

HOUSE BILL No. 5121

June 17, 2009, Introduced by Reps. Haugh, Womack, Slezak, Kandrevas, Liss, Stanley, Roy Schmidt, Geiss, Gregory, Nathan, Wayne Schmidt, Dean, Switalski and Scripps and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 382, entitled
"Traxler-McCauley-Law-Bowman bingo act,"
by amending sections 3a and 4a (MCL 432.103a and 432.104a),
section 3a as amended by 2006 PA 427 and section 4a as added by
1999 PA 108, and by adding section 4b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

8 (3) "Large bingo" means a series of bingo occasions that

1 occur on a regular basis during which the total value of all
2 prizes awarded through bingo at a single occasion does not exceed
3 \$3,500.00 and the total value of all prizes awarded for 1 game
4 does not exceed \$1,100.00, except that **THE LIMITATIONS UNDER THIS**
5 **SUBSECTION DO NOT APPLY TO** a prize awarded through a Michigan
6 progressive jackpot bingo game. ~~is not subject to these~~
7 ~~limitations.~~

8 (4) "LARGE MILLIONAIRE PARTY" MEANS A MILLIONAIRE PARTY THAT
9 IS NOT A SMALL MILLIONAIRE PARTY.

10 (5) ~~(4)~~ "Large raffle" means an event ~~where~~ **DURING WHICH** the
11 total value of all prizes awarded through raffle drawings ~~exceed~~
12 **EXCEEDS** \$500.00 per occasion.

13 (6) ~~(5)~~ "Location" means a building, enclosure, part of a
14 building or enclosure, or a distinct portion of real estate that
15 is used for the purpose of conducting ~~events~~ **AN EVENT** licensed
16 under this act. Location also means all components or buildings
17 that comprise 1 architectural entity or that serve a unified
18 functional purpose.

19 (7) ~~(6)~~ "Manufacturer" means a person licensed under section
20 11c who manufactures numeral game tickets for sale to suppliers
21 for use in an event.

22 (8) ~~(7)~~ "Michigan progressive jackpot" means a bingo game
23 conducted in conjunction with a licensed large bingo occasion,
24 ~~where~~ **IN WHICH** the value of the prize is carried forward to the
25 next bingo occasion if no player bingos in a predetermined number
26 of allowable calls. Michigan progressive jackpot may include
27 bingo games conducted by more than 1 licensee that are linked

1 together for the purpose of a common jackpot prize and
2 consolation prize as prescribed by the commissioner.

3 (9) ~~(8)~~—"Millionaire party" means an event at which wagers
4 are placed upon games of chance customarily associated with a
5 gambling casino through the use of imitation money or chips that
6 have a nominal value equal to or greater than the value of the
7 currency for which they can be exchanged.

8 (10) ~~(9)~~—"Numeral game" means the random resale of a series
9 of numeral game tickets by a qualified organization under a
10 numeral game license or in conjunction with a licensed
11 millionaire party or large raffle.

12 (11) ~~(10)~~—"Numeral game ticket" means a paper strip on which
13 preprinted numerals are covered by folding the strip and banding
14 the folded strip with a separate piece of paper, if upon breaking
15 the paper strip that bands the ticket, the purchaser discovers
16 whether the ticket is a winning ticket and the purchaser may be
17 awarded a merchandise prize.

18 (12) ~~(11)~~—"Occasion" means the hours of the day for which a
19 license is issued.

20 (13) ~~(12)~~—"Principal officer" means the highest ranking
21 officer of the qualified organization according to its written
22 constitution, charter, articles of incorporation, or bylaws.

23 (14) ~~(13)~~—"Prize" means anything of value, including, but
24 not limited to, money or merchandise that is given to a player
25 for attending or winning a game at an event. A nonmonetary item
26 is valued at its retail value. Prize does not include advertising
27 material given away by a qualified organization in accordance

1 with rules promulgated under this act.

2 (15) ~~(14)~~—"Single gathering" means 1 scheduled assembly or
3 meeting with a specified beginning and ending time that is
4 conducted or sponsored by the qualified organization. Single
5 gathering does not include the regular operating hours of a club
6 or similar facility and does not include a meeting conducted
7 solely for the purpose of conducting a raffle.

8 (16) ~~(15)~~—"Small bingo" means a series of bingo occasions
9 that occur on a regular basis during which the total value of all
10 prizes awarded through bingo at a single occasion does not exceed
11 \$300.00 and the total value of all prizes awarded for a single
12 bingo game does not exceed \$25.00.

13 (17) **"SMALL MILLIONAIRE PARTY" MEANS A MILLIONAIRE PARTY**
14 **THAT IS OPERATED AND CONDUCTED ONLY BY MEMBERS OF THE QUALIFIED**
15 **ORGANIZATION WHO DO NOT RECEIVE ANY WAGE, SALARY, PAY, OR PROFIT**
16 **FOR OPERATING OR CONDUCTING THE MILLIONAIRE PARTY.**

17 (18) ~~(16)~~—"Small raffle" means an event during which the
18 total value of all prizes awarded through raffle drawings does
19 not exceed \$500.00 during 1 occasion.

20 (19) ~~(17)~~—"Special bingo" means a single or consecutive
21 series of bingo occasions 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 a single
24 bingo game does not exceed \$1,100.00.

25 (20) ~~(18)~~—"Supplier" means a person licensed under this act
26 to rent, sell, or lease equipment or to sell charity game or
27 numeral game tickets to qualified organizations licensed under

1 this act.

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

| 8 | <u>License</u> | <u>Fee</u> |
|----|---|--------------------------|
| 9 | (a) Large bingo..... | \$ 150.00 |
| 10 | (b) Small bingo..... | \$ 55.00 |
| 11 | (c) Special bingo..... | \$ 25.00 |
| 12 | (D) LARGE MILLIONAIRE PARTY..... | \$ 250.00 PER DAY |
| 13 | (E) (d) Millionaire SMALL MILLIONAIRE party. | \$ 50.00 per day |
| 14 | (F) (e) Large raffle..... | \$ 50.00 per |
| 15 | drawing date | |
| 16 | (G) (f) Small raffle: | |
| 17 | (i) One to 3 drawing dates..... | \$ 15.00 |
| 18 | (ii) Four or more drawing dates..... | \$ 5.00 per |
| 19 | drawing date | |
| 20 | (H) (g) Annual charity game..... | \$ 200.00 |
| 21 | (I) (h) Special charity game..... | \$ 15.00 per day |
| 22 | (J) (i) Numeral game..... | \$ 15.00 per day |

23 (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 ~~7~~
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 event license issued **UNDER THIS SECTION** to a
3 qualified organization is valid for only the location included on
4 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 licensee **UNDER THIS SECTION** shall only conduct events
11 licensed under this act during the hours and on the day and date
12 or dates stated on the license.

13 **SEC. 4B. AN APPLICANT FOR A MILLIONAIRE PARTY MAY APPLY FOR**
14 **AN EXPEDITED LICENSE UNDER SECTION 4A. THE APPLICANT SHALL PAY AN**
15 **ADDITIONAL FEE OF \$300.00 WITH THE APPLICATION. IF THE BOARD**
16 **DETERMINES THAT THE APPLICANT IS QUALIFIED FOR A MILLIONAIRE**
17 **PARTY LICENSE UNDER THIS ACT, THE BOARD SHALL ISSUE AN EXPEDITED**
18 **LICENSE WITHIN 10 DAYS AFTER THE APPLICATION IS MADE.**