



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 4332 (Substitute H-1)
Sponsor: Representative Gary Randall
House Committee: Regulatory Affairs
Senate Committee: Local, Urban and State Affairs

Date Completed: 11-28-95

SUMMARY OF HOUSE BILL 4332 (Substitute H-1) as passed by the House:

The bill would amend the Michigan Penal Code to provide an exception to the prohibition against the holding of a lottery or gift enterprise for money or property, by permitting a person to conduct a lottery or gift enterprise as a “promotional activity” that was clearly occasional and ancillary to the person’s primary business, if the lottery or gift enterprise did not involve the payment of money solely for the chance or opportunity to win a prize.

(“Promotional activity” would mean an activity that was calculated to promote public knowledge or awareness of the existence or the nature of a business enterprise or product, but would not include an activity that was reasonably calculated to or did not generate a direct pecuniary gain or profit for the person conducting the activity.)

The Code currently prohibits a person from setting up or promoting a lottery or gift enterprise for money; disposing of any real or personal property, goods, or merchandise by a lottery or gift enterprise; aiding in or knowingly permitting the setting up, managing, or drawing of a lottery or gift enterprise; and, knowingly allowing money or property to be raffled off or won by throwing dice or by any other game of chance. A person who violates this provision is guilty of a misdemeanor, punishable by imprisonment for up to two years or a fine of up to \$1,000. The bill would create an exception to these provisions, as described above.

The Code also prohibits a person from advertising, printing, or publishing any lottery ticket or gift enterprise; indicating where a lottery ticket or a share of a lottery ticket may be purchased; and enticing a person to purchase a lottery ticket or a share in a ticket. Currently, a person who violates these provisions is guilty of a misdemeanor. Under the bill, a violation would be punishable by imprisonment for up to 90 days and/or a fine of up to \$100.

MCL 750.372 & 750.375

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have an indeterminate, yet likely little fiscal impact on State or local government.

To the extent that businesses presently are prosecuted and sanctioned, and under the bill would not be, there could be some cost savings associated with the bill although it is expected to be minimal.

Fiscal Analyst: M. Hansen

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.