

Act No. 189
Public Acts of 2012
Approved by the Governor
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**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senator Casperson

ENROLLED SENATE BILL No. 1077

AN ACT to amend 1972 PA 382, entitled “An act to license and regulate the conducting of bingo, millionaire parties, and certain other forms of gambling; to provide for the conducting of charity games, raffles, and numeral games; to provide for exemptions from licensing requirements under certain circumstances; to impose certain duties and authority upon certain state departments, agencies, and officers; to provide a tax exemption; and to provide penalties,” by amending sections 3, 4a, and 12 (MCL 432.103, 432.104a, and 432.112), section 3 as amended by 2009 PA 41 and section 4a as added and section 12 as amended by 1999 PA 108.

The People of the State of Michigan enact:

Sec. 3. As used in this act:

(a) “Educational organization” means an organization within this state that is organized not for pecuniary profit, whose primary purpose is educational in nature and designed to develop the capabilities of individuals by instruction in any public or private elementary or secondary school that complies with the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or any private or public college or university that is organized not for pecuniary profit and that is approved by the state board of education.

(b) “Fraternal organization” means an organization within this state, other than a college fraternity or sorority, that meets all of the following criteria:

(i) Is organized not for pecuniary profit.

(ii) Is a branch, lodge, or chapter of a national or state organization or, only for the purpose of conducting a small raffle or a large raffle under this act, if not a branch, lodge, or chapter of a national or state organization, is exempt from taxation under section 501(c) of the internal revenue code of 1986, 26 USC 501.

(iii) Exists for the common purpose, brotherhood, or other interests of its members.

(c) “Licensee” means a person or qualified organization licensed under this act.

(d) “Member” means an individual who qualified for membership in a qualified organization under its bylaws, articles of incorporation, charter, rules, or other written statement.

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

(f) “Person” means a natural person, firm, association, corporation, or other legal entity.

(g) “Qualified organization” means, subject to subdivision (h), either of the following:

(i) A bona fide religious, educational, service, senior citizens, fraternal, or veterans’ organization that operates without profit to its members and that either has been in existence continuously as an organization for a period of 5 years or is exempt from taxation under section 501(c) of the internal revenue code of 1986, 26 USC 501.

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

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

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

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

(ii) A society of individuals that is organized not for pecuniary profit and that unites for religious purposes at a definite place.

(iii) A church related private school that is organized not for pecuniary profit.

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

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

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

(ii) A local civic organization that is organized not for pecuniary profit; that is not affiliated with a state or national organization; that is recognized by resolution adopted by the local governmental subdivision in which the organization conducts its principal activities; whose constitution, charter, articles of incorporation, or bylaws contain a provision for the perpetuation of the organization as a nonprofit organization; whose entire assets are used for charitable purposes; and whose constitution, charter, articles of incorporation, or bylaws contain a provision that all assets, real property, and personal property shall revert to the benefit of the local governmental subdivision that granted the resolution upon dissolution of the organization.

(l) "Veterans' organization" means an organization within this state, or a branch, lodge, or chapter within this state of a state organization or of a national organization chartered by the congress of the United States, that is organized not for pecuniary profit, the membership of which consists of individuals who were members of the armed services or armed forces of the United States. Veterans' organization includes an auxiliary of a veterans' organization that is a national organization chartered by the congress of the United States.

Sec. 4a. (1) Except as provided in subsections (2) and (3), if the commissioner determines that the applicant 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	\$ 150.00
(b) Small bingo	\$ 55.00
(c) Special bingo.....	\$ 25.00
(d) Millionaire party	\$ 50.00 per day
(e) Large raffle.....	\$ 50.00 per drawing date
(f) Small raffle:	
(i) One to 3 drawing dates	\$ 15.00
(ii) Four or more drawing dates.....	\$ 5.00 per drawing date
(g) Annual charity game.....	\$ 200.00
(h) Special charity game.....	\$ 15.00 per day
(i) Numeral game.....	\$ 15.00 per day

(2) Under extreme hardship conditions as determined by the commissioner, the commissioner may waive 1 or more requirements of a qualified organization described in section 3 to permit the licensing of a special bingo, millionaire party, or raffle, if all of the following conditions are met:

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

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

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

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

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

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

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

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

(4) Each event license issued to a qualified organization is valid for only the location included on the license.

(5) A license is not assignable or transferable.

(6) The licensee is responsible for ensuring that the events are conducted in compliance with this act and rules.

(7) A licensee shall only conduct events licensed under this act during the hours and on the day and date or dates stated on the license.

(8) In connection with an application for a small raffle license or a large raffle license, in determining whether a fraternal organization that is not a branch, lodge, or chapter of a national or state organization is a qualified organization, the commissioner shall only consider whether the organization meets requirements that are applicable under this act that are unrelated to whether the organization is a branch, lodge, or chapter of a national or state organization.

Sec. 12. (1) The bureau shall enforce and supervise the administration of this act. The commissioner shall employ personnel as necessary to implement this act.

(2) The bureau may select fraternal organizations that are not a branch, lodge, or chapter of a national or state organization to audit to ensure that the organizations are in compliance with this act.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Sam E. Randall

Clerk of the House of Representatives

Approved

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Governor