

# Legislative Analysis

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Mitchell Bean, Director  
Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

## BINGO ACT AMENDMENTS

### Senate Bill 435

**Sponsor: Sen. James Barcia**

**House Committee: Government Operations**

**Senate Committee: Economic Development, Small Business and Regulatory Reform**

**Complete to 6-26-06**

## A SUMMARY OF SENATE BILL 453 AS PASSED BY THE SENATE 6-8-06

Senate Bill 435 would amend the Bingo Act (MCL 432.103 et al.) to do the following:

- Increase the value of all prizes that may be awarded through large bingo and special bingo from \$2,000 to \$3,500 for a single occasion and from \$500 to \$1,100 for a single game.
- Require that a qualified organization that may conduct games under the act be tax-exempt under the federal Internal Revenue Code rather than the Single Business Tax Act (unless the organization has been continuously in existence for five years).
- Specify that "prizes" do not include advertising material given away by a qualified organization.
- Eliminate a provision prohibiting more than one bingo license from being issued to a qualified organization for any one day.
- Eliminate a provision prohibiting more than two bingo licenses from being issued for the same day at any one location.
- Provide that the predetermined amount for the first occasion of a progressive jackpot bingo game could not exceed \$500 or half of the card sales.
- Delete a requirement that all bingo cards in progressive jackpot game shall be sold prior to the drawing of the first ball for that game.
- Specify that, on the first bingo occasion, a player could not be required to obtain bingo in less than the allowable number of calls prescribed by the commissioner. The current minimum number of calls is 50.
- Prohibit a person from receiving a commission, profit, or pay for managing or operating a raffle, except as provided by rule.
- Eliminate the \$500 aggregate per-day personal limit on winnings from a millionaire party.
- Increase from \$500,000 to \$1 million the maximum performance bond that suppliers of equipment and tickets may be required to post.

## FISCAL IMPACT:

There is no fiscal impact on the State of Michigan or local units of government.

Legislative Analyst: Mark Wolf

Fiscal Analyst: Viola Bay Wild

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