



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 435 (Substitute S-2 as reported)

Sponsor: Senator Jim Barcia

Committee: Economic Development, Small Business and Regulatory Reform

### **CONTENT**

The bill would amend the Bingo Act to do the following:

- Increase from \$2,000 to \$3,500 the total value of all prizes that may be awarded through large bingo and special bingo at a single occasion; and increase from \$500 to \$1,100 the total value of all prizes that may be awarded for a single large bingo or special bingo game.
- Delete restrictions on the number of bingo licenses issued for the same day at one location and the number issued to a qualified organization for one day.
- Provide that the predetermined amount of a prize awarded on the first occasion of a Michigan progressive jackpot bingo game could not exceed \$500 (the current maximum) or 50% of the card sales; and make other changes concerning that game.
- Delete the \$500 aggregate per-day personal limit on winnings awarded in a millionaire party.
- Prohibit a person from receiving a commission, profit, or pay for managing or operating a raffle, except as provided by rule.
- Increase from \$500,000 to \$1.0 million the maximum performance bond that a ticket supplier may be required to post.
- Require a qualified organization to be exempt from taxation under Section 501(c) of the Internal Revenue Code, rather than under the Single Business Tax Act (unless it has been in existence continuously as an organization for five years).
- Specify that "prize" would not include advertising material given away by a qualified organization in accordance with rules promulgated under the Act.

MCL 432.103 et al.

Legislative Analyst: J.P. Finet

### **FISCAL IMPACT**

The bill would have no fiscal impact on State government.

Date Completed: 6-5-06

Fiscal Analyst: Stephanie Yu