

# HOUSE BILL No. 4864

June 3, 1997, Introduced by Rep. Schauer and referred to the Committee on House Oversight and Ethics.

A bill to amend the Initiated Law of 1996, entitled "Michigan gaming control and revenue act," by amending section 7 (MCL 432.207).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 7. (1) ~~Section 7. Suppliers Licenses.~~ (a) The  
2 board shall promulgate rules requiring the licensing of all per-  
3 sons manufacturing, selling, leasing, or distributing equipment  
4 used in conducting casino gaming.

5        (2) ~~(b)~~ The board may issue a ~~suppliers~~ SUPPLIER'S  
6 license to such persons or companies ~~which~~ THAT apply ~~therefor~~  
7 ~~upon~~ FOR A SUPPLIER'S LICENSE AFTER ALL OF THE FOLLOWING HAVE  
8 OCCURRED:

9        (A) ~~(i) the payment of~~ THE APPLICANT HAS PAID a  
10 nonrefundable application fee set by the board. ~~—~~

1       (B) ~~(ii) a determination by the board~~ THE BOARD HAS  
2 DETERMINED that the applicant is eligible for a ~~suppliers~~  
3 SUPPLIER'S license pursuant to ~~regulations which are to be~~  
4 RULES promulgated by the board. ~~;~~ and

5       (C) ~~(iii) payment of~~ THE APPLICANT HAS PAID a \$5,000.00  
6 annual license fee.

7       (D) THE APPLICANT HAS SHOWN BY CLEAR AND CONVINCING EVIDENCE  
8 THAT THE APPLICANT POSSESSES THE NECESSARY INTEGRITY, GOOD CHAR-  
9 ACTER AND REPUTATION, PERSONAL AND BUSINESS PROBITY, AND BUSINESS  
10 AND FINANCIAL EXPERIENCE AND MEANS TO BE LICENSED.

11       (E) THE APPLICANT HAS SHOWN BY CLEAR AND CONVINCING EVIDENCE  
12 THAT EACH PERSON WHO CONTROLS THE APPLICANT, DIRECTLY OR INDI-  
13 RECTLY, POSSESSES THE NECESSARY INTEGRITY, GOOD CHARACTER AND  
14 REPUTATION, PERSONAL AND BUSINESS PROBITY, AND BUSINESS AND  
15 FINANCIAL EXPERIENCE TO BE LICENSED.

16       (3) ~~(c)~~ All equipment necessary for implementation of this  
17 act shall be purchased from suppliers pursuant to the rules  
18 promulgated by the board.

19       (4) ~~(d)~~ A city may regulate suppliers through the adoption  
20 of an ordinance ~~which~~ THAT is not inconsistent with this ~~Act~~  
21 ACT.

22       (5) ~~(e)~~ Any applicant or any applicant ~~which~~ THAT has an  
23 affiliate or affiliated company ~~which has been convicted of~~ IS  
24 INELIGIBLE TO RECEIVE A SUPPLIER'S LICENSE IF ANY OF THE FOLLOW-  
25 ING CIRCUMSTANCES EXIST:

26       ~~(a) Any felony in any state; or~~

1 (A) THE PERSON HAS BEEN CONVICTED OF A FELONY UNDER THE LAWS  
2 OF THIS STATE, ANY OTHER STATE, OR THE UNITED STATES.

3 (B) ~~(2) any~~ THE PERSON HAS BEEN CONVICTED OF A misdemeanor  
4 involving gambling, THEFT, DISHONESTY, or fraud in any state. ~~+~~

5 ~~(3) any violation of a local ordinance involving gambling~~  
6 ~~or fraud which ordinance corresponds to a misdemeanor in any~~  
7 ~~state; shall be ineligible to receive a suppliers license.~~

8 (C) THE PERSON HAS SUBMITTED AN APPLICATION FOR A LICENSE  
9 UNDER THIS ACT THAT CONTAINS FALSE INFORMATION.

10 (D) A PERSON TO WHOM SUBDIVISION (A), (B), OR (C) APPLIES IS  
11 AN OFFICER, DIRECTOR, OR KEY EMPLOYEE OF THE APPLICANT OR IS A  
12 PERSON WHO HOLDS GREATER THAN A 1% DIRECT OR INDIRECT INTEREST IN  
13 THE APPLICANT.