



SENATE BILL No. 141

January 17, 1995, Introduced by STALLINGS and referred to the Committee on Local, Urban and State Affairs.

A bill to amend sections 3 and 7a of Act No. 382 of the Public Acts of 1972, entitled as amended "Traxler-McCauley-Law-Bowman bingo act," as amended by Act No. 118 of the Public Acts of 1994, being sections 432.103 and 432.107a of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 3 and 7a of Act No. 382 of the Public
2 Acts of 1972, as amended by Act No. 118 of the Public Acts of
3 1994, being sections 432.103 and 432.107a of the Michigan
4 Compiled Laws, are amended to read as follows:

5 Sec. 3. (1) "Educational organization" means an organiza-
6 tion within this state that is organized not for pecuniary
7 profit, whose primary purpose is educational in nature and
8 designed to develop the capabilities of individuals by
9 instruction in any public or private elementary or secondary

1 school that complies with the school code of 1976, Act No. 451 of
2 the Public Acts of 1976, ~~as amended,~~ being sections 380.1 to
3 380.1852 of the Michigan Compiled Laws, or any private or public
4 college or university that is organized not for pecuniary profit
5 and that is approved by the state board of education.

6 (2) "Fraternal organization" means an organization within
7 this state, except a college fraternity or sorority, that is
8 organized not for pecuniary profit; that is a branch, lodge, or
9 chapter of a national or state organization; and that exists for
10 the common business, brotherhood, or other interests of its
11 members.

12 (3) "Licensee" means a person or qualified organization
13 licensed pursuant to this act.

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

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

19 (6) "Qualified organization" means a bona fide religious,
20 educational, service, senior citizens, fraternal, or veterans'
21 organization that operates without profit to its members and that
22 either has been in existence continuously as an organization for
23 a period of 5 years or is exempt from taxation imposed by the
24 single business tax act, Act No. 228 of the Public Acts of 1975,
25 ~~as amended,~~ being sections 208.1 to 208.145 of the Michigan
26 Compiled Laws. Qualified organization ~~does not~~ SHALL ALSO
27 include a candidate committee ~~, political committee, political~~

1 ~~party committee, ballot question committee, independent~~
2 ~~committee, or any other committee~~ as defined by ~~—~~ and orga-
3 nized pursuant to ~~—~~ the Michigan campaign finance act, Act No.
4 388 of the Public Acts of 1976, ~~as amended,~~ being sections
5 169.201 to 169.282 of the Michigan Compiled Laws.

6 (7) "Religious organization" means any of the following:

7 (a) An organization, church, body of communicants, or group
8 that is organized not for pecuniary profit and that gathers in
9 common membership for mutual support and edification in piety,
10 worship, and religious observances.

11 (b) A society of individuals that is organized not for pecu-
12 niary profit and that unites for religious purposes at a definite
13 place.

14 (c) A church related private school that is organized not
15 for pecuniary profit.

16 (8) "Senior citizens organization" means an organization
17 within this state that is organized not for pecuniary profit,
18 that consists of at least 15 members who are 60 years of age or
19 older, and that exists for their mutual support and for the
20 advancement of the causes of elderly or retired persons.

21 (9) "Service organization" means either of the following:

22 (a) A branch, lodge, or chapter of a national or state
23 organization that is organized not for pecuniary profit and that
24 is authorized by its written constitution, charter, articles of
25 incorporation, or bylaws to engage in a fraternal, civic, or
26 service purpose within the state.

1 (b) A local civic organization that is organized not for
2 pecuniary profit; that is not affiliated with a state or national
3 organization; that is recognized by resolution adopted by the
4 local governmental subdivision in which the organization conducts
5 its principal activities; whose constitution, charter, articles
6 of incorporation, or bylaws contain a provision for the perpetua-
7 tion of the organization as a nonprofit organization; whose
8 entire assets are pledged to charitable purposes; and whose con-
9 stitution, charter, articles of incorporation, or bylaws contain
10 a provision that all assets, real property, and personal property
11 shall revert to the benefit of the local governmental subdivision
12 that granted the resolution upon dissolution of the
13 organization.

14 (10) "Veterans' organization" means an organization within
15 this state, or a branch, lodge, or chapter within this state of a
16 state organization or of a national organization chartered by the
17 congress of the United States, that is organized not for pecuni-
18 ary profit, the membership of which consists of individuals who
19 were members of the armed services or forces of the United
20 States.

21 Sec. 7a. (1) The bureau may authorize a qualified organiza-
22 tion licensed to conduct a bingo game or a millionaire party to
23 conduct a charity game in conjunction with and at the time and
24 location of the licensed bingo game or the licensed millionaire
25 party.

26 (2) All charity game tickets used in the conduct of a
27 charity game shall be purchased by the qualified organization

1 from the bureau or a licensed supplier. The bureau shall
2 determine the number of charity game tickets that constitute a
3 charity game. The bureau also shall determine the price at which
4 the qualified organization shall resell each charity game ticket
5 and shall have that price printed on each charity game ticket.

6 (3) The bureau or a licensed supplier shall sell charity
7 game tickets to a qualified organization, which is eligible to
8 conduct a charity game, at a percentage to be determined by the
9 bureau ~~—~~ of the gross revenues ~~—which—~~ THAT are realized by the
10 resale of all the charity game tickets for that game at the price
11 established by the bureau. The percentage retained by the quali-
12 fied organization shall be equal to the percentage received by
13 the bureau for the sale of charity game tickets. A qualified
14 organization which conducts a charity game shall be solely
15 responsible for paying prizes won by purchasers of winning char-
16 ity game tickets. When all charity game tickets are resold for
17 that game, prizes distributed shall have an aggregate value of,
18 as near as practicable, not less than ~~—65%—~~ 60% of the resale
19 value of all the charity game tickets for that charity game.

20 (4) The bureau shall determine the number of winning charity
21 game tickets provided on a random basis for resale for any 1
22 charity game and shall establish the value of the prize won by
23 each winning charity game ticket.

24 (5) A charity game ticket shall not have a price for resale
25 by a qualified organization of less than 30 cents and a charity
26 game shall not have a single maximum prize exceeding ~~—\$300.00—~~
27 \$200.00.

1 (6) The bureau shall have a bureau control number for
2 identification purposes imprinted upon each charity game ticket.

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

7 (8) A charity game ticket shall not be sold to a person
8 under 18 years of age. This subsection ~~shall~~ DOES not prohibit
9 the purchase of a charity game ticket by a person 18 years of age
10 or older for the purpose of making a gift to a person under 18
11 years of age, and ~~shall~~ DOES not prohibit a person under 18
12 years of age from receiving a prize or prizes won in a charity
13 game conducted pursuant to this act.

14 (9) A qualified organization eligible to conduct a charity
15 game shall not advertise the event, except to the extent and in
16 the manner permitted by rule of the commissioner.

17 Section 2. This amendatory act shall take effect on April
18 1, 1995.