLIONAIRE PARTY, THE VALUE
19 OF PRIZES AWARDED IN A NUMERAL MERCHANDISE GAME SHALL NOT BE
20 INCLUDED WITHIN THE PRIZE LIMIT OF THE LICENSED MILLIONAIRE
21 PARTY.

22 (4) NOTWITHSTANDING THE FEE AND PRIZE PAYOUT ESTABLISHED BY
23 SUBSECTION (9), THE FEE COLLECTED BY THE LICENSED DISTRIBUTOR
24 FROM THE QUALIFIED ORGANIZATION FOR EACH GAME OF NUMERAL TICKETS
25 USED IN CONJUNCTION WITH THIS SUBSECTION SHALL BE \$5.00 PER THOU-
26 SAND TICKETS OR ANY PORTION OF A THOUSAND TICKETS, AND THE VALUE
27 OF PRIZES AWARDED SHALL BE A MINIMUM OF 50% OF THE GROSS RECEIPTS

1 FROM THE GAME. THE LICENSED DISTRIBUTOR SHALL REMIT THE FEES TO
2 THE COMMISSIONER AS PROVIDED IN SUBSECTION (9).

3 (5) A LICENSED DISTRIBUTOR SHALL ONLY DISPLAY, OFFER FOR
4 SALE, SELL, OR OTHERWISE FURNISH TO A QUALIFIED ORGANIZATION
5 NUMERAL TICKETS THAT HAVE BEEN OBTAINED FROM A LICENSED MANUFAC-
6 Turer AND HAVE BEEN MANUFACTURED AND DISTRIBUTED IN COMPLIANCE
7 WITH RULES PROMULGATED BY THE COMMISSIONER. NUMERAL TICKETS
8 SHALL BE A PACKAGE OF FOLDED AND BANDED TICKETS, EACH OF WHICH
9 HAVING A NUMBER THAT IS COVERED, AND SOME OF WHICH HAVE BEEN DES-
10 IGNATED IN ADVANCE ON A PROMINENTLY DISPLAYED FLARE CARD AND AT
11 RANDOM AS PRIZEWINNERS. THE RULES SHALL PROVIDE MINIMUM QUALITY
12 AND TESTING STANDARDS FOR NUMERAL TICKETS AND FOR THE IMPLEMENTA-
13 TION AND ENFORCEMENT OF THIS SECTION.

14 (6) THE BUREAU MAY REQUIRE EACH LICENSED DISTRIBUTOR TO PUR-
15 CHASE IDENTIFICATION STAMPS FROM THE BUREAU, AT A FEE TO BE
16 DETERMINED BY THE COMMISSIONER, AND TO AFFIX A STAMP TO THE PACK-
17 AGE OF EACH GAME OF NUMERAL TICKETS, IN A METHOD PRESCRIBED BY
18 THE BUREAU, FOR WHICH THE LICENSED DISTRIBUTOR HAS COLLECTED THE
19 BUREAU'S FEE. THE STAMP SHALL CONTAIN THE INFORMATION AND BE
20 RECORDED AND MAINTAINED AS REQUIRED BY RULE OF THE COMMISSIONER.
21 THE LICENSED DISTRIBUTOR SHALL REMIT THE FEES MONTHLY TO THE COM-
22 MISSIONER BY THE FIFTEENTH DAY OF EACH MONTH AND REPORT TO THE
23 COMMISSIONER WITH THE FREQUENCY AND IN THE MANNER PRESCRIBED BY
24 RULE OF THE COMMISSIONER. IN ADDITION TO OTHER PENALTIES PRO-
25 VIDED IN THIS ACT, A LATE FEE OF NOT MORE THAN 20% OF THE AMOUNT
26 DUE MAY BE ASSESSED BY THE COMMISSIONER AGAINST A LICENSED

1 DISTRIBUTOR WHO FAILS TO REMIT THE REQUIRED FEES WITHIN 10 DAYS
2 AFTER THE DATE OWING.

3 (7) EACH NUMERAL TICKET SHALL HAVE IMPRINTED UPON THE TICKET
4 BY THE MANUFACTURER THE MANUFACTURER'S NAME OR LOGO AND A SERIAL
5 NUMBER UNIQUE TO THAT GAME FOR IDENTIFICATION AND TRACKING PUR-
6 POSES AS REQUIRED BY RULE OF THE COMMISSIONER. A MANUFACTURER IS
7 NOT ELIGIBLE TO SELL OR OFFER FOR SALE NUMERAL TICKETS IN THIS
8 STATE UNLESS THE MANUFACTURER FIRST DEMONSTRATES TO THE COMMIS-
9 SIONER ITS ABILITY TO IDENTIFY AND TRACK BY SERIAL NUMBER THE
10 PURCHASER OR HOLDER OF ALL NUMERAL TICKETS IT MANUFACTURES. EACH
11 NUMERAL TICKET PACKAGE SOLD OR INTENDED TO BE SOLD IN THIS STATE
12 SHALL BE SEALED AT THE PACKAGE OPENING AND IDENTIFIED WITH THE
13 SERIAL NUMBER BY THE MANUFACTURER.

14 (8) ~~-(2)-~~ All charity game tickets used in the conduct of a
15 charity game shall be purchased by the qualified organization
16 from the bureau or a licensed ~~supplier~~ DISTRIBUTOR. The bureau
17 shall determine the number of charity game tickets that consti-
18 tute a charity game. The bureau also shall determine the price
19 at which the qualified organization shall resell each charity
20 game ticket and shall have that price printed on each charity
21 game ticket.

22 (9) ~~-(3)-~~ The bureau or a licensed ~~supplier~~ DISTRIBUTOR
23 shall sell charity game tickets to a qualified organization ~~—~~,
24 ~~which~~ THAT is eligible to conduct a charity game ~~—~~ at a per-
25 centage to be determined by the bureau ~~—~~ of the gross revenues
26 ~~which~~ THAT are realized by the resale of all the charity game
27 tickets for that game at the price established by the bureau.

1 The percentage retained by the qualified organization shall be
 2 ~~equal to~~ NOT LESS THAN the percentage received by the bureau
 3 for the sale of charity game tickets. A qualified organization
 4 ~~which~~ THAT conducts a charity game shall be solely responsible
 5 for paying prizes won by purchasers of winning charity game
 6 tickets. When all charity game tickets are resold for that game,
 7 prizes distributed shall have an aggregate value of, as near as
 8 practicable, not less than 60% of the resale value of all the
 9 charity game tickets for that charity game.

10 (10) ~~(4)~~ The bureau shall determine the number of winning
 11 charity game tickets provided on a random basis for resale for
 12 any 1 charity game and shall establish the value of the prize won
 13 by each winning charity game ticket.

14 (11) ~~(5)~~ A charity game ticket shall not have a price for
 15 resale by a qualified organization of ~~less~~ MORE than ~~30 cents~~
 16 \$2.00, and a charity game shall not have a single maximum prize
 17 exceeding ~~\$200.00~~ \$250.00.

18 (12) ~~(6)~~ The bureau shall have a bureau control number for
 19 identification purposes imprinted upon each charity game ticket.

20 (13) ~~(7)~~ A value of prizes awarded for a charity game
 21 shall not be included within the prize limitations of a licensed
 22 bingo game or millionaire party in conjunction with which the
 23 charity game is held.

24 (14) ~~(8)~~ ~~A~~ EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3),
 25 A charity game ticket shall not be sold to a person ~~under~~ LESS
 26 THAN 18 years of age. This subsection ~~shall~~ DOES not prohibit
 27 the purchase of a charity game ticket by a person 18 years of age

1 or older for the purpose of making a gift to a person ~~under~~
2 LESS THAN 18 years of age, and ~~shall~~ DOES not prohibit a person
3 ~~under~~ LESS THAN 18 years of age from receiving a prize or
4 prizes won in a charity game conducted pursuant to this act.

5 (15) ~~(9)~~ A qualified organization eligible to ~~conduct a~~
6 SELL charity game ~~shall not~~ TICKETS MAY advertise ~~the event,~~
7 ~~except~~ SALES to the extent and in the manner permitted by rule
8 of the commissioner.

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

12 (2) All necessary expenses incurred by the bureau in the
13 administration and enforcement of this act and in the initiation,
14 implementation, and ongoing operation of charity games shall be
15 financed from the state lottery fund. The amount of these neces-
16 sary expenses shall not exceed the amount of revenues received
17 from the sale of charity game tickets and all fees collected
18 under this act. ~~, except that this limitation shall not apply~~
19 ~~before October 1, 1983.~~

20 (3) At the end of each fiscal year all money, including
21 interest, in the state lottery fund ~~which~~ THAT is attributable
22 to fees and revenue collected pursuant to this act but which has
23 not been expended pursuant to this section shall be deposited in
24 the state general fund.

25 (4) THE COMMISSIONER MAY ADJUST ON AN ANNUAL BASIS THE FEES
26 PRESCRIBED IN THIS ACT BY AN AMOUNT DETERMINED BY THE STATE
27 TREASURER TO REFLECT THE CUMULATIVE ANNUAL PERCENTAGE CHANGE IN

1 THE DETROIT CONSUMER PRICE INDEX. AS USED IN THIS SUBSECTION,
2 "DETROIT CONSUMER PRICE INDEX" MEANS THE MOST COMPREHENSIVE INDEX
3 OF CONSUMER PRICES AVAILABLE FOR THE DETROIT AREA FROM THE BUREAU
4 OF LABOR STATISTICS OF THE UNITED STATES DEPARTMENT OF LABOR.

5 Sec. 9. The entire net proceeds of a bingo game, ~~or~~ a
6 millionaire party, A RAFFLE, NUMERAL MERCHANDISE GAME, OR CHARITY
7 GAME TICKET SALE shall be devoted exclusively to the lawful pur-
8 poses of the licensee. ~~The entire net proceeds of a charity~~
9 ~~game shall be devoted exclusively to the lawful purposes of the~~
10 ~~qualified organization which conducted the charity game.~~ ALL
11 FUNDS OF A QUALIFIED ORGANIZATION LICENSED UNDER THIS ACT SHALL
12 BE EXPENDED EXCLUSIVELY FOR THE TYPE OF ACTIVITY DESCRIBED AND
13 PERMITTED IN SECTION 3 FOR THE LICENSURE CATEGORY UNDER WHICH THE
14 ORGANIZATION QUALIFIED FOR LICENSURE. An item of expense shall
15 not be incurred or paid in connection with the holding, operat-
16 ing, or conducting of bingo, ~~or~~ a millionaire party, A RAFFLE,
17 OR CHARITY GAME TICKET SALE except the ~~following~~ bona fide
18 expenses in reasonable amounts OF ALL OF THE FOLLOWING:

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

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

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

1 (d) Janitorial services.

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

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

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

21 (2) A person shall not receive any commission, salary, pay,
22 profit, or wage for participating in the management or operation
23 of bingo, a millionaire party, A RAFFLE, or ~~a~~ THE SALE OF char-
24 ity game TICKETS except as provided by rule of the commissioner.

25 (3) Except by special permission of the commissioner, A
26 QUALIFIED ORGANIZATION SHALL NOT CONDUCT bingo, a millionaire
27 party, A RAFFLE, or ~~a~~ THE SALE OF charity game ~~shall not be~~

1 ~~conducted~~ TICKETS with any equipment ~~which~~ THAT is not owned,
2 being purchased, or being rented FROM A LICENSED DISTRIBUTOR at a
3 reasonable rate by the qualified organization.

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

10 (5) A licensee ~~shall not~~ MAY advertise bingo ~~except~~ to
11 the extent and in the manner permitted by rule of the
12 commissioner. If the commissioner permits a licensee to adver-
13 tise bingo, the licensee shall indicate in the advertisement the
14 purposes for which the net proceeds will be used by the licensee
15 AND MAY INDICATE THAT NONSMOKING AREAS WILL BE AVAILABLE TO
16 PARTICIPANTS.

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

25 (7) A millionaire party may be described in the licensee's
26 advertising as a Las Vegas party. The holder of a millionaire
27 party license ~~shall not~~ MAY advertise the event ~~, except~~ to

1 the extent and in the manner permitted by rule of the
2 commissioner. ~~If the commissioner permits a licensee to~~
3 ~~advertise~~ A LICENSEE WHO ADVERTISES the event ~~, the licensee~~
4 shall indicate in the advertising the purposes for which the net
5 proceeds will be used by the licensee ~~,~~ and shall give notice
6 of the \$500.00 personal limitation on winnings required by sub-
7 section (6).

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

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

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

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

19 (c) Only games of chance in which participants compete
20 against the licensee shall be permitted. ~~, participants~~
21 PARTICIPANTS in the games shall not be permitted to directly com-
22 pete against each other, other than as participants in an auction
23 sale or a raffle, as defined by the commissioner, ~~which~~ THAT is
24 held in conjunction with a millionaire party OR AS A SEPARATELY
25 LICENSED EVENT. The prizes awarded at a raffle are not subject
26 to the limitations of section 10(6).

1 (d) The licensee under the millionaire party OR RAFFLE
2 license ~~shall be~~ OR REGISTRATION IS responsible for insuring
3 ~~that~~ COMPLIANCE WITH the requirements of this section. ~~are~~
4 ~~complied with.~~

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

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

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

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

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

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

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

23 (3) The commissioner shall promulgate rules requiring the
24 licensing AND REGULATION of all persons, ELIGIBLE PURSUANT TO
25 SECTION 18, WHO ARE selling, leasing, OR MANUFACTURING BINGO
26 SHEETS AND NUMERAL TICKETS, or distributing CHARITY GAME TICKETS

1 AND equipment used in conducting bingo, a millionaire party, A
2 RAFFLE, or a charity game.

3 (4) Licensed ~~suppliers shall be~~ DISTRIBUTORS OF CHARITY
4 GAME TICKETS AND NUMERAL TICKETS SHALL HAVE THEIR PRINCIPAL
5 OFFICE LOCATED IN THIS STATE AND SHALL BE authorized to sell
6 charity game AND NUMERAL tickets only upon approval of the com-
7 missioner according to rules promulgated by the commissioner.
8 ~~The commissioner shall require suppliers authorized to sell~~
9 ~~charity game tickets to post a performance bond which shall be an~~
10 ~~amount not less than \$50,000.00 and not greater than~~
11 ~~\$100,000.00.~~ THE COMMISSIONER SHALL REQUIRE LICENSED DISTRIBUTORS
12 AUTHORIZED TO SELL CHARITY GAME TICKETS TO POST A BOND. THE
13 BOND SHALL RUN TO THE BUREAU WITH SUFFICIENT SURETY CONDITIONED
14 FOR COMPLIANCE WITH THIS ACT AND THE RULES PROMULGATED UNDER THIS
15 ACT. THE AMOUNT OF THE BOND SHALL NOT BE LESS THAN \$50,000.00
16 NOR GREATER THAN \$100,000.00 AS REQUIRED BY RULE OF THE
17 COMMISSIONER. Qualified organizations licensed to conduct bingo,
18 ~~or~~ a millionaire party, A RAFFLE, OR A CHARITY GAME shall
19 obtain equipment only from licensed ~~suppliers~~ DISTRIBUTORS and
20 shall obtain charity game tickets only from the bureau or a
21 licensed ~~supplier~~ DISTRIBUTOR. A licensed ~~supplier~~
22 DISTRIBUTOR shall remit to the bureau an amount equal to the
23 qualified organization's purchase price of the charity game tick-
24 ets less an amount ~~which~~ THAT 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~~ LICENSED
27 DISTRIBUTOR shall pay an annual license fee of ~~\$300.00~~

1 \$500.00 to the bureau FOR THE FIRST LOCATION AND \$250.00 FOR
2 EACH ADDITIONAL LOCATION WHERE BUSINESS IS CONDUCTED OR EQUIPMENT
3 IS STORED. AN ADDITIONAL ANNUAL FEE OF \$250.00 SHALL BE PAID BY
4 THE LICENSED DISTRIBUTOR FOR EACH SALES OFFICE FROM WHICH THE
5 DISTRIBUTOR IS LICENSED TO SELL CHARITY GAME TICKETS.

6 (5) A LICENSED MANUFACTURER OF BINGO SHEETS SHALL PAY AN
7 ANNUAL LICENSE FEE OF \$1,000.00. A LICENSED MANUFACTURER OF
8 NUMERAL TICKETS SHALL PAY AN ANNUAL LICENSE FEE OF \$500.00. A
9 LICENSE MAY BE REISSUED ANNUALLY UPON THE SUBMITTING OF AN APPLI-
10 CATION FOR RENEWAL PROVIDED BY THE COMMISSIONER AND UPON THE
11 LICENSEE'S PAYMENT OF THE LICENSE FEE.

12 (6) IF THE COMMISSIONER DENIES AN APPLICATION FOR A
13 MANUFACTURER'S OR DISTRIBUTOR'S LICENSE, A FEE OF \$50.00 SHALL
14 BE RETAINED BY THE BUREAU TO COVER THE COST OF PROCESSING THE
15 APPLICATION.

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

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

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

1 REQUIRE THE SALE OF BINGO SHEETS OR NUMERAL TICKETS TO LICENSED
2 QUALIFIED 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 NUMERAL TICKETS TO A DISTRIBUTOR
11 UNLESS THE MANUFACTURER FIRST DETERMINES THAT THE PURCHASER
12 IS A LICENSED DISTRIBUTOR OR A PERSON THE BUREAU DETERMINES IS
13 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 NUMERAL TICKETS
16 TO ANY LICENSED DISTRIBUTOR IN THIS STATE IN SUCH DETAIL AND WITH
17 SUCH FREQUENCY AS MAY BE REQUIRED BY RULE OF THE COMMISSIONER.

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

22 (14) A PERSON APPLYING FOR A LICENSE UNDER THIS SUBSECTION,
23 OR ANY AUTHORIZED SALES REPRESENTATIVE OF THE APPLICANT, MAY BE
24 PROHIBITED BY THE BUREAU FROM DOING BUSINESS IN THIS STATE WITH
25 LICENSED QUALIFIED ORGANIZATIONS OR LICENSED PERSONS IF THE
26 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 PERSON WHO IS NOT A QUALIFIED ORGANIZATION AND WHO
4 WISHES TO CONDUCT A GAME THAT DOES NOT CONSTITUTE PROHIBITED GAM-
5 BLING UNDER SECTION 301 OF THE MICHIGAN PENAL CODE, ACT NO. 328
6 OF THE PUBLIC ACTS OF 1931, BEING SECTION 750.301 OF THE MICHIGAN
7 COMPILED LAWS, MAY RENT OR PURCHASE EQUIPMENT FROM A LICENSED
8 DISTRIBUTOR IN ORDER TO CONDUCT A NONGAMBLING EVENT UPON PAYMENT
9 TO THE BUREAU OF A FEE OF \$12.50 AND SUBMISSION OF A COMPLETED
10 APPLICATION ON A FORM PROVIDED BY THE BUREAU. THE FEE MAY BE
11 WAIVED IF THE APPLICANT DEMONSTRATES THAT IT IS AN ORGANIZATION
12 NOT FOR PECUNIARY PROFIT.

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

18 ~~-(2) To facilitate the earliest possible implementation of~~
19 ~~this act with regard to charity games, the commissioner may adopt~~
20 ~~and promulgate temporary rules which shall not be subject to~~
21 ~~chapter 3 of Act No. 306 of the Public Acts of 1969, as amended.~~
22 ~~Temporary rules shall be filed in the office of the secretary of~~
23 ~~state and become effective after the date of filing as determined~~
24 ~~by the commissioner. Temporary rules shall not be effective~~
25 ~~after December 31, 1982.~~

26 (2) ~~-(3)~~ Rules adopted and promulgated by the commissioner
27 shall insure the integrity and honest operation of bingo games,

1 millionaire parties, RAFFLES, and THE SALE OF charity ~~games~~
2 GAME TICKETS and shall be consistent with the legislative objec-
3 tive that bingo, millionaire parties, RAFFLES, NUMERAL MERCHAN-
4 DISE GAMES, and THE SALE OF charity ~~games~~ GAME TICKETS shall be
5 conducted in a friendly, social, and noncommercial manner.

6 (3) ~~(4)~~ Charity game tickets shall not be sold by the
7 bureau other than at or from the bureau's central or regional
8 offices.

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

23 (2) ~~Annually each licensee~~ A LICENSED QUALIFIED
24 ORGANIZATION shall file with the commissioner a financial state-
25 ment of receipts and expenses related to the conducting of the
26 bingo game, millionaire party, RAFFLE, or charity game TICKET
27 SALES in such detail AND WITH SUCH FREQUENCY as may be required

1 by rule of the commissioner. THE COMMISSIONER MAY ASSESS UP TO A
2 \$50.00 LATE FEE PENALTY FOR EACH REPORT NOT TIMELY SUBMITTED
3 AFTER WRITTEN NOTICE. UPON PERMANENT DISSOLUTION OF AN EVENT
4 LICENSED OR REGISTERED UNDER THIS ACT, THE LICENSED ORGANIZATION
5 SHALL FILE WITH THE COMMISSIONER A FINAL FINANCIAL STATEMENT IN
6 SUCH DETAIL AS MAY BE REQUIRED BY RULE OF THE COMMISSIONER AND
7 SHALL TRANSFER ALL REMAINING ASSETS TO THE GENERAL FUND OF THE
8 LICENSED QUALIFIED ORGANIZATION, OR, IF THE LICENSED QUALIFIED
9 ORGANIZATION IS ALSO DISSOLVED, TO THE PURPOSE STATED IN THEIR
10 QUALIFICATION DOCUMENTS. Where the revenue from a bingo game,
11 millionaire party, RAFFLE, or charity game TICKET SALES is repre-
12 sented to be used or applied by a licensee for a charitable pur-
13 pose, the licensee shall file a copy of the financial statement
14 with the attorney general pursuant to THE SUPERVISION OF TRUSTEES
15 FOR CHARITABLE PURPOSES ACT, Act No. 101 of the Public Acts of
16 1961, as amended, being sections 14.251 to 14.266 of the Michigan
17 Compiled Laws.

18 (3) The location at which the bingo, millionaire party,
19 RAFFLE, or SALE OF charity game TICKETS is being conducted or at
20 which an applicant or licensee intends to conduct the bingo, mil-
21 lionaire party, RAFFLE, or SALE OF charity game TICKETS AND THE
22 LOCATION OR LOCATIONS AT WHICH LICENSED DISTRIBUTORS AND MANUFAC-
23 TURERS OPERATE shall be open to inspection at all times by ~~a~~
24 ~~duly~~ AN authorized employee of the bureau, ~~or by~~ the state
25 police, or a peace officer of a political subdivision of this
26 state. WHENEVER AN AUTHORIZED EMPLOYEE OF THE BUREAU HAS
27 PROBABLE CAUSE TO BELIEVE THAT ANY BINGO PAPER OR NUMERAL TICKETS

1 WERE OBTAINED FROM AN UNLICENSED SOURCE OR FAIL TO MEET OR COMPLY
2 WITH STANDARDS OR CONDITIONS CONTAINED IN THE RULES PROMULGATED
3 UNDER THIS ACT, HE OR SHE SHALL REMOVE AND IMPOUND A REPRESENTA-
4 TIVE SAMPLE OF THE BINGO PAPER OR NUMERAL TICKETS FOR THE PURPOSE
5 OF EXAMINATION AND EVIDENCE.

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

12 Sec. 16. (1) The commissioner may suspend or revoke any
13 license issued pursuant to this act if the licensee or any offi-
14 cer, director, agent, member, or employee of the licensee vio-
15 lates this act or A rule promulgated ~~hereunder~~ UNDER THIS ACT.

16 (2) A proceeding to suspend or revoke a license shall be
17 considered a contested case and shall be governed by THE ADMINIS-
18 TRATIVE PROCEDURES ACT OF 1969, Act No. 306 of the Public Acts of
19 1969, ~~as amended. The~~ BEING SECTIONS 24.201 TO 24.328 OF THE
20 MICHIGAN COMPILED LAWS, EXCEPT THAT WHERE THE COMMISSIONER DETER-
21 MINES THAT THERE EXISTS A NEED FOR EMERGENCY ACTION PURSUANT TO
22 SECTION 5 OF ACT NO. 306 OF THE PUBLIC ACTS OF 1969, THE commis-
23 sioner may ISSUE AN ORDER TO SUMMARILY suspend a license for a
24 period not to exceed 60 days pending any prosecution,
25 investigation, or public hearing.

26 (3) Upon petition of the commissioner, the circuit court
27 after a hearing may issue subpoenas to compel the attendance of

1 witnesses and the production of documents, papers, books,
2 records, and other evidence before it in any matter over which it
3 has jurisdiction, control, or supervision. If a person subpoenaed
4 to attend ~~in any such~~ A proceeding or hearing fails to
5 obey the command of the subpoena without reasonable cause, or if
6 a person in attendance ~~in any such~~ AT A proceeding or hearing
7 refuses, without lawful cause, to be examined or to answer a
8 legal or pertinent question or to exhibit any book, account,
9 record, or other document when ordered to do so by the court,
10 THAT PERSON may be punished ~~as a~~ FOR BEING IN contempt of the
11 court.

12 Sec. 17. (1) A person who ~~wilfully violates this act~~ DOES
13 ANY OF THE FOLLOWING is guilty of a misdemeanor, ~~and shall be~~
14 ~~fined~~ PUNISHABLE BY A FINE OF not more than ~~\$1,000.00~~
15 \$5,000.00, or ~~imprisoned~~ IMPRISONMENT FOR not more than ~~6~~ 12
16 months, or both: ~~—~~

17 (A) WILLFULLY VIOLATES THIS ACT OR A RULE PROMULGATED UNDER
18 THIS ACT.

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

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

24 (D) MANUFACTURES, OFFERS FOR SALE, SELLS, DISTRIBUTES, OR
25 POSSESSES BINGO SHEETS OR NUMERAL TICKETS OR OFFERS FOR SALE,
26 SELLS, DISTRIBUTES, OR POSSESSES CHARITY GAME TICKETS OTHER THAN
27 AS AUTHORIZED BY THIS ACT.

1 (E) OFFERS FOR SALE, SELLS, DISTRIBUTES, OR LEASES EQUIPMENT
2 OR CHARITY GAME TICKETS OR MANUFACTURES, OFFERS FOR SALE, SELLS,
3 OR DISTRIBUTES BINGO SHEETS OR NUMERAL TICKETS IN THIS STATE
4 WITHOUT FIRST OBTAINING A LICENSE UNDER THIS ACT.

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

8 (2) A PERSON WHO USES PROCEEDS IN AN AMOUNT THAT EXCEEDS
9 \$100.00 FROM A LICENSED OR REGISTERED ACTIVITY FOR OTHER THAN A
10 PURPOSE AUTHORIZED UNDER THIS ACT IS GUILTY OF A FELONY, PUNISH-
11 ABLE BY A FINE OF NOT MORE THAN \$10,000.00, OR IMPRISONMENT FOR
12 NOT MORE THAN 5 YEARS, OR BOTH.

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

16 (A) HINDERS OR OBSTRUCTS THE COMMISSIONER OR AN AUTHORIZED
17 EMPLOYEE OF THE BUREAU IN THE CONDUCT OF ACTIVITIES AUTHORIZED
18 UNDER THIS ACT, KNOWING THAT PERSON TO BE THE COMMISSIONER OR AN
19 AUTHORIZED EMPLOYEE OF THE BUREAU.

20 (B) ASSAULTS OR BATTERS THE COMMISSIONER OR AN AUTHORIZED
21 EMPLOYEE OF THE BUREAU IN THE CONDUCT OF ACTIVITIES AUTHORIZED
22 UNDER THIS ACT, KNOWING THAT PERSON TO BE THE COMMISSIONER OR AN
23 AUTHORIZED EMPLOYEE OF THE BUREAU.

24 (4) IN ADDITION TO OTHER PENALTIES PROVIDED FOR IN THIS ACT,
25 A PERSON WHO DOES ANY OF THE FOLLOWING IS SUBJECT TO A CIVIL FINE
26 EQUAL TO THE GROSS PROCEEDS DERIVED FROM THE UNLICENSED ACTIVITY
27 AND TO THE CONFISCATION AND FORFEITURE OF ALL CHARITY GAME

1 TICKETS AND EQUIPMENT FOUND TO BE RELATED TO THE CONDUCT OF THE
2 ACTIVITY:

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

6 (B) OFFERS FOR SALE, SELLS, DISTRIBUTES, OR LEASES EQUIP-
7 MENT; SELLS NUMERAL TICKETS OR CHARITY GAME TICKETS; OR OFFERS
8 FOR SALE, SELLS, MANUFACTURES, OR DISTRIBUTES BINGO SHEETS OR
9 NUMERAL TICKETS WITHOUT FIRST OBTAINING A LICENSE AS REQUIRED BY
10 THIS ACT.

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

14 (D) SELLS, DISTRIBUTES, OR LEASES EQUIPMENT; SELLS CHARITY
15 GAME TICKETS; OR MANUFACTURES, OFFERS FOR SALE, SELLS, OR DIS-
16 TRIBUTES BINGO SHEETS OR NUMERAL TICKETS AFTER A LICENSE SUSPEN-
17 SION OR REVOCATION.

18 Sec. 18. (1) A licensee whose license is revoked ~~in~~
19 ~~consequence~~ AS A RESULT of a violation of this act or a rule
20 promulgated under this act is ineligible ~~—~~ for a period of 1
21 year after the revocation ~~—~~ to apply for a license or to con-
22 duct a charity game. ~~exempted from licensing requirements by~~
23 ~~section 4(3).~~

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

1 SELLING, OR DISTRIBUTING BINGO SHEETS OR NUMERAL TICKETS; OR
2 SELLING, LEASING, OR DISTRIBUTING EQUIPMENT OR CHARITY GAME
3 TICKETS for a period of 1 year after the conviction becomes
4 final. If the person is licensed pursuant to this act, the
5 person shall forfeit the license and is ineligible to apply for
6 the issuance or reissuance of the license for a period of 1 year
7 after the conviction becomes final.

8 (3) If a license is suspended, in addition to other penal-
9 ties ~~which~~ THAT may be imposed, the commissioner may declare
10 the violator ineligible to conduct a game of bingo, a millionaire
11 party, A RAFFLE, or charity game; TO MANUFACTURE, SELL, OR DIS-
12 TRIBUTE BINGO SHEETS OR NUMERAL TICKETS; TO SELL, LEASE, OR DIS-
13 TRIBUTE EQUIPMENT OR CHARITY GAME TICKETS; or to apply for a
14 license under this act for a period not exceeding 1 year.

15 (4) The licensee shall return its license to the commis-
16 sioner on or before the effective date of a suspension, revoca-
17 tion, or forfeiture. Whether returned or not, the license ~~shall~~
18 ~~not be~~ IS NOT valid beyond the effective date of the suspension,
19 revocation, or forfeiture.

20 Sec. 19. Any other law providing a penalty or disability
21 upon a person who conducts or participates in a bingo game, mil-
22 lionaire party, A RAFFLE, or charity game; who MANUFACTURES,
23 DISTRIBUTES, sells, or possesses BINGO SHEETS OR NUMERAL TICKETS
24 OR POSSESSES CHARITY GAME TICKETS OR equipment used in conducting
25 bingo or a millionaire party; who permits bingo, a millionaire
26 party, A RAFFLE, or a charity game to be conducted on his or her
27 premises; or who does other acts in connection with bingo, a

1 millionaire party, A RAFFLE, or a charity game ~~shall~~ DOES not
2 apply to ~~such~~ THE conduct when done pursuant to this act or
3 rules promulgated under this act.

4 Section 2. Section 7 of Act No. 382 of the Public Acts of
5 1972, being section 432.107 of the Michigan Compiled Laws, is
6 repealed.

7 Section 3. This amendatory act shall take effect upon the
8 expiration of 180 days after the date of its enactment.