

SUBSTITUTE FOR  
HOUSE BILL NO. 5121

A bill to amend 1972 PA 382, entitled  
"Traxler-McCauley-Law-Bowman bingo act,"  
by amending the title and sections 2, 3, 3a, 4a, 5c, 8, 9, 10,  
10a, 11a, 11b, and 19 (MCL 432.102, 432.103, 432.103a, 432.104a,  
432.105c, 432.108, 432.109, 432.110, 432.110a, 432.111a,  
432.111b, and 432.119), the title as amended and sections 4a and  
11a as added by 1999 PA 108, sections 2 and 9 as amended by 2008  
PA 401, section 3 as amended by 2009 PA 41, sections 3a, 5c, 8,  
10, 10a, and 11b as amended by 2006 PA 427, and section 19 as  
amended by 1995 PA 263, and by adding section 11d.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1

TITLE

2

An act to license and regulate ~~the conducting of~~ bingo,

1 millionaire parties, and certain other forms of gambling; to  
2 provide for ~~the conducting of~~ charity games, raffles, and numeral  
3 games; to provide for exemptions from licensing requirements  
4 under certain circumstances; to impose certain duties and  
5 authority upon certain state departments, agencies, and officers;  
6 to provide a tax exemption; **TO MAKE AN APPROPRIATION**; and to  
7 provide penalties.

8       Sec. 2. As used in this act:

9       (a) "Active service" and "active state service" mean those  
10 terms as defined in section 105 of the Michigan military act,  
11 1967 PA 150, MCL 32.505.

12       (b) "Advertising" means all printed matter, handouts,  
13 flyers, radio, television, advertising signs, billboards, and  
14 other media used to promote an event licensed under this act.

15       (c) "Bingo" means a game of chance commonly known as bingo  
16 in which prizes are awarded on the basis of designated numbers or  
17 symbols conforming to numbers or symbols selected at random.

18       (d) "Bureau" means the bureau of state lottery as created by  
19 section 5 of the McCauley-Traxler-Law-Bowman-McNeely lottery act,  
20 1972 PA 239, MCL 432.5.

21       (e) "Charity game" means the random resale of a series of  
22 charity game tickets.

23       (f) "Charity game ticket" means a ticket commonly referred  
24 to as a break-open ticket or pull-tab that is approved and  
25 acquired by the bureau and is distributed and sold by the bureau  
26 or a licensed supplier to a qualified organization, a portion of  
27 which is removed to discover whether the ticket is a winning

1 ticket and whether the purchaser may be awarded a prize.

2 (g) "Commissioner" means the commissioner of state lottery  
3 appointed under section 7 of the McCauley-Traxler-Law-Bowman-  
4 McNeely lottery act, 1972 PA 239, MCL 432.7.

5 ~~—— (h) "Coverall pattern" means a pattern required to win a~~  
6 ~~bingo game in which all numbers on a bingo card are required to~~  
7 ~~be called.~~

8 Sec. 3. As used in this act:

9 (a) "Educational organization" means an organization ~~within~~  
10 **IN** this state that is organized not for pecuniary profit, whose  
11 primary purpose is educational in nature and designed to develop  
12 the capabilities of individuals by instruction in any public or  
13 private elementary or secondary school that complies with the  
14 revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or any  
15 private or public college or university that is organized not for  
16 pecuniary profit and that is approved by the state board of  
17 education.

18 (b) "Fraternal organization" means an organization ~~within~~ **IN**  
19 this state, except a college fraternity or sorority, that is  
20 organized not for pecuniary profit; that is a branch, lodge, or  
21 chapter of a national or state organization; and that exists for  
22 the common purpose, brotherhood, or other interests of its  
23 members.

24 (c) "Licensee" means a person or qualified organization  
25 licensed under this act.

26 (d) "Member" means an individual who qualified for  
27 membership in a qualified organization under its bylaws, articles

1 of incorporation, charter, rules, or other written statement.

2 (e) "Michigan national guard" and "military" mean those  
3 terms as defined in section 105 of the Michigan military act,  
4 1967 PA 150, MCL 32.505.

5 (f) "Person" means a natural person, firm, association,  
6 corporation, or other legal entity.

7 (g) "Qualified organization" means, subject to subdivision

8 (h), either of the following:

9 (i) A bona fide religious, educational, service, senior  
10 citizens, fraternal, or veterans' organization that operates  
11 without profit to its members and that either has been in  
12 existence continuously as an organization for a period of 5 years  
13 or is exempt from taxation under 26 USC 501(c).

14 (ii) Only for the purpose of conducting a small raffle or a  
15 large raffle under this act, a component of the military or the  
16 Michigan national guard whose members are in active service or  
17 active state service.

18 (h) "Qualified organization" does not include a candidate  
19 committee, political committee, political party committee, ballot  
20 question committee, independent committee, or any other committee  
21 as defined by, and organized under, the Michigan campaign finance  
22 act, 1976 PA 388, MCL 169.201 to 169.282.

23 (i) "Religious organization" means any of the following:

24 (i) An organization, church, body of communicants, or group  
25 **IN THIS STATE** that is organized not for pecuniary profit and that  
26 gathers in common membership for mutual support and edification  
27 in piety, worship, and religious observances.

1           (ii) A society of individuals **IN THIS STATE** that is organized  
2 not for pecuniary profit and that unites for religious purposes  
3 at a definite place.

4           (iii) A church related private school **IN THIS STATE** that is  
5 organized not for pecuniary profit.

6           (j) "Senior citizens organization" means an organization  
7 ~~within~~**IN** this state that is organized not for pecuniary profit,  
8 that consists of at least 15 members who are 60 years of age or  
9 older, and that exists for their mutual support and for the  
10 advancement of the causes of elderly or retired persons.

11           (k) "Service organization" means either of the following:

12           (i) A branch, lodge, or chapter of a national or state  
13 organization **IN THIS STATE** that is organized not for pecuniary  
14 profit and that is authorized by its written constitution,  
15 charter, articles of incorporation, or bylaws to engage in a  
16 fraternal, civic, or service purpose. ~~within the state.~~

17           (ii) A local civic organization **IN THIS STATE** that is  
18 organized not for pecuniary profit; that is not affiliated with a  
19 state or national organization; that is recognized by resolution  
20 adopted by the local governmental subdivision in which the  
21 organization conducts its principal activities; whose  
22 constitution, charter, articles of incorporation, or bylaws  
23 contain a provision for the perpetuation of the organization as a  
24 nonprofit organization; whose entire assets are used for  
25 charitable purposes; and whose constitution, charter, articles of  
26 incorporation, or bylaws contain a provision that all assets,  
27 real property, and personal property shall revert to the benefit

1 of the local governmental subdivision that granted the resolution  
2 **OR ANOTHER NONPROFIT ORGANIZATION** upon dissolution of the  
3 organization.

4 (l) "Veterans' organization" means an organization ~~within~~**IN**  
5 this state, or a branch, lodge, or chapter ~~within~~**IN** this state  
6 of a state organization or of a national organization chartered  
7 by the congress of the United States, that is organized not for  
8 pecuniary profit, the membership of which consists of individuals  
9 who were members of the armed services or armed forces of the  
10 United States. Veterans' organization includes an auxiliary of a  
11 veterans' organization that is a national organization chartered  
12 by the congress of the United States.

13 Sec. 3a. (1) "Equipment" means the objects and mechanical or  
14 electromechanical devices used to determine or assist in  
15 determining the winners of prizes at ~~events~~**AN EVENT** licensed  
16 under this act.

17 (2) "Event" means each occasion of a bingo, millionaire  
18 party, raffle, charity game, or numeral game licensed under this  
19 act.

20 (3) "Large bingo" means a series of bingo occasions that  
21 occur on a regular basis during which the total value of all  
22 prizes awarded through bingo at a single occasion does not exceed  
23 \$3,500.00 and the total value of all prizes awarded for 1 game  
24 does not exceed \$1,100.00, except that **THE LIMITATIONS UNDER THIS**  
25 **SUBSECTION DO NOT APPLY TO** a prize awarded through a Michigan  
26 progressive jackpot bingo game. ~~is not subject to these~~  
27 ~~limitations.~~

1           (4) "LARGE MILLIONAIRE PARTY" MEANS A MILLIONAIRE PARTY THAT  
2 IS NOT CONDUCTED AT A LOCATION OWNED AND OPERATED BY THE  
3 QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS MEMBERS OR  
4 RENTED ON A CONTINUAL BASIS FOR THE REGULAR USE OF ITS MEMBERS.

5           (5) "LARGE MILLIONAIRE PARTY OPERATING SERVICES" MEANS  
6 PERFORMING DUTIES IN THE CONDUCT OF A LARGE MILLIONAIRE PARTY  
7 OTHER THAN MANAGEMENT.

8           (6) ~~(4)~~—"Large raffle" means an event ~~where~~**DURING WHICH** the  
9 total value of all prizes awarded through raffle drawings ~~exceed~~  
10 **EXCEEDS** \$500.00 per occasion.

11           (7) ~~(5)~~—"Location" means a building, enclosure, part of a  
12 building or enclosure, or a distinct portion of real estate that  
13 is used for the purpose of conducting ~~events~~**AN EVENT** licensed  
14 under this act. Location also means all components or buildings  
15 that comprise 1 architectural entity or that serve a unified  
16 functional purpose.

17           (8) "MANAGEMENT" MEANS, WITH RESPECT TO A LARGE MILLIONAIRE  
18 PARTY, HANDLING CASH, CHIPS, OR HOUSE RAKES OR COMPLETING A GAME  
19 RECORD OR FINANCIAL STATEMENT.

20           (9) ~~(6)~~—"Manufacturer" means a person licensed under section  
21 11c who manufactures numeral game tickets for sale to suppliers  
22 for use in an event.

23           (10) ~~(7)~~—"Michigan progressive jackpot" means a bingo game  
24 conducted in conjunction with a licensed large bingo occasion,  
25 ~~where~~**IN WHICH** the value of the prize is carried forward to the  
26 next bingo occasion if no player bingos in a predetermined number  
27 of allowable calls. Michigan progressive jackpot may include

bingo games conducted by more than 1 licensee that are linked together for the purpose of a common jackpot prize and consolation prize as prescribed by the commissioner.

(11) ~~(8)~~—"Millionaire party" means an event at which wagers are placed upon games of chance customarily associated with a gambling casino through the use of imitation money or chips that have a nominal value equal to or greater than the value of the currency for which they can be exchanged.

(12) ~~(9)~~—"Numeral game" means the random resale of a series of numeral game tickets by a qualified organization under a numeral game license or in conjunction with a licensed millionaire party or large raffle.

(13) ~~(10)~~—"Numeral game ticket" means a paper strip on which preprinted numerals are covered by folding the strip and banding the folded strip with a separate piece of paper, if upon breaking the paper strip that bands the ticket, the purchaser discovers whether the ticket is a winning ticket and the purchaser may be awarded a merchandise prize.

(14) ~~(11)~~—"Occasion" means the hours of the day for which a license is issued.

(15) ~~(12)~~—"Principal officer" means the highest ranking officer of the qualified organization according to its written constitution, charter, articles of incorporation, or bylaws.

(16) ~~(13)~~—"Prize" means anything of value, including, but not limited to, money or merchandise that is given to a player for attending or winning a game at an event. A nonmonetary item is valued at its retail value. Prize does not include advertising



1 material given away by a qualified organization in accordance  
2 with rules promulgated under this act.

3 (17) ~~(14)~~—"Single gathering" means 1 scheduled assembly or  
4 meeting with a specified beginning and ending time that is  
5 conducted or sponsored by the qualified organization. Single  
6 gathering does not include the regular operating hours of a club  
7 or similar facility and does not include a meeting conducted  
8 solely for the purpose of conducting a raffle.

9 (18) ~~(15)~~—"Small bingo" means a series of bingo occasions  
10 that occur on a regular basis during which the total value of all  
11 prizes awarded through bingo at a single occasion does not exceed  
12 \$300.00 and the total value of all prizes awarded for a single  
13 bingo game does not exceed \$25.00.

14 (19) **"SMALL MILLIONAIRE PARTY" MEANS A MILLIONAIRE PARTY**  
15 **THAT IS CONDUCTED AT A LOCATION OWNED AND OPERATED BY THE**  
16 **QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS MEMBERS OR**  
17 **RENTED ON A CONTINUAL BASIS FOR THE REGULAR USE OF ITS MEMBERS**  
18 **AND THAT IS OPERATED PRIMARILY BY MEMBERS OF THE QUALIFIED**  
19 **ORGANIZATION OR RELATED QUALIFIED ORGANIZATIONS.**

20 (20) ~~(16)~~—"Small raffle" means an event during which the  
21 total value of all prizes awarded through raffle drawings does  
22 not exceed \$500.00 during 1 occasion.

23 (21) ~~(17)~~—"Special bingo" means a single or consecutive  
24 series of bingo occasions during which the total value of all  
25 prizes awarded through bingo at a single occasion does not exceed  
26 \$3,500.00 and the total value of all prizes awarded for a single  
27 bingo game does not exceed \$1,100.00.

(22) ~~(18)~~ "Supplier" means a person licensed under this act to rent, sell, or lease equipment or to sell charity game or numeral game tickets to qualified organizations licensed under this act.

Sec. 4a. (1) Except as provided in subsections (2) and (3), if the commissioner determines that ~~the~~ **AN** applicant **UNDER SECTION 4** is a qualified organization, ~~and~~ is not ineligible under section 18, and ~~the applicant~~ has paid to the bureau the appropriate fee, the commissioner may issue 1 or more of the following licenses:

	<u>License</u>	<u>Fee</u>
(a)	Large bingo.....	<del>\$ 150.00</del> \$ 175.00
(b)	Small bingo.....	<del>\$ 55.00</del> \$ 75.00
(c)	Special bingo.....	<del>\$ 25.00</del> \$ 50.00
(D)	<b>LARGE MILLIONAIRE PARTY</b> .....	<b>\$ 100.00 PER DAY</b>
(E) <del>(d)</del>	<del>Millionaire</del> <b>SMALL MILLIONAIRE</b> party.....	<del>\$ 50.00</del> \$ 65.00
	per day	
(F) <del>(e)</del>	Large raffle.....	<del>\$ 50.00</del> \$ 75.00
	per drawing date	
(G) <del>(f)</del>	Small raffle:	
(i)	One to 3 drawing dates.....	<del>\$ 15.00</del> \$ 25.00
(ii)	Four or more drawing dates.....	\$ 5.00
	per drawing date	
(H) <del>(g)</del>	Annual charity game.....	<del>\$ 200.00</del> \$ 400.00
(I) <del>(h)</del>	Special charity game	<del>\$ 15.00</del> \$ 25.00
	per day	
(J) <del>(i)</del>	Numeral game.....	\$ 15.00 per day

(2) Under extreme hardship conditions as determined by the

1 commissioner, the commissioner may waive 1 or more requirements  
2 of a qualified organization described in section 3 to permit the  
3 licensing of a special bingo, millionaire party, or raffle, if  
4 all of the following conditions are met:

5 (a) The organization applying for the license is a nonprofit  
6 organization.

7 (b) The entire proceeds of the event, less the actual  
8 reasonable expense of conducting the event, are donated or used  
9 for a charitable purpose, organization, or cause.

10 (c) None of the individuals connected with the conduct of  
11 the event is compensated in any manner for his or her  
12 participation.

13 (d) The organization complies with all other provisions of  
14 this act and rules promulgated under this act.

15 (3) Under extreme hardship conditions as determined by the  
16 commissioner, the commissioner may allow an individual or a group  
17 of individuals to obtain a license to conduct a special bingo,  
18 millionaire party, or raffle if all of the following conditions  
19 are met:

20 (a) The entire proceeds of the event, less the actual  
21 reasonable expense of conducting the event, are donated or used  
22 for a charitable purpose, organization, or cause.

23 (b) None of the individuals connected with the conduct of  
24 the event is compensated in any manner for his or her  
25 participation.

26 (c) The individual or group of individuals complies with all  
27 other provisions of this act and the rules promulgated under this

1 act.

2 (4) ~~Each~~ **SUBJECT TO SUBSECTION (8), EACH** event license  
3 issued **UNDER THIS SECTION** to a qualified organization is valid  
4 for only the location included on the license.

5 (5) A license **ISSUED UNDER THIS SECTION** is not assignable or  
6 transferable.

7 (6) ~~The~~ **A** licensee **UNDER THIS SECTION** is responsible for  
8 ensuring that the events are conducted in compliance with this  
9 act and rules **PROMULGATED UNDER THIS ACT**.

10 (7) ~~A~~ **SUBJECT TO SUBSECTION (8), A** licensee **UNDER THIS**  
11 **SECTION** shall only conduct events licensed under this act during  
12 the hours and on the day and date or dates stated on the license.

13 (8) **THE COMMISSIONER MAY CHANGE THE LOCATION, HOURS, DAY, OR**  
14 **DATE STATED ON AN ISSUED LICENSE OR ISSUE A DUPLICATE LICENSE ON**  
15 **PAYMENT BY THE LICENSEE OF A NONREFUNDABLE \$35.00 FEE.**

16 (9) **WITHIN 14 DAYS BEFORE THE EVENT, AN APPLICANT FOR A**  
17 **MILLIONAIRE PARTY LICENSE MAY APPLY FOR AN EXPEDITED LICENSE. THE**  
18 **APPLICANT SHALL PAY AN ADDITIONAL FEE OF \$300.00 WITH THE**  
19 **APPLICATION.**

20 Sec. 5c. (1) The value of a prize or consolation prize  
21 awarded during a Michigan progressive jackpot bingo game is not  
22 subject to the prize limitations of section 3a(3).

23 (2) The prize awarded to the winner of a Michigan  
24 progressive jackpot bingo game may be a predetermined amount ~~that~~  
25 ~~shall not exceed \$500.00 or 50%~~ **OR A PREDETERMINED PERCENTAGE** of  
26 the card sales on the first bingo occasion.

27 (3) If a Michigan progressive jackpot prize is not won in

1 the predetermined number of allowable calls, the game ~~shall~~ **MAY**  
2 be played to its conclusion for a predetermined consolation  
3 prize. ~~that shall not exceed \$100.00.~~

4 (4) If a Michigan progressive jackpot prize is not won in  
5 the predetermined number of allowable calls, the entire prize  
6 amount shall be carried forward to the next scheduled bingo  
7 occasion.

8 (5) When a Michigan progressive jackpot prize has been  
9 carried forward from a previous bingo occasion, the new prize  
10 amount shall include the entire amount carried forward, plus 50%  
11 **A PREDETERMINED PERCENTAGE** of the card sales for the Michigan  
12 progressive jackpot bingo game for the current bingo occasion.

13 ~~—— (6) No arrangement of numbers other than a coverall pattern~~  
14 ~~shall be required or allowed to win a Michigan progressive~~  
15 ~~jackpot bingo game.~~

16 (6) ~~(7)~~ A Michigan progressive jackpot bingo game shall be  
17 played only on bingo cards that are approved by the commissioner.

18 ~~—— (8) All cards for the Michigan progressive jackpot bingo~~  
19 ~~game shall be sold by the licensee at a uniform price with no~~  
20 ~~discount for the purchase of more than 1 card.~~

21 (7) ~~(9)~~ Whenever a Michigan progressive jackpot bingo game  
22 is conducted, the licensee shall post a notice and announce the  
23 following information:

24 (a) The maximum number of allowable calls in which the  
25 player must complete ~~a coverall~~ **THE PREDETERMINED** pattern in  
26 order to win a Michigan progressive jackpot prize on that  
27 occasion.

1 (b) The prize amount offered to the winner of the Michigan  
2 progressive jackpot game and the consolation prize, **IF ANY**, for  
3 that bingo occasion.

4 (c) The date the next bingo occasion will occur in that  
5 particular progression if the jackpot is not awarded.

6 (8) ~~(10)~~—A Michigan progressive jackpot bingo game shall be  
7 conducted in the following manner:

8 (a) On the first bingo occasion a player shall not be  
9 required to obtain bingo in less than the number of allowable  
10 calls as prescribed by the commissioner to win the jackpot prize.

11 (b) The number of allowable calls required to win the  
12 jackpot shall be increased by 1 number on each successive bingo  
13 occasion for that licensee in a particular progression.

14 (c) Once a Michigan progressive jackpot bingo game has been  
15 started, the progressive jackpot prize shall be offered at each  
16 successive bingo occasion for that licensee until the jackpot  
17 prize has been won.

18 (d) A Michigan progressive jackpot progression shall only be  
19 terminated or interrupted by 1 of the following:

20 (i) Determining a winner of the Michigan progressive jackpot  
21 prize.

22 (ii) Expiration, suspension, revocation, or surrender of the  
23 license to conduct bingo.

24 (iii) A previously announced scheduled interruption, such as a  
25 legal holiday or other temporary closing.

26 (iv) A valid emergency condition under which the licensee is  
27 unable to conduct the game.

1       (9) ~~(11)~~ Only 1 Michigan progressive jackpot bingo game  
2 shall be in progress at 1 time per bingo occasion **UNLESS 1 OF THE**  
3 **GAMES IS A LINKED GAME.**

4       (10) ~~(12)~~ Prizes for a Michigan progressive jackpot bingo  
5 game shall be awarded as follows:

6       (a) The Michigan progressive jackpot prize shall be awarded  
7 to the player or players who complete the ~~overall~~ **PREDETERMINED**  
8 pattern within the predesignated number of allowable calls.

9       (b) A consolation prize ~~shall~~ **MAY** be awarded on each bingo  
10 occasion at which a Michigan progressive jackpot game is played.  
11 ~~, except on the bingo occasion that the jackpot prize is won.~~

12       (c) The consolation prize, **IF OFFERED**, shall be awarded to  
13 the player or players who complete a ~~overall~~ **PREDETERMINED**  
14 pattern on each bingo occasion, regardless of the number of calls  
15 in excess of the predesignated number of allowable calls required  
16 to win the Michigan progressive jackpot bingo game.

17       (11) ~~(13)~~ The jackpot prize shall be awarded by a check  
18 written from the licensee's financial account or in the manner  
19 prescribed by the commissioner.

20       (12) ~~(14)~~ Except as otherwise provided in this section, all  
21 other provisions of this act or rules promulgated under this act  
22 apply to the conduct of a Michigan progressive jackpot game.

23       (13) ~~(15)~~ If an organization's bingo license will expire or  
24 is suspended, revoked, or surrendered before the last bingo  
25 occasion of a particular progression, the jackpot prize shall be  
26 awarded and the winner determined on the last authorized bingo  
27 occasion regardless of the number of calls required to determine

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1 the winner.

2       Sec. 8. (1) All fees and ~~revenue-MONEY~~ collected by the  
3 commissioner or bureau under this act shall be paid into the  
4 state lottery fund.

5       (2) All necessary expenses incurred by the bureau in the  
6 administration and enforcement of any activity authorized by this  
7 act and in the initiation, implementation, and ongoing operation  
8 of any activity authorized by this act shall be financed from the  
9 state lottery fund. The amount of these necessary expenses shall  
10 not exceed the amount of ~~revenues-MONEY~~ received from the sale of  
11 charity game tickets and all fees collected under this act.

12       (3) At the end of each fiscal year, all money, including  
13 interest, in the state lottery fund ~~which is attributable to fees~~  
14 and ~~revenue-MONEY~~ collected under this act ~~but which~~ **THAT** has not  
15 been expended under this section shall be deposited in the state  
16 ~~[general-SCHOOL AID]~~ fund.

17       (4) **FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010, THERE IS**  
18 **APPROPRIATED FROM THE FUND TO THE BUREAU \$325,000.00 TO HIRE 4.0**  
19 **FULL-TIME EQUATED POSITIONS TO IMPLEMENT AND CONDUCT ADDITIONAL**  
20 **RESPONSIBILITIES IMPOSED ON THE BUREAU BY THE AMENDATORY ACT THAT**  
21 **ADDED THIS SUBSECTION.**

22       Sec. 9. (1) Except as provided in subsection (2), the entire  
23 net proceeds of an event shall be devoted exclusively to the  
24 lawful purposes of the licensee. A licensee shall not incur or  
25 pay an ~~item of~~ expense in connection with ~~the~~ holding, operating,  
26 or conducting ~~of an event~~ ~~except~~ **UNLESS THE EXPENSE IS FOR 1 OF**  
27 the following ~~expenses in~~ **A** reasonable ~~amounts~~ **AMOUNT AS**



1 **DETERMINED BY THE COMMISSIONER:**

2 (a) The purchase or rental of equipment necessary for  
3 conducting ~~an~~**THE** event and payment of services reasonably  
4 necessary for the repair of equipment.

5 (b) Cash prizes or the purchase of prizes of merchandise.

6 (c) Rental of the location at which the event is conducted.

7 (d) Janitorial services.

8 (e) The fee required for issuance or reissuance of a license  
9 to conduct the event.

10 **(F) IF THE EVENT IS A LARGE MILLIONAIRE PARTY, WAGES OR**  
11 **SALARIES OF INDIVIDUALS WHO PERFORM LARGE MILLIONAIRE PARTY**  
12 **OPERATING SERVICES.**

13 **(G) SECURITY MEASURES TO PROTECT VOLUNTEERS AND PATRONS OF**  
14 **THE EVENT.**

15 **(H) REASONABLE ADVERTISING.**

16 **(I) ~~(f)~~**Other reasonable expenses incurred by the licensee,  
17 not inconsistent with this act, as permitted by rule of the  
18 commissioner.

19 (2) A qualified organization described in section 3(g) (ii)  
20 shall use the entire net proceeds of an event, after paying items  
21 of expense incurred in reasonable amounts in connection with the  
22 holding, operating, or conducting of the event and listed in  
23 subsection (1), only for the expense of training or purchasing  
24 goods or services for the support of the activities of the  
25 component.

26 Sec. 10. (1) Only a member of the qualified organization  
27 shall participate in the management of an event.

1 (2) A person shall not receive any commission, salary, pay,  
2 profit, or wage for participating in the management or operation  
3 of bingo, a millionaire party, a raffle, or a charity game except  
4 as provided by **THIS ACT OR A** rule promulgated under this act.

5 (3) Except by special permission of the commissioner, a  
6 licensee shall conduct bingo or a millionaire party only with  
7 equipment that it owns, uses under a bureau-approved rental  
8 contract, or is purchasing or renting at a reasonable rate from a  
9 supplier.

10 (4) A licensee ~~shall not~~ **MAY** advertise bingo ~~except to the~~  
11 ~~extent and in the manner permitted by rule promulgated~~ **EVENTS**  
12 **CONDUCTED** under this act **BY THE LICENSEE**. ~~If the commissioner~~  
13 ~~permits a licensee to advertise bingo, the~~ **A** licensee shall  
14 indicate in the ~~ANY~~ advertisement the purposes for which the net  
15 proceeds will be used. ~~by the licensee.~~ **THE COMMISSIONER MAY**  
16 **PROMULGATE RULES UNDER THIS ACT REGARDING ADVERTISING OF EVENTS**  
17 **UNDER THIS SECTION.**

18 ~~—— (5) The holder of a millionaire party license shall not~~  
19 ~~advertise the event, except to the extent and in the manner~~  
20 ~~permitted by rule promulgated under this act. If the commissioner~~  
21 ~~permits a licensee to advertise the event, the licensee shall~~  
22 ~~indicate in the advertising the purposes for which the net~~  
23 ~~proceeds will be used by the licensee.~~

24 (5) **UNLESS THE COMMISSIONER HAS AGREED OTHERWISE IN WRITING,**  
25 **FOR PURPOSES OF THIS ACT, AN INDIVIDUAL WHO PERFORMS LARGE**  
26 **MILLIONAIRE PARTY OPERATING SERVICES SHALL BE CONSIDERED TO BE AN**  
27 **AGENT OF A LARGE MILLIONAIRE PARTY LOCATION LICENSED BY THE**

1 BUREAU OR SUPPLIER THAT IS SUPPLYING LARGE MILLIONAIRE PARTY  
 2 OPERATING SERVICES FOR THE MILLIONAIRE PARTY.

3 (6) AN INDIVIDUAL WHO IS PERFORMING LARGE MILLIONAIRE PARTY  
 4 OPERATING SERVICES MAY RECEIVE A TIP FROM A PATRON OF THE LARGE  
 5 MILLIONAIRE PARTY.

6 Sec. 10a. All of the following apply in the conduct of a  
 7 millionaire party:

8 (a) A person less than 18 years of age shall not be  
 9 permitted to wager.

10 (b) A wager ~~may~~ **SHALL** not be placed on a contest other than  
 11 a game of chance taking place at the location and during the time  
 12 period approved for the event. ~~, and in no event shall a~~ A wager  
 13 **SHALL NOT** be placed ~~upon~~ **ON** an athletic event or ~~upon~~ a game  
 14 involving personal skill.

15 (C) AN INDIVIDUAL WHO PERFORMS LARGE MILLIONAIRE PARTY  
 16 OPERATING SERVICES SHALL NOT PLACE A WAGER AT A LARGE MILLIONAIRE  
 17 PARTY AT WHICH THE INDIVIDUAL PERFORMS THE SERVICES, EXCEPT THAT  
 18 THE INDIVIDUAL MAY PLACE A WAGER AT THE LARGE MILLIONAIRE PARTY  
 19 ON A DAY ON WHICH THE INDIVIDUAL IS NOT PERFORMING THE SERVICES.

20 (D) ~~(c)~~ The **MILLIONAIRE PARTY** licensee ~~under the millionaire~~  
 21 ~~party license shall be~~ **IS** responsible for insuring that the  
 22 requirements of this section are met.

23 (E) ~~(d)~~ A qualified organization shall not receive more than  
 24 ~~\$15,000.00~~ **\$20,000.00** in exchange for imitation money or chips in  
 25 1 day of a millionaire party.

26 (F) UNLESS THE COMMISSIONER HAS GIVEN PERMISSION IN WRITING,  
 27 A LICENSEE SHALL ONLY CONDUCT A LARGE MILLIONAIRE PARTY AT A

1 LARGE MILLIONAIRE PARTY LOCATION LICENSED BY THE BUREAU OR AT A  
2 LOCATION WHERE THE EQUIPMENT AND SERVICES ARE PROVIDED BY A  
3 SUPPLIER.

4 (G) THE LICENSEE SHALL CONSPICUOUSLY POST AT EACH ENTRANCE  
5 AND EXIT OF THE LOCATION WHERE THE EVENT IS CONDUCTED A VISUALLY  
6 PROMINENT SIGN ON WHICH IS PRINTED A TOLL-FREE COMPULSIVE GAMING  
7 HELPLINE TELEPHONE NUMBER.

8 Sec. 11a. (1) Each applicant for a license or renewal of a  
9 license to operate a bingo hall under this act shall submit a  
10 written application to the bureau on a form prescribed by rule  
11 promulgated under this act.

12 (2) If the commissioner determines that an applicant is  
13 eligible and the applicant pays an appropriate fee, the bureau  
14 may issue a bingo hall license to operate a facility that will be  
15 rented to bingo licensees.

16 (3) A bingo hall license expires at 12 midnight on the last  
17 day of February, or if the applicant does not own the facility,  
18 on the expiration date of ~~their lease or~~ **THE APPLICANT'S** rental  
19 agreement if that date is ~~prior to~~ **BEFORE** the last day of  
20 February of the current licensing period.

21 (4) The annual bingo hall licensing fee is ~~\$50.00~~ **\$75.00**  
22 multiplied by the number of large or small bingo occasions that  
23 will be conducted during the 7-day week.

24 (5) To increase the number of large or small bingo occasions  
25 conducted under a bingo hall licensee's original or renewal  
26 application, a hall licensee shall submit a written request on a  
27 form provided by the commissioner, plus an additional \$50.00 for

1 each large or small bingo occasion that will be conducted during  
2 the 7-day week that is in addition to the number of those  
3 occasions calculated under subsection (4).

4       Sec. 11b. (1) Each applicant for a license or renewal of a  
5 license to operate as a supplier of equipment, **LARGE MILLIONAIRE**  
6 **PARTY OPERATING SERVICES**, charity game tickets, or numeral game  
7 tickets to qualified organizations licensed under this act shall  
8 submit a written application to the bureau on a form prescribed  
9 by the commissioner.

10       (2) The applicant **FOR A SUPPLIER'S LICENSE** shall pay an  
11 annual license fee of ~~\$300.00~~ **\$1,000.00** at the time of the  
12 application.

13       (3) A supplier's license expires at 12 midnight on September  
14 30 of each year.

15       (4) The commissioner shall require suppliers authorized to  
16 sell charity game tickets, numeral game tickets, or both, to post  
17 a performance bond of not less than \$50,000.00 and not greater  
18 than ~~\$1,000,000.00~~ **\$1,500,000.00**.

19       (5) **THE COMMISSIONER SHALL NOT ISSUE A LICENSE TO A PERSON**  
20 **TO ACT AS A SUPPLIER OF LARGE MILLIONAIRE PARTY OPERATING**  
21 **SERVICES UNLESS THE APPLICANT MEETS ALL OF THE FOLLOWING**  
22 **REQUIREMENTS:**

23       (A) **THE PERSON OR ANY OWNER, PARTNER, SHAREHOLDER, DIRECTOR,**  
24 **OFFICER, MEMBER, OR EMPLOYEE OF THE PERSON HAS NOT BEEN CONVICTED**  
25 **OF A FELONY OR OF A MISDEMEANOR INVOLVING ILLEGAL GAMBLING.**

26       (B) **THE PERSON, AND ANY INDIVIDUALS ASSOCIATED WITH THE**  
27 **PERSON AS DESIGNATED BY THE COMMISSIONER, MEETS MINIMUM**

1 REQUIREMENTS ESTABLISHED BY THE COMMISSIONER FOR EXPERIENCE IN  
2 GAMING AND KNOWLEDGE OF LOTTERY RULES AND DIRECTIVES AS NECESSARY  
3 TO PROPERLY ADVISE QUALIFIED ORGANIZATIONS IN CONDUCTING EVENTS.

4 (6) ~~(5)~~—A supplier shall remit to the bureau an amount equal  
5 to the qualified organization's purchase price of the charity  
6 game tickets less an amount that shall not be less than the sum  
7 of \$.008 for each ticket sold plus 1.0% of the total resale value  
8 for all charity game tickets sold.

9 (7) ~~(6)~~—For each numeral game sold, the supplier shall issue  
10 to the licensed organization an invoice listing the manufacturer  
11 and serial number of each game.

12 (8) ~~(7)~~—The fee collected by a supplier from the qualified  
13 organization for each game of numeral tickets sold shall be \$5.00  
14 per 1,000 tickets or any portion of 1,000 tickets.

15 (9) ~~(8)~~—The fees collected by the supplier for each numeral  
16 game sold shall be remitted to the bureau by the fifteenth day of  
17 the month following the month in which the numeral game is sold.  
18 A late fee of 25% of the amount due may be assessed by the  
19 commissioner against any supplier who fails to remit the fees by  
20 the required filing date.

21 (10) ~~(9)~~—A supplier shall only display, offer for sale,  
22 sell, or otherwise make available to a qualified organization  
23 numeral game tickets that have been obtained from a manufacturer.

24 (11) ~~(10)~~—A person who is directly or indirectly connected  
25 to the sale, rental, or distribution of bingo or **SMALL**  
26 millionaire party equipment, or the sale of charity game tickets  
27 or numeral game tickets, or a person residing in the same

1 household as the supplier shall not be involved directly or  
2 indirectly with the rental or leasing of a facility used for an  
3 event.

4 (12) ~~(11)~~ A supplier shall submit to the bureau a report as  
5 required by the commissioner regarding the sale or rental of  
6 equipment and the sale of charity game tickets and numeral game  
7 tickets.

8 SEC. 11D. (1) EACH APPLICANT FOR A LICENSE OR RENEWAL OF A  
9 LICENSE TO ACT AS A LARGE MILLIONAIRE PARTY LOCATION SHALL SUBMIT  
10 TO THE BUREAU A WRITTEN APPLICATION ON A FORM PRESCRIBED BY THE  
11 COMMISSIONER.

12 (2) THE ANNUAL LICENSE FEE FOR THE ISSUANCE OR RENEWAL OF A  
13 LARGE MILLIONAIRE PARTY LOCATION LICENSE IS \$1,000.00.

14 (3) THE COMMISSIONER SHALL NOT ISSUE A LICENSE TO A PERSON  
15 TO ACT AS A LARGE MILLIONAIRE PARTY LOCATION UNLESS THE APPLICANT  
16 MEETS ALL OF THE FOLLOWING REQUIREMENTS:

17 (A) THE PERSON OR ANY OWNER, PARTNER, SHAREHOLDER, DIRECTOR,  
18 OFFICER, MEMBER, OR EMPLOYEE OF THE PERSON HAS NOT BEEN CONVICTED  
19 OF A FELONY OR OF A MISDEMEANOR INVOLVING ILLEGAL GAMBLING.

20 (B) THE PERSON, AND ANY INDIVIDUALS ASSOCIATED WITH THE  
21 PERSON AS DESIGNATED BY THE COMMISSIONER, MEETS MINIMUM  
22 REQUIREMENTS ESTABLISHED BY THE COMMISSIONER FOR EXPERIENCE IN  
23 GAMING AND KNOWLEDGE OF LOTTERY RULES AND DIRECTIVES AS NECESSARY  
24 TO PROPERLY ADVISE QUALIFIED ORGANIZATIONS IN CONDUCTING EVENTS.

25 (4) IF THE COMMISSIONER DETERMINES THAT AN APPLICANT IS  
26 ELIGIBLE AND HAS PAID THE LICENSE FEE, THE BUREAU MAY ISSUE A  
27 LARGE MILLIONAIRE PARTY LOCATION LICENSE TO A PERSON TO RENT A

1 FACILITY AND EQUIPMENT AND PROVIDE SERVICES TO LARGE MILLIONAIRE  
2 PARTY LICENSEES.

3 (5) A LARGE MILLIONAIRE PARTY LOCATION LICENSE EXPIRES ON  
4 JANUARY 1 OF EACH YEAR.

5 (6) A LARGE MILLIONAIRE PARTY LOCATION LICENSEE SHALL SUBMIT  
6 TO THE BUREAU A REPORT AS REQUIRED BY THE COMMISSIONER REGARDING  
7 THE RENTAL OF ITS FACILITY AND EQUIPMENT AND THE PROVISION OF  
8 SERVICES TO LARGE MILLIONAIRE PARTY LICENSEES.

9 Sec. 19. (1) Except as provided in subsection (2), any other  
10 law providing a penalty or disability upon a person who conducts  
11 or participates in a **RAFFLE**, bingo game, millionaire party, or  
12 charity game; who sells or possesses equipment used in conducting  
13 **A RAFFLE**, bingo, or a millionaire party; who permits **A RAFFLE**,  
14 bingo, a millionaire party, or a charity game to be conducted on  
15 his or her premises; or who does other acts in connection with **A**  
16 **RAFFLE**, bingo, a millionaire party, or a charity game does not  
17 apply to that conduct if done pursuant to this act or rules  
18 promulgated under this act.

19 (2) Subsection (1) does not limit ~~in any way~~ the application  
20 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~  
21 ~~Acts of 1976, being sections 1976 PA 388, MCL 169.201 to 169.282,~~  
22 ~~of the Michigan Compiled Laws, including but not limited to~~  
23 **INCLUDING** section 41 of ~~Act No. 388 of the Public Acts of 1976,~~  
24 ~~being section~~ **THE MICHIGAN CAMPAIGN FINANCE ACT, 1976 PA 388, MCL**  
25 **169.241, of the Michigan Compiled Laws,** to fundraising events  
26 conducted by or for the benefit of a committee that has filed or  
27 is required to file a statement of organization ~~pursuant to Act~~



1 ~~No. 388 of the Public Acts of 1976.~~ UNDER THE MICHIGAN CAMPAIGN  
2 FINANCE ACT, 1976 PA 388, MCL 169.201 TO 169.282.