

HOUSE BILL No. 4960

September 4, 2013, Introduced by Reps. Farrington, Lane, Graves, MacGregor, Lauwers, Brunner, Yanez, Switalski, Schor and Irwin 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 2, 3, 3a, 4, 4a, 8, 9, 10, 11a, 11b, 11c,
12, 13, 14, 15, 16, 18, and 19 (MCL 432.102, 432.103, 432.103a,
432.104, 432.104a, 432.108, 432.109, 432.110, 432.111a, 432.111b,
432.111c, 432.112, 432.113, 432.114, 432.115, 432.116, 432.118,
and 432.119), sections 2 and 9 as amended by 2008 PA 401,
sections 3, 4a, and 12 as amended by 2012 PA 189, sections 3a, 8,
10, and 11b as amended by 2006 PA 427, sections 4, 13, 14, 15,
16, and 18 as amended and sections 11a and 11c as added by 1999
PA 108, and section 19 as amended by 1995 PA 263, and by adding
sections 7, 9a, 15a, 15b, and 15c and article 2; to designate
sections 1 to 20 as article 1; and to repeal acts and parts of
acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE 1

Sec. 2. As used in this act:

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

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

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

(D) "BINGO EQUIPMENT" MEANS AN AUTHORIZED ITEM THAT IS USED TO CONDUCT BINGO.

(E) "BOARD" MEANS THE MICHIGAN GAMING CONTROL BOARD CREATED BY SECTION 4 OF THE MICHIGAN GAMING CONTROL AND REVENUE ACT, 1996 IL 1, MCL 432.204.

(F) "BONA FIDE MEMBER" MEANS A MEMBER WHO PARTICIPATES IN THE ORGANIZATION TO FURTHER ITS LAWFUL PURPOSES.

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

(H) "CHARITABLE GAMING SERVICE PROVIDER" MEANS A PERSON LICENSED AS A CHARITABLE GAMING SERVICE PROVIDER UNDER SECTION 61.

(I) "CHARITABLE PURPOSE" MEANS 1 OR MORE OF THE FOLLOWING

1 CAUSES OR ACTIVITIES THAT ARE BENEFICIAL TO THE GENERAL PUBLIC:

2 (i) RELIEF OF POVERTY.

3 (ii) ADVANCEMENT OF EDUCATION.

4 (iii) ADVANCEMENT OF RELIGION.

5 (iv) PROTECTION OF HEALTH OR RELIEF FROM DISEASE, SUFFERING,
6 OR DISTRESS.

7 (v) ADVANCEMENT OF CIVIC, GOVERNMENTAL, OR MUNICIPAL
8 PURPOSES.

9 (vi) PROTECTION OF THE ENVIRONMENT AND CONSERVATION OF
10 WILDLIFE.

11 (vii) DEFENSE OF HUMAN RIGHTS AND THE ELIMINATION OF
12 PREJUDICE AND DISCRIMINATION.

13 (viii) ANY OTHER PURPOSE THAT THE COMMISSIONER OR DIRECTOR, AS
14 APPLICABLE, DETERMINES TO BE BENEFICIAL TO THE GENERAL PUBLIC.

15 (J) ~~(e)~~-"Charity game" means ~~the random resale of~~ AN EVENT
16 AT WHICH a series of charity game tickets ARE RANDOMLY RESOLD.

17 (K) ~~(f)~~-"Charity game ticket" means a ticket commonly
18 referred to as a break-open ticket or pull-tab that is approved
19 and acquired by the bureau and is distributed and sold by the
20 bureau or a ~~licensed~~ supplier to a qualified organization, a
21 portion of which is removed to discover whether the ticket is a
22 winning ticket. ~~and whether the purchaser may be awarded a prize.~~

23 (L) ~~(g)~~-"Commissioner" means the commissioner of state
24 lottery appointed under section 7 of the McCauley-Traxler-Law-
25 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.7.

26 ~~—(h) "Coverall pattern" means a pattern required to win a~~
27 ~~bingo game in which all numbers on a bingo card are required to~~

1 ~~be called.~~

2 (M) "DAY" MEANS THE STANDARD 24-HOUR PERIOD, EXCEPT THAT
3 WITH RESPECT TO THE ISSUANCE OF A LICENSE, DAY MEANS THE TIME
4 PERIOD FROM 8 A.M. OF 1 DAY TO 2 A.M. OF THE FOLLOWING DAY.

5 (N) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE BOARD,
6 APPOINTED UNDER SECTION 4 OF THE MICHIGAN GAMING CONTROL AND
7 REVENUE ACT, 1996 IL 1, MCL 432.204.

8 (O) "EDUCATIONAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
9 STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, WHOSE PRIMARY
10 PURPOSE IS EDUCATIONAL IN NATURE AND DESIGNED TO DEVELOP THE
11 CAPABILITIES OF INDIVIDUALS BY INSTRUCTION IN ANY PUBLIC OR
12 PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT COMPLIES WITH THE
13 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852, OR ANY
14 PRIVATE OR PUBLIC COLLEGE OR UNIVERSITY THAT IS ORGANIZED NOT FOR
15 PECUNIARY PROFIT AND THAT IS APPROVED BY THE STATE BOARD OF
16 EDUCATION.

17 (P) "EQUIPMENT" MEANS THE OBJECTS AND MECHANICAL,
18 ELECTROMECHANICAL, OR ELECTRONIC DEVICES USED TO DETERMINE OR
19 ASSIST IN DETERMINING THE WINNERS OF PRIZES AT EVENTS.

20 (Q) "EVENT" MEANS AN OCCASION OF BINGO GAMES, A MILLIONAIRE
21 PARTY, A RAFFLE, A CHARITY GAME, OR A NUMERAL GAME LICENSED UNDER
22 THIS ACT.

23 (R) "FRATERNAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
24 STATE, OTHER THAN A COLLEGE FRATERNITY OR SORORITY, THAT MEETS
25 ALL OF THE FOLLOWING CRITERIA:

26 (i) IS ORGANIZED NOT FOR PECUNIARY PROFIT.

27 (ii) IS A BRANCH, LODGE, OR CHAPTER OF A NATIONAL OR STATE

1 ORGANIZATION OR, ONLY FOR THE PURPOSE OF CONDUCTING A SMALL
2 RAFFLE OR A LARGE RAFFLE UNDER THIS ACT, IF NOT A BRANCH, LODGE,
3 OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION, IS EXEMPT FROM
4 TAXATION UNDER SECTION 501(C) OF THE INTERNAL REVENUE CODE OF
5 1986, 26 USC 501.

6 (iii) EXISTS FOR THE COMMON PURPOSE, BROTHERHOOD, OR OTHER
7 INTERESTS OF ITS MEMBERS.

8 (S) "GENERAL PUBLIC" MEANS SOCIETY AS A WHOLE OR ANY
9 CONSIDERABLE PART OF SOCIETY.

10 (T) "GROSS REVENUE" MEANS THE MONETARY VALUE RECEIVED BY THE
11 LICENSEE FOR ALL FEES CHARGED TO PARTICIPATE IN THE EVENT BEFORE
12 ANY DEDUCTIONS FOR PRIZES OR ANY OTHER EXPENSES.

13 Sec. 3. As used in this act:

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

23 ~~—— (b) "Fraternal organization" means an organization within~~
24 ~~this state, other than a college fraternity or sorority, that~~
25 ~~meets all of the following criteria:~~

26 ~~—— (i) Is organized not for pecuniary profit.~~

27 ~~—— (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.~~

(A) "LARGE BINGO" MEANS A SERIES OF BINGO OCCASIONS THAT OCCUR ON A REGULAR BASIS DURING WHICH THE TOTAL VALUE OF ALL PRIZES AWARDED FOR BINGO GAMES AT A SINGLE OCCASION DOES NOT EXCEED \$3,500.00 AND THE TOTAL VALUE OF ALL PRIZES AWARDED FOR 1 BINGO GAME DOES NOT EXCEED \$1,100.00, EXCEPT THAT A PRIZE AWARDED THROUGH A MICHIGAN PROGRESSIVE JACKPOT BINGO GAME IS NOT SUBJECT TO THESE LIMITATIONS.

(B) "LARGE RAFFLE" MEANS AN EVENT WHERE THE TOTAL VALUE OF ALL PRIZES AWARDED THROUGH RAFFLE DRAWINGS EXCEEDS \$500.00 PER OCCASION.

(C) "LAWFUL PURPOSE" MEANS 1 OR MORE OF THE AUTHORIZED PURPOSES STATED IN A QUALIFIED ORGANIZATION'S WRITTEN BYLAWS, CONSTITUTION, CHARTER, OR ARTICLES OF INCORPORATION THAT ARE ON FILE WITH THE BUREAU OF DIRECTOR, AS APPLICABLE.

(D) "LESSOR" MEANS A PERSON WHO RENTS A LOCATION TO A LICENSEE FOR THE PURPOSE OF CONDUCTING AN EVENT.

(E) ~~(e)~~ "Licensee" means a ~~person or~~ qualified organization licensed under this act.

(F) "LOCATION" MEANS A BUILDING, ENCLOSURE, PART OF A BUILDING OR ENCLOSURE, OR A DISTINCT PORTION OF REAL PROPERTY

1 THAT IS USED FOR THE PURPOSE OF CONDUCTING AN EVENT. LOCATION
 2 ALSO MEANS ALL COMPONENTS OR BUILDINGS THAT COMPOSE 1
 3 ARCHITECTURAL ENTITY OR THAT SERVE A UNIFIED FUNCTIONAL PURPOSE.

4 (G) "MANUFACTURER" MEANS A PERSON LICENSED UNDER SECTION 11C
 5 WHO MANUFACTURES NUMERAL GAME TICKETS FOR SALE TO SUPPLIERS FOR
 6 USE IN AN EVENT.

7 (H) ~~(d)~~ "Member" means an individual who qualified for
 8 membership in a qualified organization under its bylaws, articles
 9 of incorporation, charter, rules, or other written statement.

10 (I) ~~(e)~~ "Michigan national guard" and "military" mean those
 11 terms as defined in section 105 of the Michigan military act,
 12 1967 PA 150, MCL 32.505.

13 ~~—— (f) "Person" means a natural person, firm, association,~~
 14 ~~corporation, or other legal entity.~~

15 ~~—— (g) "Qualified organization" means, subject to subdivision~~
 16 ~~(h), either of the following:~~

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

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

27 ~~—— (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.~~

~~(I) "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.~~

(J) "MICHIGAN PROGRESSIVE JACKPOT" MEANS A BINGO GAME CONDUCTED IN CONJUNCTION WITH A LICENSED LARGE BINGO OCCASION IN WHICH THE VALUE OF THE PRIZE IS CARRIED FORWARD TO THE NEXT BINGO OCCASION IF NO PLAYER WINS IN A PREDETERMINED NUMBER 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

1 PRESCRIBED BY THE COMMISSIONER.

2 (K) "MILLIONAIRE PARTY" MEANS AN EVENT AT WHICH WAGERS ARE
3 PLACED ON GAMES OF CHANCE CUSTOMARILY ASSOCIATED WITH A GAMBLING
4 CASINO AND DESCRIBED IN SECTION 10A THROUGH THE USE OF IMITATION
5 MONEY OR CHIPS THAT HAVE A NOMINAL VALUE EQUAL TO OR GREATER THAN
6 THE VALUE OF THE CURRENCY FOR WHICH THEY CAN BE EXCHANGED.

7 (L) "MILLIONAIRE PARTY EQUIPMENT" MEANS ANY AUTHORIZED ITEM
8 THAT IS USED TO CONDUCT AN AUTHORIZED GAME AT A MILLIONAIRE
9 PARTY.

10 (M) "NUMERAL GAME" MEANS AN EVENT AT WHICH A SERIES OF
11 NUMERAL GAME TICKETS ARE RANDOMLY RESOLD.

12 (N) "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, SO THAT ON
15 BREAKING THE PAPER THAT BANDS THE FOLDING STRIP THE PURCHASER
16 DISCOVERS WHETHER THE TICKET IS A WINNING TICKET.

17 (O) "OCCASION" MEANS THE HOURS OF THE DAY FOR WHICH A
18 LICENSE IS ISSUED.

19 Sec. 3a. ~~(1) "Equipment" means the objects and mechanical or~~
20 ~~electromechanical devices used to determine or assist in~~
21 ~~determining the winners of prizes at events licensed under this~~
22 ~~act.~~

23 ~~—— (2) "Event" means each occasion of a bingo, millionaire~~
24 ~~party, raffle, charity game, or numeral game licensed under this~~
25 ~~act.~~

26 ~~—— (3) "Large bingo" means a series of bingo occasions that~~
27 ~~occur on a regular basis during which the total value of all~~

~~prizes awarded through bingo at a single occasion does not exceed \$3,500.00 and the total value of all prizes awarded for 1 game does not exceed \$1,100.00, except that a prize awarded through a Michigan progressive jackpot bingo game is not subject to these limitations.~~

~~———— (4) "Large raffle" means an event where the total value of all prizes awarded through raffle drawings exceed \$500.00 per occasion.~~

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

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

~~———— (7) "Michigan progressive jackpot" means a bingo game conducted in conjunction with a licensed large bingo occasion, where the value of the prize is carried forward to the next bingo occasion if no player bingos in a predetermined number 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.~~

~~———— (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.~~

~~———— (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.~~

~~———— (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.~~

~~———— (11) "Occasion" means the hours of the day for which a license is issued.~~ **AS USED IN THIS ACT:**

(A) "PERSON" MEANS AN INDIVIDUAL, FIRM, ASSOCIATION, CORPORATION, OR OTHER LEGAL ENTITY.

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

(C) ~~(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 material given away by a qualified organization in accordance with rules promulgated under this act.

(D) "QUALIFIED ORGANIZATION" MEANS, SUBJECT TO SUBDIVISION

1 (E), EITHER OF THE FOLLOWING:

2 (i) A BONA FIDE RELIGIOUS, EDUCATIONAL, SERVICE, SENIOR
3 CITIZENS, FRATERNAL, OR VETERANS' ORGANIZATION THAT OPERATES
4 WITHOUT PROFIT TO ITS MEMBERS AND THAT EITHER HAS BEEN IN
5 EXISTENCE CONTINUOUSLY AS AN ORGANIZATION FOR A PERIOD OF 5 YEARS
6 OR IS EXEMPT FROM TAXATION UNDER 26 USC 501(C).

7 (ii) ONLY FOR THE PURPOSE OF CONDUCTING A SMALL RAFFLE OR A
8 LARGE RAFFLE UNDER THIS ACT, A COMPONENT OF THE MILITARY OR THE
9 MICHIGAN NATIONAL GUARD WHOSE MEMBERS ARE IN ACTIVE SERVICE OR
10 ACTIVE STATE SERVICE.

11 (E) "QUALIFIED ORGANIZATION" DOES NOT INCLUDE A CANDIDATE
12 COMMITTEE, POLITICAL COMMITTEE, POLITICAL PARTY COMMITTEE, BALLOT
13 QUESTION COMMITTEE, INDEPENDENT COMMITTEE, OR ANY OTHER COMMITTEE
14 AS DEFINED BY, AND ORGANIZED UNDER, THE MICHIGAN CAMPAIGN FINANCE
15 ACT, 1976 PA 388, MCL 169.201 TO 169.282.

16 (F) "RAFFLE" MEANS AN EVENT FOR WHICH RAFFLE TICKETS ARE
17 SOLD AND AT WHICH A WINNER OR WINNERS ARE DETERMINED, EITHER BY
18 RANDOMLY SELECTING STUBS FROM ALL OF THE RAFFLE TICKETS SOLD FOR
19 AN EVENT OR BY AN ALTERNATIVE METHOD THAT IS APPROVED IN WRITING
20 BY THE BOARD, AND A PREANNOUNCED PRIZE IS AWARDED.

21 (G) "RELIGIOUS ORGANIZATION" MEANS ANY OF THE FOLLOWING:

22 (i) AN ORGANIZATION, CHURCH, BODY OF COMMUNICANTS, OR GROUP
23 IN THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT AND THAT
24 GATHERS IN COMMON MEMBERSHIP FOR MUTUAL SUPPORT AND EDIFICATION
25 IN PIETY, WORSHIP, AND RELIGIOUS OBSERVANCES.

26 (ii) A SOCIETY OF INDIVIDUALS IN THIS STATE THAT IS ORGANIZED
27 NOT FOR PECUNIARY PROFIT AND THAT UNITES FOR RELIGIOUS PURPOSES

1 AT A DEFINITE PLACE.

2 (iii) A CHURCH-RELATED PRIVATE SCHOOL IN THIS STATE THAT IS
3 ORGANIZED NOT FOR PECUNIARY PROFIT.

4 (H) "RETAIL VALUE" MEANS THE PRICE AT WHICH A MERCHANDISE
5 ITEM CAN NORMALLY BE FOUND FOR PURCHASE AT A RETAIL OUTLET. FOR A
6 MERCHANDISE ITEM THAT IS NOT NORMALLY SOLD THROUGH A RETAIL
7 OUTLET, RETAIL VALUE MEANS THE PRICE AT WHICH THE ITEM NORMALLY
8 IS SOLD IN THE SECONDARY MARKET OR THE PRICE THAT A REASONABLE
9 SELLER WOULD ASK AND THAT A REASONABLE PURCHASER WOULD PAY FOR
10 THE ITEM.

11 (I) "SENIOR CITIZENS ORGANIZATION" MEANS AN ORGANIZATION IN
12 THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, THAT
13 CONSISTS OF AT LEAST 15 MEMBERS WHO ARE 60 YEARS OF AGE OR OLDER,
14 AND THAT EXISTS FOR THEIR MUTUAL SUPPORT AND FOR THE ADVANCEMENT
15 OF THE CAUSES OF ELDERLY OR RETIRED PERSONS.

16 (J) "SERVICE ORGANIZATION" MEANS EITHER OF THE FOLLOWING:

17 (i) A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A NATIONAL
18 OR STATE ORGANIZATION THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT
19 AND THAT IS AUTHORIZED BY ITS WRITTEN CONSTITUTION, CHARTER,
20 ARTICLES OF INCORPORATION, OR BYLAWS TO ENGAGE IN A FRATERNAL,
21 CIVIC, OR SERVICE PURPOSE IN THIS STATE.

22 (ii) A LOCAL CIVIC ORGANIZATION IN THIS STATE THAT IS
23 ORGANIZED NOT FOR PECUNIARY PROFIT; THAT IS NOT AFFILIATED WITH A
24 STATE OR NATIONAL ORGANIZATION; THAT IS RECOGNIZED BY RESOLUTION
25 ADOPTED BY THE LOCAL GOVERNMENTAL SUBDIVISION IN WHICH THE
26 ORGANIZATION CONDUCTS ITS PRINCIPAL ACTIVITIES; WHOSE
27 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS

1 CONTAIN A PROVISION FOR THE PERPETUATION OF THE ORGANIZATION AS A
 2 NONPROFIT ORGANIZATION; WHOSE ENTIRE ASSETS ARE USED FOR
 3 CHARITABLE PURPOSES; AND WHOSE CONSTITUTION, CHARTER, ARTICLES OF
 4 INCORPORATION, OR BYLAWS CONTAIN A PROVISION THAT ALL ASSETS,
 5 REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE BENEFIT
 6 OF THE LOCAL GOVERNMENTAL SUBDIVISION THAT GRANTED THE RESOLUTION
 7 OR ANOTHER NONPROFIT ORGANIZATION ON DISSOLUTION OF THE
 8 ORGANIZATION.

9 ~~—— (14) "Single gathering" means 1 scheduled assembly or~~
 10 ~~meeting with a specified beginning and ending time that is~~
 11 ~~conducted or sponsored by the qualified organization. Single~~
 12 ~~gathering does not include the regular operating hours of a club~~
 13 ~~or similar facility and does not include a meeting conducted~~
 14 ~~solely for the purpose of conducting a raffle.~~

15 (K) ~~(15)~~ "Small bingo" means a series of bingo occasions
 16 that occur on a regular basis during which the total value of all
 17 prizes awarded ~~through~~ **FOR** bingo **GAMES** at a single occasion does
 18 not exceed \$300.00 and the total value of all prizes awarded for
 19 a single bingo game does not exceed \$25.00.

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

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

1 (N) ~~(18)~~—"Supplier" means a person licensed under this act
2 to rent, sell, or lease equipment or to sell charity game or
3 numeral game tickets to qualified organizations licensed under
4 this act.

5 (O) "TERMS OF PROBATION" MEANS CONDITIONS ESTABLISHED AT THE
6 DISCRETION OF THE BUREAU OR DIRECTOR, AS APPLICABLE, THAT THE
7 LICENSEE MUST COMPLY WITH WHILE THE LICENSEE IS ON PROBATION
8 UNDER THIS ACT.

9 (P) "VETERANS' ORGANIZATION" MEANS AN ORGANIZATION IN THIS
10 STATE, OR A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A STATE
11 ORGANIZATION OR OF A NATIONAL ORGANIZATION CHARTERED BY THE
12 CONGRESS OF THE UNITED STATES, THAT IS ORGANIZED NOT FOR
13 PECUNIARY PROFIT, THE MEMBERSHIP OF WHICH CONSISTS OF INDIVIDUALS
14 WHO WERE MEMBERS OF THE ARMED SERVICES OR ARMED FORCES OF THE
15 UNITED STATES. VETERANS' ORGANIZATION INCLUDES AN AUXILIARY OF A
16 VETERANS' ORGANIZATION THAT IS A NATIONAL ORGANIZATION CHARTERED
17 BY THE CONGRESS OF THE UNITED STATES.

18 (Q) "WEEK" MEANS A PERIOD OF 7 DAYS BEGINNING WITH SUNDAY
19 AND ENDING WITH SATURDAY.

20 (R) "WORKER" MEANS A PERSON WHO ASSISTS OR PARTICIPATES IN
21 THE MANAGEMENT, CONDUCT, OR OPERATION OF A MILLIONAIRE PARTY.
22 WORKER DOES NOT INCLUDE A PERSON EMPLOYED BY OR AN AGENT OF A
23 LESSOR OR CHARITABLE GAMING SERVICE PROVIDER.

24 Sec. 4. (1) ~~Each~~ ~~AN~~ applicant for a license to conduct a
25 bingo **EVENT**, ~~millionaire party~~, raffle, charity game, or numeral
26 game shall submit to the bureau a written application on a form
27 prescribed by the commissioner.

1 (2) The application **UNDER SUBSECTION (1)** shall include all
2 of the following:

3 (a) The name and address of the applicant organization.

4 (b) The name and address of each officer of the applicant
5 organization.

6 (c) The location at which the applicant will conduct the
7 event.

8 (d) The day or dates of the event.

9 (e) The member or members of the applicant organization who
10 will be responsible for the conduct of the event.

11 (f) Sufficient facts relating to the applicant's
12 incorporation or organization to enable the commissioner to
13 determine whether the applicant is a qualified organization.

14 (g) A sworn statement attesting to the nonprofit status of
15 the applicant organization, signed by the principal officer of
16 ~~that~~ **THE** organization.

17 (h) Other information the commissioner considers necessary.

18 (3) **IF AN APPLICANT UNDER SUBSECTION (1) IS A SERVICE**
19 **ORGANIZATION, THE APPLICANT SHALL PROVIDE PROOF THAT ITS BYLAWS,**
20 **CONSTITUTION, OR ARTICLES OF INCORPORATION OR THE BYLAWS OR**
21 **CONSTITUTION OF ITS PARENT ORGANIZATION INCLUDES A STATEMENT OF**
22 **DISSOLUTION STATING THAT ON DISSOLUTION OF THE QUALIFYING**
23 **ORGANIZATION ALL ASSETS THAT REMAIN, AFTER SATISFYING THE**
24 **ORGANIZATION'S DEBTS, ARE TO BE DISTRIBUTED TO THE LOCAL**
25 **GOVERNMENT IN WHICH THE PRINCIPAL PLACE OF BUSINESS OF THE**
26 **ORGANIZATION IS LOCATED OR TO ANOTHER NONPROFIT ORGANIZATION.**

27 (4) **AN APPLICANT UNDER SUBSECTION (1) SHALL DISCLOSE TO THE**

1 BUREAU WHETHER ANY OFFICER OR AGENT OF THE APPLICANT, BEFORE OR
2 DURING THE APPLICATION PROCESS, HAS BEEN CONVICTED OF, FORFEITED
3 BOND ON A CHARGE OF, OR PLED GUILTY TO ANY OF THE FOLLOWING:

4 (A) A FELONY.

5 (B) A GAMBLING OFFENSE.

6 (C) CRIMINAL FRAUD.

7 (D) FORGERY.

8 (E) LARCENY.

9 (F) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

10 (5) AS PART OF AN APPLICATION UNDER THIS SECTION, AN
11 APPLICANT SHALL STATE THAT IF A LICENSE IS ISSUED, THE APPLICANT
12 AGREES TO ALL OF THE FOLLOWING TERMS AND CONDITIONS:

13 (A) THAT THE APPLICANT IS BOUND BY AND WILL COMPLY WITH THIS
14 ACT, INCLUDING SECTION 7.

15 (B) THAT THE APPLICANT WILL NOT ASSIGN OR TRANSFER THE
16 GAMING LICENSE.

17 (C) THAT THE APPLICANT WILL MAINTAIN CURRENT AND ACCURATE
18 RECORDS OF ALL OPERATIONS IN CONJUNCTION WITH THE EVENT AS
19 REQUIRED BY THIS ACT.

20 (D) THAT THE APPLICANT WILL CONDUCT THE EVENT IN ACCORDANCE
21 WITH THE INFORMATION SUBMITTED ON THE APPLICATION.

22 (E) THAT THE APPLICANT WILL CONDUCT THE EVENT ONLY ON THE
23 DAY OR DAYS OF THE WEEK AND DATE OR DATES AND AT THE TIME AND
24 SPECIFIC LOCATION IN THIS STATE STATED ON THE LICENSE.

25 (F) THAT THE APPLICANT WILL IMMEDIATELY REPORT IN WRITING TO
26 THE BUREAU ANY CHANGE IN THE INFORMATION STATED IN OR THAT
27 ACCOMPANIES THE APPLICATION.

(G) THAT THE APPLICANT WILL HOLD THE BUREAU AND THIS STATE HARMLESS FROM ANY LIABILITY ARISING FROM THE EVENT, INCLUDING, BUT NOT LIMITED TO, LEGAL EXPENSES.

(6) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY REPORT IN WRITING TO THE BUREAU ANY CHANGES TO THE INFORMATION PROVIDED IN OR ACCOMPANYING AN APPLICATION UNDER THIS SECTION.

(7) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY SUBMIT A COPY OF THE APPROPRIATE AMENDED DOCUMENT TO THE BUREAU IF THERE IS A CHANGE IN ANY OF THE FOLLOWING:

(A) THE APPLICANT'S CONSTITUTION.

(B) THE APPLICANT'S BYLAWS.

(C) THE APPLICANT'S ARTICLES OF INCORPORATION.

(D) ANY OTHER QUALIFICATION DOCUMENT PREVIOUSLY SUBMITTED.

(E) THE FEDERAL TAX-EXEMPT STATUS OF THE APPLICANT.

(8) THE BUREAU, AT ITS DISCRETION, MAY REQUIRE AN APPLICANT THAT WAS PREVIOUSLY LICENSED UNDER THIS ARTICLE TO SUBMIT UPDATED INFORMATION TO ASSURE THAT THE APPLICANT CONTINUES TO BE A QUALIFIED ORGANIZATION.

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.....	\$ 150.00

1	(b)	Small bingo.....	\$ 55.00
2	(c)	Special bingo.....	\$ 25.00
3	(d)	Millionaire party.....	\$ 50.00 per day
4	(D) (e)	Large raffle.....	\$ 50.00 per
5			drawing date
6	(E) (f)	Small raffle:	
7	(i)	One to 3 drawing dates.....	\$ 15.00
8	(ii)	Four or more drawing dates.....	\$ 5.00 per
9			drawing date
10	(F) (g)	Annual charity game.....	\$ 200.00
11	(G) (h)	Special charity game.....	\$ 15.00 per day
12	(H) (i)	Numeral game.....	\$ 15.00 per day

13 (2) Under extreme hardship conditions as determined by the
14 commissioner, the commissioner may waive 1 or more requirements
15 ~~of~~ **FOR A PERSON TO BE** a qualified organization ~~described in~~
16 ~~section 3~~ **UNDER SECTION 3A(D)** to permit the licensing of a
17 special bingo , ~~millionaire party~~, **EVENT** or raffle, if all of the
18 following conditions are met:

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

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

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

27 (d) The organization complies with all other **APPLICABLE**
28 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~~, **EVENT** 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 **APPLICABLE** provisions of this act and the rules promulgated under this act.

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

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

(6) ~~The~~ **A** licensee ~~is responsible for ensuring~~ **SHALL ENSURE** that the events **CONDUCTED UNDER A LICENSE ISSUED UNDER THIS SECTION** are conducted in compliance with **THE APPLICABLE PROVISIONS OF** this act and rules **PROMULGATED UNDER THIS ACT**.

(7) ~~A~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A** licensee shall only conduct events licensed under this ~~act~~ **SECTION** during the hours and on the day and date or dates stated on the license.

1 (8) THE COMMISSIONER SHALL NOT ISSUE A LICENSE UNDER THIS
2 SECTION UNLESS THE PRINCIPAL OFFICER OF THE QUALIFIED
3 ORGANIZATION IS 18 YEARS OF AGE OR OLDER.

4 (9) THE COMMISSIONER SHALL CONSIDER ALL OF THE FOLLOWING
5 FACTORS WHEN REVIEWING AN APPLICATION FOR A LICENSE UNDER THIS
6 SECTION:

7 (A) THE HONESTY AND INTEGRITY OF THE APPLICANT.

8 (B) THE VERACITY AND ACCURACY OF ANY INFORMATION SUPPLIED BY
9 THE APPLICANT.

10 (C) ANY INDEBTEDNESS OF THE APPLICANT TO A LOCAL, STATE, OR
11 FEDERAL GOVERNMENTAL AGENCY.

12 (D) ANY PENDING LAWSUIT OR BANKRUPTCY PROCEEDING INVOLVING
13 THE APPLICANT.

14 (E) THE APPLICANT'S CURRENT OR PAST HISTORY OF COMPLIANCE
15 WITH THIS ACT, INCLUDING SECTION 7.

16 (F) ANY CRIMINAL CONVICTION OF AN OFFICER OR AGENT OF THE
17 APPLICANT FOR ANY OF THE FOLLOWING OFFENSES:

18 (i) A VIOLATION OF THIS ACT.

19 (ii) A FELONY.

20 (iii) A GAMBLING OFFENSE.

21 (iv) CRIMINAL FRAUD.

22 (v) FORGERY.

23 (vi) LARCENY.

24 (vii) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

25 (G) ANY OTHER INFORMATION CONSIDERED ADVISABLE BY THE
26 COMMISSIONER.

27 (10) THE COMMISSIONER SHALL CONSIDER ALL OF THE FOLLOWING

1 WHEN DETERMINING WHETHER AN APPLICANT QUALIFIES AS A BRANCH,
2 LODGE, OR CHAPTER:

3 (A) A CHARTER OR SIMILAR DOCUMENT ISSUED BY THE NATIONAL OR
4 STATE ORGANIZATION ON ACCEPTANCE OF THE APPLICANT AS A BRANCH,
5 LODGE, OR CHAPTER.

6 (B) CONDITIONS ESTABLISHED BY THE NATIONAL OR STATE
7 ORGANIZATION FOR THE REVOCATION OR SUSPENSION OF THE CHARTER OR
8 RELATIONSHIP WITH THE APPLICANT.

9 (C) DUES OR FINANCIAL SUPPORT SUBMITTED TO THE NATIONAL OR
10 STATE ORGANIZATION BY THE APPLICANT.

11 (D) THE DEGREE OF CONTROL EXERTED BY THE NATIONAL OR STATE
12 ORGANIZATION OVER THE ACTIVITIES OF THE APPLICANT.

13 (E) OVERSIGHT AND CONTROL, INCLUDING THE AUDITING OF
14 FINANCIAL RECORDS, PROVIDED BY THE NATIONAL OR STATE ORGANIZATION
15 OVER THE FINANCIAL AFFAIRS OF THE APPLICANT.

16 (F) WHETHER STANDARD BYLAWS WERE ADOPTED BY THE APPLICANT OR
17 WHETHER BYLAWS WERE SUBMITTED TO THE NATIONAL OR STATE
18 ORGANIZATION FOR APPROVAL.

19 (G) APPOINTED OR ELECTED OFFICERS OF THE APPLICANT WHO ARE
20 RESPONSIBLE FOR THE ACTIVITIES OF THE APPLICANT.

21 (H) THE ABILITY OF THE APPLICANT, BY EXERCISING VOTING
22 PRIVILEGES OR OTHERWISE, TO INFLUENCE ACTIVITIES OF THE STATE OR
23 NATIONAL ORGANIZATION.

24 (11) ~~(8)~~—In connection with an application for a small
25 raffle license or a large raffle license, in determining whether
26 a fraternal organization that is not a branch, lodge, or chapter
27 of a national or state organization is a qualified organization,

1 the commissioner shall only consider whether the organization
2 meets requirements that are applicable under this act that are
3 unrelated to whether the organization is a branch, lodge, or
4 chapter of a national or state organization.

5 (12) THE COMMISSIONER MAY ALLOW A CHANGE IN THE LOCATION,
6 DAY, DATE, OR TIME OF AN EVENT UNDER A LICENSE ISSUED UNDER THIS
7 SECTION OR MAY ISSUE A DUPLICATE LICENSE. TO CHANGE THE LOCATION,
8 DAY, DATE, OR TIME OF AN EVENT, A LICENSEE SHALL SUBMIT A REQUEST
9 TO THE BUREAU IN WRITING WITH A NONREFUNDABLE \$35.00 FEE AT LEAST
10 20 DAYS BEFORE THE EVENT OR, IF THE REQUEST IS TO CHANGE THE DATE
11 OF THE EVENT, BEFORE THE PROPOSED NEW DATE.

12 (13) IF A SPECIAL BINGO EVENT, LARGE RAFFLE, SMALL RAFFLE,
13 CHARITY GAME, OR NUMERAL GAME CANNOT BE HELD ON THE DATE IN THE
14 LICENSE BECAUSE OF INCLEMENT WEATHER OR OTHER EMERGENCY
15 CONDITIONS, THE LICENSEE MAY SUBMIT A REQUEST FOR A NEW DATE IN
16 WRITING TO THE BUREAU.

17 (14) A LICENSEE UNDER THIS SECTION SHALL NOTIFY THE BUREAU
18 IN WRITING AT LEAST 10 DAYS BEFORE A PLANNED CANCELLATION OF AN
19 EVENT.

20 (15) THE COMMISSIONER SHALL ESTABLISH CRITERIA UNDER WHICH A
21 QUALIFIED ORGANIZATION MAY RECEIVE AN EXPEDITED LICENSE UNDER
22 THIS SECTION AND ESTABLISH A FEE STRUCTURE FOR EXPEDITED
23 LICENSES. A FEE FOR AN EXPEDITED LICENSE SHALL NOT EXCEED 150% OF
24 THE STANDARD LICENSE FEE.

25 (16) IF A LICENSE APPLICATION UNDER THIS SECTION IS CANCELED
26 OR DENIED, THE BUREAU MAY RETAIN A PORTION OF THE FEE SUBMITTED
27 TO COVER PROCESSING COSTS.

1 SEC. 7. A LICENSEE UNDER THIS ACT SHALL COMPLY WITH ALL OF
2 THE FOLLOWING:

3 (A) THIS ACT.

4 (B) RULES PROMULGATED UNDER THIS ACT.

5 (C) ANY TERMS OF PROBATION.

6 (D) DIRECTIVES OF THE BUREAU, IF THE LICENSE IS ISSUED UNDER
7 THIS ARTICLE, OR OF THE DIRECTOR, IF THE LICENSE IS ISSUED UNDER
8 ARTICLE 2.

9 (E) PUBLIC POLICY OF THIS STATE.

10 (F) ALL OTHER APPLICABLE FEDERAL, STATE, OR LOCAL LAW,
11 REGULATIONS, RULES, AND ORDINANCES.

12 Sec. 8. (1) All fees and revenue collected by the
13 commissioner or bureau under this act shall be paid into the
14 state lottery fund **CREATED UNDER SECTION 41 OF THE MCCAULEY-**
15 **TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT, 1972 PA 239, MCL 432.41.**

16 All necessary expenses incurred by the bureau in the
17 administration and enforcement of any activity authorized by this
18 act and in the initiation, implementation, and ongoing operation
19 of any activity authorized by this act shall be financed from the
20 state lottery fund. The amount of these necessary expenses shall
21 not exceed the amount of revenues received from the sale of
22 charity game tickets and all fees collected under this act **BY THE**
23 **COMMISSIONER OR THE BUREAU.** At the end of each fiscal year all
24 money, including interest, in the state lottery fund ~~which~~-**THAT**
25 is attributable to fees and revenue collected under this act **BY**
26 **THE COMMISSIONER OR THE BUREAU** but ~~which~~-**THAT** has not been
27 expended under this section shall be deposited in the state

1 general fund.

2 (2) ALL FEES AND REVENUE COLLECTED BY THE DIRECTOR OR BOARD
3 UNDER THIS ACT SHALL BE PAID INTO THE STATE LOTTERY FUND CREATED
4 UNDER SECTION 41 OF THE MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY
5 LOTTERY ACT, 1972 PA 239, MCL 432.41. ALL NECESSARY EXPENSES
6 INCURRED BY THE DIRECTOR OR BOARD IN THE ADMINISTRATION AND
7 ENFORCEMENT OF ANY ACTIVITY AUTHORIZED BY THIS ACT AND IN THE
8 INITIATION, IMPLEMENTATION, AND ONGOING OPERATION OF ANY ACTIVITY
9 AUTHORIZED BY THIS ACT SHALL BE FINANCED FROM THE STATE LOTTERY
10 FUND. THE AMOUNT OF THESE NECESSARY EXPENSES SHALL NOT EXCEED THE
11 AMOUNT OF THE FEES COLLECTED UNDER THIS ACT BY THE DIRECTOR OR
12 THE BOARD. AT THE END OF EACH FISCAL YEAR ALL MONEY, INCLUDING
13 INTEREST, IN THE STATE LOTTERY FUND THAT IS ATTRIBUTABLE TO FEES
14 AND REVENUE COLLECTED UNDER THIS ACT BY THE DIRECTOR OR THE BOARD
15 BUT THAT HAS NOT BEEN EXPENDED UNDER THIS SECTION SHALL BE
16 DEPOSITED IN THE STATE GENERAL FUND.

17 Sec. 9. (1) Except as provided in subsection (2), the entire
18 net proceeds of an event CONDUCTED UNDER A LICENSE ISSUED UNDER
19 THIS ARTICLE shall be devoted exclusively to the lawful purposes
20 of the licensee. THE NET PROCEEDS FROM AN EVENT SHALL NOT BE USED
21 FOR THE BENEFIT OF AN INDIVIDUAL OR A MEMBER OR SHAREHOLDER OF
22 THE LICENSEE EXCEPT TO DIRECTLY FURTHER THE LAWFUL PURPOSES OF
23 THE LICENSEE. A licensee shall not incur or pay an item of
24 expense in connection with ~~the~~ holding, operating, or conducting
25 ~~of an event~~ except the following expenses in ~~reasonable~~ amounts
26 THAT THE COMMISSIONER DETERMINES TO BE REASONABLE:

27 (a) The purchase or rental of equipment necessary for

conducting an event and payment of services reasonably necessary for the repair of equipment.

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

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

(d) Janitorial services.

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

(f) Other reasonable expenses incurred by the licensee, not inconsistent with this act, as permitted by rule of the commissioner.

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

SEC. 9A. A LICENSEE UNDER THIS ARTICLE SHALL DESIGNATE AN OFFICER OF THE LICENSEE TO BE RESPONSIBLE FOR ALL OF THE FOLLOWING:

(A) ENSURING THAT THERE IS FULL ACCOUNTABILITY FOR ALL GAMING ASSETS, INCLUDING, BUT NOT LIMITED TO, CASH, PRIZES, BINGO CARDS, RAFFLE TICKETS, CHARITY GAME TICKETS, NUMERAL GAME TICKETS, AND ALL MONEY DERIVED FROM THE EVENT.

(B) ENSURING THAT THE EVENT IS CONDUCTED IN ACCORDANCE WITH THIS ACT, INCLUDING SECTION 7.

(C) ENSURING THAT ALL RECORDS RELATED TO THE EVENT ARE

1 CURRENT AND ACCURATE.

2 (D) REVIEWING ALL REPORTS AND CORRESPONDENCE FROM THE
3 BUREAU.

4 (E) SIGNING AND ENSURING THAT FINANCIAL STATEMENTS FROM THE
5 EVENT ARE SUBMITTED TO THE BUREAU AS REQUIRED UNDER THIS ACT.

6 (F) RESPONDING IN WRITING TO VIOLATION NOTICES UNDER THIS
7 ACT.

8 (G) ENSURING THAT ALL INDIVIDUALS WHO PARTICIPATE IN
9 CONDUCTING THE EVENT ARE QUALIFIED TO DO SO.

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

12 (2) A person shall not receive any commission, salary, pay,
13 profit, or wage for participating in the management or operation
14 of **A bingo EVENT**, ~~a millionaire party~~, a raffle, or a charity
15 game except as provided by rule promulgated under this act.

16 (3) Except by special permission of the commissioner, a
17 licensee shall conduct bingo ~~or a millionaire party~~ **GAMES** only
18 with equipment that it owns, uses under a bureau-approved rental
19 contract, or is purchasing or renting at a reasonable rate from a
20 supplier.

21 (4) A licensee shall not advertise **A bingo EVENT** except to
22 the extent and in the manner permitted by rule promulgated under
23 this act. If the commissioner permits a licensee to advertise **A**
24 bingo **EVENT**, the licensee shall indicate in the advertisement the
25 purposes for which the net proceeds will be used by the licensee.

26 ~~—— (5) The holder of a millionaire party license shall not~~
27 ~~advertise the event, except to the extent and in the manner~~

~~permitted by rule promulgated under this act. If the commissioner permits a licensee to advertise the event, the licensee shall indicate in the advertising the purposes for which the net proceeds will be used by the licensee.~~

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

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

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

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

(5) To increase the number of large or small bingo occasions conducted under a bingo hall ~~licensee's~~ **LICENSE, WHETHER AN** original **LICENSE** or ~~renewal application, a hall licensee~~ **A RENEWED LICENSE, THE LICENSE HOLDER** shall submit a written request on a form provided by the commissioner ~~, plus~~ **AND** an additional \$50.00 for each large or small bingo occasion that will be conducted during the ~~7-day week that is~~ in addition to

1 the number of ~~these~~ occasions calculated under subsection (4).

2 Sec. 11b. (1) ~~Each~~**AN** applicant for a license or renewal of
3 a license to operate as a supplier of equipment, charity game
4 tickets, or numeral game tickets to qualified organizations
5 licensed under this act shall submit a written application to the
6 bureau on a form prescribed by the commissioner.

7 (2) ~~The~~**AN** applicant **UNDER THIS SECTION** shall pay an annual
8 license fee of \$300.00 at the time of the application.

9 (3) A supplier's license expires at 12 midnight on September
10 30 of each year.

11 (4) The commissioner shall require suppliers authorized to
12 sell charity game tickets, numeral game tickets, or both, to post
13 a performance bond of not less than \$50,000.00 and not greater
14 than \$1,000,000.00.

15 (5) A supplier shall remit to the bureau an amount equal to
16 the qualified organization's purchase price of the charity game
17 tickets less an amount that shall not be less than the sum of
18 \$.008 for each ticket sold plus 1.0% of the total resale value
19 for all charity game tickets sold.

20 (6) For each numeral game sold, the supplier shall issue to
21 the licensed organization an invoice listing the manufacturer and
22 serial number of each game.

23 (7) ~~The~~**A SUPPLIER SHALL COLLECT A** fee ~~collected by a~~
24 ~~supplier from the~~**A** qualified organization for each game of
25 numeral tickets sold ~~shall be~~**THAT EQUALS** \$5.00 per 1,000 tickets
26 or any portion of 1,000 tickets.

27 (8) ~~The~~**A SUPPLIER SHALL REMIT THE** fees collected ~~by the~~

~~supplier for each numeral game sold shall be remitted to the~~
~~bureau~~ **UNDER SUBSECTION (7) TO THE BUREAU** by the fifteenth day of
the month following the month in which the numeral game is sold.
~~A~~ **THE COMMISSIONER MAY ASSESS A** late fee of 25% of the amount due
~~may be assessed by the commissioner against any~~ **A** supplier who
fails to remit the fees by the required filing date.

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

(10) A person who is directly or indirectly connected to the
sale, rental, or distribution of bingo ~~or millionaire party~~
equipment, or the sale of charity game tickets or numeral game
tickets, or a person residing in the same household as the
supplier shall not be involved directly or indirectly with the
rental or leasing of a facility used for an event.

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

Sec. 11c. (1) ~~Each~~ **AN** applicant for a license or renewal of
a license to act as a manufacturer shall submit to the bureau a
written application on a form prescribed by the commissioner.

(2) The annual **MANUFACTURER'S** license fee ~~shall be~~ **IS**
\$300.00.

(3) ~~The~~ **A MANUFACTURER'S** license expires at 12 midnight on
June 30 of each year.

(4) Only numeral games and numeral game tickets approved by

1 the commissioner may be distributed to suppliers within this
2 state.

3 (5) All records supporting the sale of numeral game tickets
4 to suppliers shall be available upon request to an authorized
5 representative of the bureau for inspection or audit and shall be
6 kept by the manufacturer for not less than the calendar year in
7 which the sale is made plus 3 additional years.

8 (6) ~~Each~~**A** manufacturer shall submit to the bureau a report
9 as required by the commissioner regarding the sale of numeral
10 **GAME** tickets to suppliers.

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

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

18 Sec. 13. The commissioner shall promulgate rules pursuant to
19 the administrative procedures act of 1969, 1969 PA 306, MCL
20 24.201 to 24.328, to implement this ~~act~~**ARTICLE**.

21 Sec. 14. (1) ~~Each~~**A** licensee **UNDER THIS ARTICLE** shall keep a
22 record of each event as required by the commissioner. The **RECORD**
23 **MUST INCLUDE A COPY OF THE APPLICATION FOR THE LICENSE AND ANY**
24 **CHANGES TO THE LICENSE. A LICENSEE SHALL ALLOW A REPRESENTATIVE**
25 **AUTHORIZED BY THE BUREAU TO INSPECT A record KEPT UNDER THIS**
26 **SUBSECTION** and all financial accounts into which proceeds from
27 events ~~licensed under this act~~ are deposited or transferred ~~shall~~

1 ~~be open to inspection by a duly authorized representative of the~~
 2 ~~bureau during reasonable business hours. AN AUTHORIZED~~
 3 **REPRESENTATIVE OF THE BUREAU MAY REMOVE FOR REVIEW A RECORD KEPT**
 4 **UNDER THIS SUBSECTION AND ALL DOCUMENTS SUPPORTING ENTRIES MADE**
 5 **IN THE RECORD. A LICENSEE SHALL KEEP A RECORD UNDER THIS**
 6 **SUBSECTION AND ALL DOCUMENTS SUPPORTING ENTRIES MADE IN THE**
 7 **RECORD FOR AT LEAST THE CURRENT CALENDAR YEAR PLUS 3 YEARS, OR AS**
 8 **DIRECTED IN WRITING BY THE BUREAU. A RECORD DESCRIBED IN THIS**
 9 **SUBSECTION MAY BE MAINTAINED USING A COMPUTER IF IT IS MAINTAINED**
 10 **IN ACCORDANCE WITH DIRECTIVES OF THE BUREAU.**

11 (2) ~~Each~~**A licensee UNDER THIS ARTICLE** shall file with the
 12 commissioner a financial statement signed by the principal
 13 officer of the qualified organization of receipts and expenses
 14 related to the conduct of each event as ~~may be required by rule~~
 15 ~~promulgated under this act.~~**ARTICLE.** If the revenue from a bingo
 16 ~~game, millionaire party,~~**EVENT**, raffle, numeral game, or charity
 17 game is represented to be used or applied by a licensee **UNDER**
 18 **THIS ARTICLE** for a charitable purpose, the licensee shall file a
 19 copy of the financial statement with the attorney general under
 20 the supervision of trustees for charitable purposes act, 1961 PA
 21 101, MCL 14.251 to 14.266.

22 (3) ~~The~~**A LICENSEE UNDER THIS ARTICLE SHALL ALLOW AN**
 23 **AUTHORIZED REPRESENTATIVE OF THE BUREAU OR THE DEPARTMENT OF**
 24 **STATE POLICE OR A LAW ENFORCEMENT OFFICER OF A POLITICAL**
 25 **SUBDIVISION OF THIS STATE TO INSPECT A** location ~~at which events~~
 26 ~~licensed under this act are conducted or at which an applicant or~~
 27 **A BUILDING, ENCLOSURE, OR PORTION OF REAL PROPERTY THAT THE**

1 ~~licensee intends to conduct an event licensed under this act~~
2 ~~shall be open to inspection~~ **USE AS A LOCATION** ~~at all times by a~~
3 ~~duly authorized representative of the bureau or by the state~~
4 ~~police or a peace officer of a political subdivision of this~~
5 ~~state.~~ **ANY TIME.**

6 (4) A PERSON SHALL NOT REFUSE TO COOPERATE WITH, HINDER, OR
7 OBSTRUCT IN ANY WAY AN AUTHORIZED REPRESENTATIVE OF THE BUREAU
8 WHILE THE REPRESENTATIVE IS PERFORMING OFFICIAL DUTIES.

9 Sec. 15. ~~Annually the~~ **THE** commissioner shall report **ANNUALLY**
10 to the governor and the legislature about the operation of events
11 licensed under this act ~~within this state,~~ **ARTICLE**, abuses that
12 the bureau may have encountered, and recommendations for changes
13 in this act.

14 **SEC. 15A. (1) AT ITS DISCRETION, THE BUREAU MAY ISSUE A**
15 **VIOLATION NOTICE FOR A VIOLATION OF THIS ARTICLE.**

16 (2) A LICENSEE UNDER THIS ARTICLE SHALL RESPOND TO A
17 VIOLATION NOTICE IN WRITING WITHIN THE TIME SPECIFIED IN THE
18 NOTICE AND SHALL INFORM THE BUREAU WHAT ACTION HAS BEEN TAKEN TO
19 CORRECT THE VIOLATION CITED. THE RESPONSE SHALL BE SIGNED BY THE
20 PRINCIPAL OFFICER OF THE LICENSEE OR THE OWNER OR TOP OFFICER OF
21 THE LICENSED SUPPLIER, LICENSED MANUFACTURER, OR LICENSED BINGO
22 HALL CITED FOR THE VIOLATION.

23 (3) AT ITS DISCRETION, THE BUREAU MAY INITIATE FURTHER
24 ADMINISTRATIVE ACTION IF A RESPONSE TO A VIOLATION NOTICE UNDER
25 THIS SECTION IS NOT RECEIVED OR THE RESPONSE DOES NOT RESOLVE THE
26 VIOLATION.

27 **SEC. 15B. (1) AT ITS DISCRETION, THE BUREAU MAY REQUIRE THE**

1 PRINCIPAL OFFICER OF A LICENSEE, OR THE OWNER OR TOP OFFICER OF A
2 SUPPLIER, MANUFACTURER, OR LICENSED BINGO HALL TO ATTEND AN
3 INFORMAL MEETING TO DISCUSS A VIOLATION OF THIS ARTICLE,
4 INCLUDING SECTION 7.

5 (2) THE PURPOSE OF A MEETING UNDER SUBSECTION (1) IS TO
6 ASSIST THE LICENSEE TO COMPLY WITH THIS ARTICLE, INCLUDING
7 SECTION 7, AND TO FORESTALL FURTHER ACTION, INCLUDING, BUT NOT
8 LIMITED TO, A CONTESTED CASE HEARING.

9 (3) DURING OR AFTER A MEETING UNDER SUBSECTION (1), A
10 LICENSEE MAY AGREE TO BE PLACED ON PROBATION AS PROVIDED IN
11 SECTION 15C.

12 (4) THE BUREAU MAY WAIVE A MEETING UNDER SUBSECTION (1) IF
13 IN THE OPINION OF THE BUREAU THE VIOLATION OF THIS ARTICLE,
14 INCLUDING SECTION 7, WARRANTS ACTION UNDER SECTIONS 15C TO 18.

15 SEC. 15C. (1) THE COMMISSIONER MAY PLACE A LICENSEE UNDER
16 THIS ARTICLE ON PROBATION OR MAY CONDITION THE RENEWAL OF A
17 LICENSE WITH TERMS OF PROBATION IF THE LICENSEE HAS VIOLATED THIS
18 ARTICLE, INCLUDING SECTION 7.

19 (2) THE CONTINUATION OF A PROBATIONARY LICENSE UNDER THIS
20 SECTION IS CONDITIONED ON STRICT COMPLIANCE WITH THIS ARTICLE,
21 INCLUDING SECTION 7.

22 (3) IT IS A PROBATION VIOLATION IF THE LICENSEE FAILS TO
23 COMPLY WITH THIS ARTICLE, INCLUDING SECTION 7.

24 (4) THE COMMISSIONER MAY SUMMARILY SUSPEND A PROBATIONARY
25 LICENSE ISSUED UNDER THIS SECTION AS PROVIDED IN SECTION 16 IF
26 THE LICENSEE VIOLATES THIS ARTICLE, INCLUDING SECTION 7.

27 Sec. 16. (1) The commissioner may deny, suspend, summarily

1 suspend, or revoke ~~any~~**A** license issued under this ~~act~~**ARTICLE** if
2 the ~~licensee~~**HOLDER OF THE LICENSE** or an officer, director,
3 agent, member, or employee of the ~~licensee~~**HOLDER OF THE LICENSE**
4 violates this ~~act~~**ARTICLE** or **A** rule promulgated under this ~~act~~.
5 **ARTICLE**. The commissioner may summarily suspend a license for a
6 period of not more than 60 days pending prosecution,
7 investigation, or public hearing.

8 (2) A proceeding to suspend or revoke a license ~~shall be~~
9 ~~considered~~**UNDER THIS ARTICLE IS** a contested case ~~and shall be~~
10 governed by the administrative procedures act of 1969, 1969 PA
11 306, MCL 24.201 to 24.328.

12 (3) Upon petition of the commissioner, the circuit court
13 after a hearing may issue subpoenas to compel the attendance of
14 witnesses and the production of documents, papers, books,
15 records, and other evidence before it in a matter over which it
16 has jurisdiction, control, or supervision. If a person subpoenaed
17 to attend in any such proceeding or hearing fails to obey the
18 command of the subpoena without reasonable cause, or if a person
19 in attendance in any such proceeding or hearing refuses, without
20 lawful cause, to be examined or to answer a legal or pertinent
21 question or to exhibit a book, account, record, or other document
22 when ordered to do so by the court, that person may be punished
23 as ~~a~~**BEING IN** contempt of the court.

24 (4) With approval of the commissioner, **THE HOLDER OF a BINGO**
25 ~~hall licensee,~~**LICENSE**, in lieu of a suspension of its license,
26 may elect to pay a fine equal to the amount of rent that would
27 have been paid by ~~the~~bingo licensees during the period of the

1 suspension. This fine shall be paid to the bureau on or before
 2 the date agreed to in the suspension agreement entered into by
 3 the bureau and the **HOLDER OF THE BINGO** hall ~~licensee~~**LICENSE**.

4 Sec. 18. (1) A ~~licensee~~**HOLDER OF A LICENSE** whose license is
 5 revoked ~~in consequence of~~**FOR** a violation of this ~~act~~**ARTICLE** or
 6 a rule promulgated under this ~~act~~**ARTICLE** is ineligible to apply
 7 for a license for ~~a period of~~ 2 years.

8 (2) A person convicted of an offense under section 17 or any
 9 other gambling offense is ineligible to serve as an officer of a
 10 ~~licensee~~**HOLDER OF A LICENSE** or to participate in conducting **A**
 11 bingo, ~~a millionaire party,~~**EVENT**, raffle, numeral game, or
 12 charity game for ~~a period of~~ 1 year after the conviction becomes
 13 final. If the person is licensed under this ~~act~~**ARTICLE**, the
 14 person shall forfeit the license and is ineligible to apply for
 15 the issuance or reissuance of the license for ~~a period of~~ 1 year
 16 after the conviction becomes final.

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

27 (2) Subsection (1) does not limit in any way the application

1 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~
 2 ~~Acts of 1976, being sections 1976 PA 388, MCL 169.201 to 169.282~~
 3 ~~of the Michigan Compiled Laws, including, but not limited to,~~
 4 section 41 of ~~Act No. 388 of the Public Acts of 1976, being~~
 5 ~~section~~ **THE MICHIGAN CAMPAIGN FINANCE ACT, 1976 PA 388, MCL**
 6 **169.241, of the Michigan Compiled Laws, to fundraising events**
 7 **conducted by or for the benefit of a committee that has filed or**
 8 **is required to file a statement of organization pursuant to Act**
 9 ~~No. 388 of the Public Acts of 1976.~~ **UNDER THE MICHIGAN CAMPAIGN**
 10 **FINANCE ACT, 1976 PA 388, MCL 169.201 TO 169.282.**

11 ARTICLE 2

12 SEC. 32. AS USED IN THIS ARTICLE:

13 (A) "MANAGEMENT" MEANS HANDLING OF CASH, CHIPS, AND HOUSE
 14 RAKES AT AN EVENT AND PREPARATION OF GAME RECORDS AND FINANCIAL
 15 STATEMENTS FOR THE EVENT.

16 (B) "OPERATION SERVICES" MEANS PROVIDING A LOCATION,
 17 STAFFING, AND SERVICES COMMONLY ASSOCIATED WITH GAMES OF CHANCE
 18 FOR A MILLIONAIRE PARTY EVENT.

19 SEC. 34. (1) AN APPLICANT FOR A LICENSE TO CONDUCT A
 20 MILLIONAIRE PARTY SHALL SUBMIT TO THE DIRECTOR A WRITTEN
 21 APPLICATION ON A FORM PRESCRIBED BY THE DIRECTOR.

22 (2) THE APPLICATION UNDER SUBSECTION (1) SHALL INCLUDE ALL
 23 OF THE FOLLOWING:

24 (A) THE NAME AND ADDRESS OF THE APPLICANT ORGANIZATION.

25 (B) THE NAME AND ADDRESS OF EACH OFFICER OF THE APPLICANT
 26 ORGANIZATION.

27 (C) THE NAME OF THE INDIVIDUAL WHO WILL SERVE AS THE

1 CHAIRPERSON UNDER SECTION 39.

2 (D) THE LOCATION AT WHICH THE APPLICANT WILL CONDUCT THE
3 EVENT.

4 (E) IF A CHARITABLE GAMING SERVICE PROVIDER WILL BE USED,
5 THE NAME OF THE CHARITABLE GAMING SERVICE PROVIDER.

6 (F) THE DAY OR DATES OF THE EVENT.

7 (G) THE MEMBER OR MEMBERS OF THE APPLICANT WHO WILL BE
8 RESPONSIBLE FOR THE CONDUCT OF THE EVENT.

9 (H) SUFFICIENT FACTS RELATING TO THE APPLICANT'S
10 INCORPORATION OR ORGANIZATION TO ENABLE THE DIRECTOR TO DETERMINE
11 WHETHER THE APPLICANT IS A QUALIFIED ORGANIZATION.

12 (I) A SWORN STATEMENT ATTESTING TO THE NONPROFIT STATUS OF
13 THE APPLICANT ORGANIZATION, SIGNED BY THE PRINCIPAL OFFICER OF
14 THE ORGANIZATION.

15 (J) OTHER INFORMATION THE DIRECTOR CONSIDERS NECESSARY.

16 (3) IF AN APPLICANT UNDER SUBSECTION (1) IS A SERVICE
17 ORGANIZATION, THE APPLICANT SHALL PROVIDE PROOF THAT ITS BYLAWS,
18 CONSTITUTION, OR ARTICLES OF INCORPORATION OR THE BYLAWS OR
19 CONSTITUTION OF ITS PARENT ORGANIZATION INCLUDES A STATEMENT OF
20 DISSOLUTION STATING THAT ON DISSOLUTION OF THE ORGANIZATION ALL
21 ASSETS THAT REMAIN, AFTER SATISFYING THE ORGANIZATION'S DEBTS,
22 ARE TO BE DISTRIBUTED TO THE LOCAL GOVERNMENT IN WHICH THE
23 PRINCIPAL PLACE OF BUSINESS OF THE ORGANIZATION IS LOCATED OR TO
24 ANOTHER NONPROFIT ORGANIZATION.

25 (4) AN APPLICANT UNDER SUBSECTION (1) SHALL DISCLOSE TO THE
26 DIRECTOR WHETHER ANY OFFICER OR AGENT OF THE APPLICANT, BEFORE OR
27 DURING THE APPLICATION PROCESS, HAS BEEN CONVICTED OF, FORFEITED

1 BOND ON A CHARGE OF, OR PLED GUILTY TO ANY OF THE FOLLOWING:

2 (A) A FELONY.

3 (B) A GAMBLING OFFENSE.

4 (C) CRIMINAL FRAUD.

5 (D) FORGERY.

6 (E) LARCENY.

7 (F) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

8 (5) AS PART OF AN APPLICATION UNDER THIS SECTION, AN
9 APPLICANT SHALL STATE THAT IF A LICENSE IS ISSUED, THE APPLICANT
10 AGREES TO ALL OF THE FOLLOWING TERMS AND CONDITIONS:

11 (A) THAT THE APPLICANT IS BOUND BY AND WILL COMPLY WITH THIS
12 ACT, INCLUDING SECTION 7.

13 (B) THAT THE APPLICANT WILL NOT ASSIGN OR TRANSFER THE
14 GAMING LICENSE.

15 (C) THAT THE APPLICANT WILL MAINTAIN CURRENT AND ACCURATE
16 RECORDS OF ALL OPERATIONS IN CONJUNCTION WITH THE EVENT AS
17 REQUIRED UNDER THIS ACT.

18 (D) THAT THE APPLICANT WILL CONDUCT THE EVENT IN ACCORDANCE
19 WITH THE INFORMATION SUBMITTED ON THE APPLICATION.

20 (E) THAT THE APPLICANT WILL CONDUCT THE EVENT ONLY ON THE
21 DAY OR DAYS OF THE WEEK AND DATE OR DATES AND AT THE TIME AND
22 SPECIFIC LOCATION IN THIS STATE STATED ON THE LICENSE.

23 (F) THAT THE APPLICANT WILL IMMEDIATELY REPORT TO THE
24 DIRECTOR, AS APPLICABLE, IN WRITING ANY CHANGE IN THE INFORMATION
25 STATED IN OR THAT ACCOMPANIES THE APPLICATION.

26 (G) THAT THE APPLICANT WILL HOLD THE DIRECTOR, THE BOARD,
27 AND THIS STATE HARMLESS FROM ANY LIABILITY ARISING FROM THE

1 EVENT, INCLUDING, BUT NOT LIMITED TO, LEGAL EXPENSES.

2 (6) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY REPORT
3 IN WRITING TO THE DIRECTOR ANY CHANGES TO THE INFORMATION
4 PROVIDED IN OR ACCOMPANYING AN APPLICATION UNDER THIS SECTION.

5 (7) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY SUBMIT
6 A COPY OF THE APPROPRIATE AMENDED DOCUMENT TO THE DIRECTOR IF
7 THERE IS A CHANGE IN ANY OF THE FOLLOWING:

8 (A) THE APPLICANT'S CONSTITUTION.

9 (B) THE APPLICANT'S BYLAWS.

10 (C) THE APPLICANT'S ARTICLES OF INCORPORATION.

11 (D) ANY OTHER QUALIFICATION DOCUMENT PREVIOUSLY SUBMITTED.

12 (E) THE FEDERAL TAX-EXEMPT STATUS OF THE APPLICANT.

13 (8) THE DIRECTOR, IN HIS OR HER DISCRETION, MAY REQUIRE AN
14 APPLICANT THAT WAS PREVIOUSLY LICENSED TO CONDUCT A MILLIONAIRE
15 PARTY TO SUBMIT UPDATED INFORMATION TO ASSURE THAT THE APPLICANT
16 CONTINUES TO BE A QUALIFIED ORGANIZATION.

17 SEC. 35. (1) IF THE DIRECTOR DETERMINES THAT AN APPLICANT
18 FOR A MILLIONAIRE PARTY LICENSE IS A QUALIFIED ORGANIZATION, IS
19 NOT INELIGIBLE UNDER SECTION 86, AND HAS PAID TO THE DIRECTOR A
20 FEE OF \$50.00 PER DAY THAT THE APPLICANT PROPOSES TO CONDUCT THE
21 MILLIONAIRE PARTY, THE DIRECTOR MAY ISSUE A MILLIONAIRE PARTY
22 LICENSE TO THE APPLICANT.

23 (2) THE DIRECTOR SHALL NOT ISSUE A MILLIONAIRE PARTY LICENSE
24 UNLESS THE PRINCIPAL OFFICER OF THE QUALIFIED ORGANIZATION IS 18
25 YEARS OF AGE OR OLDER.

26 (3) THE DIRECTOR SHALL CONSIDER ALL OF THE FOLLOWING FACTORS
27 WHEN REVIEWING AN APPLICATION FOR A MILLIONAIRE PARTY LICENSE:

1 (A) THE HONESTY AND INTEGRITY OF THE APPLICANT.

2 (B) THE VERACITY AND ACCURACY OF ANY INFORMATION SUPPLIED BY
3 THE APPLICANT.

4 (C) ANY INDEBTEDNESS OF THE APPLICANT TO A LOCAL, STATE, OR
5 FEDERAL GOVERNMENTAL AGENCY.

6 (D) ANY PENDING LAWSUIT OR BANKRUPTCY PROCEEDING INVOLVING
7 THE APPLICANT.

8 (E) THE APPLICANT'S CURRENT OR PAST HISTORY OF COMPLIANCE
9 WITH THIS ACT, INCLUDING SECTION 7.

10 (F) ANY CRIMINAL CONVICTION OF AN OFFICER OR AGENT OF THE
11 APPLICANT FOR ANY OF THE FOLLOWING OFFENSES:

12 (i) A VIOLATION OF THIS ACT.

13 (ii) A FELONY.

14 (iii) A GAMBLING OFFENSE.

15 (iv) CRIMINAL FRAUD.

16 (v) FORGERY.

17 (vi) LARCENY.

18 (vii) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

19 (G) ANY OTHER INFORMATION CONSIDERED ADVISABLE BY THE
20 DIRECTOR.

21 (4) THE DIRECTOR SHALL CONSIDER ALL OF THE FOLLOWING WHEN
22 DETERMINING WHETHER AN APPLICANT QUALIFIES AS A BRANCH, LODGE, OR
23 CHAPTER:

24 (A) A CHARTER OR SIMILAR DOCUMENT ISSUED BY THE NATIONAL OR
25 STATE ORGANIZATION ON ACCEPTANCE OF THE APPLICANT AS A BRANCH,
26 LODGE, OR CHAPTER.

27 (B) CONDITIONS ESTABLISHED BY THE NATIONAL OR STATE

1 ORGANIZATION FOR THE REVOCATION OR SUSPENSION OF THE CHARTER OR
2 RELATIONSHIP WITH THE APPLICANT.

3 (C) DUES OR FINANCIAL SUPPORT SUBMITTED TO THE NATIONAL OR
4 STATE ORGANIZATION BY THE APPLICANT.

5 (D) THE DEGREE OF CONTROL EXERTED BY THE NATIONAL OR STATE
6 ORGANIZATION OVER THE ACTIVITIES OF THE APPLICANT.

7 (E) OVERSIGHT AND CONTROL, INCLUDING THE AUDITING OF
8 FINANCIAL RECORDS, PROVIDED BY THE NATIONAL OR STATE ORGANIZATION
9 OVER THE FINANCIAL AFFAIRS OF THE APPLICANT.

10 (F) WHETHER STANDARD BYLAWS WERE ADOPTED BY THE APPLICANT OR
11 WHETHER BYLAWS WERE SUBMITTED TO THE NATIONAL OR STATE
12 ORGANIZATION FOR APPROVAL.

13 (G) APPOINTED OR ELECTED OFFICERS OF THE APPLICANT WHO ARE
14 RESPONSIBLE FOR THE ACTIVITIES OF THE APPLICANT.

15 (H) THE ABILITY OF THE APPLICANT, BY EXERCISING VOTING
16 PRIVILEGES OR OTHERWISE, TO INFLUENCE ACTIVITIES OF THE STATE OR
17 NATIONAL ORGANIZATION.

18 (5) UNDER EXTREME HARDSHIP CONDITIONS AS DETERMINED BY THE
19 DIRECTOR, THE DIRECTOR MAY WAIVE 1 OR MORE REQUIREMENTS FOR A
20 PERSON TO BE A QUALIFIED ORGANIZATION UNDER SECTION 3A(D) TO
21 ALLOW THE ISSUANCE OF A MILLIONAIRE PARTY LICENSE IF ALL OF THE
22 FOLLOWING CONDITIONS ARE MET:

23 (A) THE PERSON APPLYING FOR THE LICENSE IS A NONPROFIT
24 ORGANIZATION.

25 (B) THE ENTIRE PROCEEDS OF THE EVENT, LESS THE ACTUAL
26 REASONABLE EXPENSE OF CONDUCTING THE EVENT, ARE DONATED OR USED
27 FOR A CHARITABLE PURPOSE, ORGANIZATION, OR CAUSE.

1 (C) NONE OF THE INDIVIDUALS CONNECTED WITH THE MANAGEMENT OF
2 THE EVENT IS COMPENSATED IN ANY MANNER FOR HIS OR HER
3 PARTICIPATION.

4 (D) THE PERSON COMPLIES WITH ALL OTHER PROVISIONS OF THIS
5 ACT AND RULES PROMULGATED UNDER THIS ACT.

6 (6) UNDER EXTREME HARDSHIP CONDITIONS AS DETERMINED BY THE
7 DIRECTOR, THE DIRECTOR MAY ALLOW AN INDIVIDUAL OR A GROUP OF
8 INDIVIDUALS TO OBTAIN A LICENSE TO CONDUCT A MILLIONAIRE PARTY IF
9 ALL OF THE FOLLOWING CONDITIONS ARE MET:

10 (A) THE ENTIRE PROCEEDS OF THE EVENT, LESS THE ACTUAL
11 REASONABLE EXPENSE OF CONDUCTING THE EVENT, ARE DONATED OR USED
12 FOR A CHARITABLE PURPOSE, ORGANIZATION, OR CAUSE.

13 (B) NONE OF THE INDIVIDUALS CONNECTED WITH THE MANAGEMENT OF
14 THE EVENT IS COMPENSATED IN ANY MANNER FOR HIS OR HER
15 PARTICIPATION.

16 (C) THE INDIVIDUAL OR GROUP OF INDIVIDUALS COMPLIES WITH ALL
17 OTHER PROVISIONS OF THIS ACT AND THE RULES PROMULGATED UNDER THIS
18 ACT.

19 (7) A QUALIFIED ORGANIZATION MAY BE ISSUED UP TO 4
20 MILLIONAIRE PARTY LICENSES IN 1 CALENDAR YEAR. EACH LICENSE IS
21 VALID FOR ONLY 1 LOCATION AS STATED ON THE LICENSE.

22 (8) A MILLIONAIRE PARTY LICENSE MAY BE ISSUED FOR UP TO 4
23 CONSECUTIVE DAYS.

24 (9) THE DIRECTOR SHALL NOT ISSUE MORE THAN 1 MILLIONAIRE
25 PARTY LICENSE TO A QUALIFIED ORGANIZATION FOR ANY 1 DAY.

26 (10) THE DIRECTOR SHALL NOT ISSUE MORE THAN 5 MILLIONAIRE
27 PARTY LICENSES THAT WOULD ALLOW EVENTS TO BE CONDUCTED AT THE

1 SAME TIME AT THE SAME LOCATION. THIS SUBSECTION DOES NOT LIMIT
2 THE NUMBER OF LICENSES THAT MAY BE ISSUED FOR THE SAME LOCATION
3 ON THE SAME DATE.

4 (11) A MILLIONAIRE PARTY LICENSE IS NOT ASSIGNABLE OR
5 TRANSFERABLE.

6 (12) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT THE
7 EVENTS CONDUCTED UNDER A MILLIONAIRE PARTY LICENSE ARE CONDUCTED
8 IN COMPLIANCE WITH THIS ACT AND RULES PROMULGATED UNDER THIS ACT.

9 (13) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A
10 MILLIONAIRE PARTY LICENSEE SHALL ONLY CONDUCT EVENTS LICENSED
11 UNDER THIS ACT DURING THE HOURS AND ON THE DAY AND DATE OR DATES
12 STATED ON THE LICENSE.

13 (14) THE DIRECTOR MAY ALLOW A CHANGE IN THE LOCATION, DAY,
14 DATE, OR TIME OF AN EVENT UNDER AN ISSUED MILLIONAIRE PARTY
15 LICENSE OR MAY ISSUE A DUPLICATE LICENSE. TO CHANGE THE LOCATION,
16 DAY, DATE, OR TIME OF AN EVENT OR OBTAIN A DUPLICATE LICENSE, THE
17 LICENSEE SHALL SUBMIT A REQUEST TO THE DIRECTOR IN WRITING WITH A
18 NONREFUNDABLE \$35.00 FEE AT LEAST 20 DAYS BEFORE THE EVENT OR, IF
19 THE REQUEST IS TO CHANGE THE DATE OF THE EVENT, BEFORE THE
20 PROPOSED NEW DATE.

21 (15) A MILLIONAIRE PARTY LICENSEE SHALL NOTIFY THE DIRECTOR
22 IN WRITING AT LEAST 10 DAYS BEFORE A PLANNED CANCELLATION OF AN
23 EVENT.

24 (16) THE DIRECTOR SHALL ESTABLISH CRITERIA UNDER WHICH A
25 QUALIFIED ORGANIZATION MAY RECEIVE AN EXPEDITED MILLIONAIRE PARTY
26 LICENSE AND ESTABLISH A FEE STRUCTURE FOR EXPEDITED LICENSES. A
27 FEE FOR AN EXPEDITED MILLIONAIRE PARTY LICENSE SHALL NOT EXCEED

1 150% OF THE STANDARD LICENSE FEE.

2 (17) IF A MILLIONAIRE PARTY LICENSE APPLICATION IS CANCELED
3 OR DENIED, THE DIRECTOR MAY RETAIN A PORTION OF THE FEE SUBMITTED
4 TO COVER PROCESSING COSTS.

5 SEC. 36. (1) A MILLIONAIRE PARTY LICENSEE MAY ADVERTISE THE
6 EVENT AS FOLLOWS:

7 (A) THE EXPENDITURE FOR ADVERTISING MUST BE REASONABLE AND
8 NECESSARY.

9 (B) THE ADVERTISING MUST INCLUDE THE NAME OF THE LICENSEE
10 AND THE LICENSE NUMBER.

11 (2) A LESSOR OR CHARITABLE GAMING SERVICE PROVIDER MAY
12 ADVERTISE MILLIONAIRE PARTIES WITHOUT SPECIFIC LICENSE
13 INFORMATION IF ALL OF THE FOLLOWING REQUIREMENTS ARE MET:

14 (A) LICENSED MILLIONAIRE PARTIES ARE CONDUCTED AT THE
15 LOCATION OR BY THE CHARITABLE GAMING SERVICE PROVIDER ON AN
16 ONGOING BASIS.

17 (B) THE ADVERTISEMENT STATES THAT THE PROCEEDS FROM THE
18 MILLIONAIRE PARTIES BENEFIT NONPROFIT ORGANIZATIONS. THE
19 STATEMENT REQUIRED BY THIS SUBDIVISION SHALL BE DISPLAYED AS
20 FOLLOWS:

21 (i) IF THE ADVERTISING IS OVER THE INTERNET, PRINTED MATTER,
22 OR A SIGN OR BILLBOARD, IN A FONT THAT IS THE SAME SIZE OR LARGER
23 THAN THAT OF THE BODY OF THE ADVERTISEMENT.

24 (ii) IF THE ADVERTISING IS TELEVISED, IN A MANNER THAT IS
25 EASILY READABLE BY THE VIEWER CONTINUOUSLY DURING THE
26 ADVERTISEMENT.

27 (3) ADVERTISING UNDER THIS SECTION DOES NOT INCLUDE ANY OF

1 THE FOLLOWING:

2 (A) A MESSAGE OR GREETING ON AN ANSWERING MACHINE OR
3 VOICEMAIL BY THE LICENSEE OR THE LESSOR WHERE AN EVENT IS GOING
4 TO BE CONDUCTED.

5 (B) VIDEO, AUDIO, OR OTHER MEANS OF COMMUNICATION THAT IS
6 BROADCAST SOLELY INSIDE A LOCATION WHERE AN EVENT IS BEING
7 CONDUCTED.

8 (C) PRINTED MATTER INSIDE A LOCATION WHERE AN EVENT IS BEING
9 CONDUCTED THAT IS INTENDED TO BE VISIBLE ONLY INSIDE THE
10 LOCATION.

11 (D) AN INTERNET WEBPAGE THAT DOES NOT MENTION THE DAY, DATE,
12 OR TIME OF, SPECIFY GAMES PLAYED AT, OR GIVE PROGRAM INFORMATION
13 FOR AN EVENT.

14 (E) A SIGN LOCATED ON THE PROPERTY OF A LOCATION WHERE AN
15 EVENT IS CONDUCTED THAT DOES NOT MENTION THE DAY, DATE, OR TIME
16 OF, SPECIFY GAMES PLAYED AT, OR GIVE PROGRAM INFORMATION FOR AN
17 EVENT.

18 SEC. 37. AN EVENT HELD UNDER A MILLIONAIRE PARTY LICENSE
19 SHALL BE HELD AT A LOCATION THAT MEETS 1 OR MORE OF THE FOLLOWING
20 REQUIREMENTS:

21 (A) THE LOCATION IS OWNED OR RENTED ON A CONTINUAL BASIS AND
22 OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
23 MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE LOCATION IS
24 OWNED BY THE LICENSEE.

25 (B) THE LOCATION IS RENTED OR CONTROLLED BY A QUALIFIED
26 ORGANIZATION FOR THE EVENT AND THE EQUIPMENT USED FOR GAMING AT
27 THE LOCATION IS OWNED BY THE LICENSEE.

1 (C) THE LOCATION IS OWNED OR RENTED OR LEASED ON A CONTINUAL
2 BASIS AND OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR
3 USE OF ITS MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE
4 LOCATION IS RENTED FROM A CHARITABLE GAMING SERVICE PROVIDER.

5 (D) THE LOCATION IS RENTED OR CONTROLLED BY A QUALIFIED
6 ORGANIZATION FOR THE EVENT AND THE EQUIPMENT USED FOR GAMING AT
7 THE LOCATION IS RENTED FROM A CHARITABLE GAMING SERVICE PROVIDER.

8 (E) THE LOCATION IS OWNED, RENTED, LEASED, OR OPERATED BY A
9 CHARITABLE GAMING SERVICE PROVIDER.

10 SEC. 38. A MILLIONAIRE PARTY LICENSEE SHALL DESIGNATE AN
11 OFFICER OF THE LICENSEE TO BE RESPONSIBLE FOR ALL OF THE
12 FOLLOWING:

13 (A) ENSURING THAT THERE IS FULL ACCOUNTABILITY FOR ALL
14 GAMING ASSETS, INCLUDING, BUT NOT LIMITED TO, CASH, PRIZES, CHIPS
15 OR IMITATION MONEY, AND ALL MONEY DERIVED FROM THE EVENT.

16 (B) ENSURING THAT THE EVENT IS CONDUCTED IN ACCORDANCE WITH
17 THIS ACT, INCLUDING SECTION 7.

18 (C) ENSURING THAT ALL RECORDS RELATED TO THE EVENT ARE
19 CURRENT AND ACCURATE.

20 (D) REVIEWING ALL REPORTS AND CORRESPONDENCE FROM THE
21 DIRECTOR.

22 (E) SIGNING AND ENSURING THAT FINANCIAL STATEMENTS FROM THE
23 EVENT ARE SUBMITTED TO THE DIRECTOR AS REQUIRED UNDER THIS ACT.

24 (F) RESPONDING IN WRITING TO VIOLATION NOTICES UNDER THIS
25 ACT.

26 (G) ENSURING THAT ALL WORKERS ARE QUALIFIED TO WORK THE
27 EVENT.

1 SEC. 39. (1) THE OFFICERS OF A MILLIONAIRE PARTY LICENSEE
2 SHALL DESIGNATE AT LEAST 1 INDIVIDUAL TO SERVE AS CHAIRPERSON TO
3 BE IN CHARGE OF AND RESPONSIBLE FOR ASSURING THAT THE MILLIONAIRE
4 PARTY IS CONDUCTED IN ACCORDANCE WITH THIS ACT, INCLUDING SECTION
5 7.

6 (2) A CHAIRPERSON IS A WORKER AND MUST HAVE BEEN A BONA FIDE
7 MEMBER OF THE LICENSEE FOR AT LEAST 6 MONTHS BEFORE THE EVENT.

8 (3) A CHAIRPERSON MUST BE FAMILIAR WITH THIS ACT, RULES
9 PROMULGATED UNDER THIS ACT, ANY APPLICABLE TERMS OF PROBATION,
10 AND DIRECTIVES OF THE DIRECTOR.

11 (4) AN INDIVIDUAL DESIGNATED AS CHAIRPERSON SHALL BE PRESENT
12 ON THE PREMISES CONTINUOUSLY DURING THE EVENT.

13 (5) AN INDIVIDUAL DESIGNATED AS CHAIRPERSON SHALL WEAR A
14 BADGE ON WHICH IS PRINTED THE WORD "CHAIRPERSON", THE NAME OF THE
15 LICENSEE, AND THE NAME OF THE CHAIRPERSON.

16 (6) AN INDIVIDUAL DESIGNATED AS CHAIRPERSON SHALL BE IN FULL
17 CHARGE OF THE EVENT, SUPERVISE AND DIRECT ALL WORKERS, AND ASSURE
18 THAT PROPER RECEIPTS ARE GIVEN FOR ALL MONEY RECEIVED DURING THE
19 EVENT, THAT THE RECEIPT OF THE MONEY IS PROPERLY RECORDED, AND
20 THAT THE MONEY IS PROPERLY DEPOSITED.

21 (7) THE CHAIRPERSON SHALL ATTEMPT TO RESOLVE IN ACCORDANCE
22 WITH THIS ACT, RULES PROMULGATED UNDER THIS ACT, DIRECTIVES OF
23 THE DIRECTOR, AND HOUSE RULES ANY DISPUTES THAT MAY OCCUR DURING
24 THE EVENT.

25 (8) THE PRINCIPAL OFFICER OF A LICENSEE SHALL IMMEDIATELY
26 NOTIFY THE DIRECTOR IN A WRITING SIGNED BY THE OFFICER OF ANY
27 CHANGE IN THE CHAIRPERSON LISTED ON THE APPLICATION FOR THE

1 LICENSE.

2 SEC. 40. (1) AT AN EVENT HELD UNDER A MILLIONAIRE PARTY
3 LICENSE, THE LICENSEE SHALL ENSURE ALL OF THE FOLLOWING:

4 (A) THAT AN INDIVIDUAL WHO IS LESS THAN 18 YEARS OF AGE IS
5 NOT PERMITTED TO WAGER OR PARTICIPATE IN OPERATION OF THE EVENT.

6 (B) THAT ONLY AUTHORIZED EQUIPMENT AND GAMES ARE USED.

7 (C) THAT THE EQUIPMENT USED IS MAINTAINED IN GOOD REPAIR AND
8 SOUND WORKING CONDITION.

9 (D) THAT THE EQUIPMENT AND METHODS OF PLAY USED AFFORD EACH
10 PLAYER AN EQUAL OPPORTUNITY TO WIN.

11 (E) THAT A WAGER IS NOT PLACED ON A CONTEST OTHER THAN A
12 GAME OF CHANCE TAKING PLACE AT THE LOCATION AND DURING THE TIME
13 PERIOD APPROVED FOR THE EVENT AND THAT A WAGER IS NOT PLACED ON
14 AN ATHLETIC EVENT OR A GAME INVOLVING PERSONAL SKILL.

15 (F) THAT IMITATION MONEY OR CHIPS ARE USED ONLY FOR WAGERING
16 OR REDEMPTION.

17 (G) THAT IMITATION MONEY OR CHIPS ARE NOT USED TO PURCHASE
18 FOOD, BEVERAGES, RAFFLE TICKETS, CHARITY GAME TICKETS, NUMERAL
19 GAME TICKETS, OR NONGAMING ITEMS OR GIVEN OR ACCEPTED AS TIPS.

20 (H) THAT IMITATION MONEY OR CHIPS ARE ONLY SOLD BY
21 AUTHORIZED SELLERS.

22 (I) THAT IMITATION MONEY OR CHIPS ARE NOT SOLD BY DEALERS OR
23 AT INDIVIDUAL GAMING TABLES.

24 (J) THAT IMITATION MONEY OR CHIPS ARE ONLY REDEEMED AT
25 AUTHORIZED REDEMPTION AREAS.

26 (K) THAT THE LICENSEE DOES NOT RECEIVE MORE THAN \$20,000.00
27 IN EXCHANGE FOR IMITATION MONEY OR CHIPS IN 1 DAY OF THE

1 MILLIONAIRE PARTY.

2 (I) THAT A SIGN ON WHICH A TOLL-FREE COMPULSIVE GAMING
3 HELPLINE NUMBER IS PRINTED IS POSTED SO AS TO BE VISUALLY
4 PROMINENT AT EACH ENTRANCE AND EXIT OF THE LOCATION.

5 (2) IF A LICENSEE HAS ENGAGED A CHARITABLE GAMING SERVICE
6 PROVIDER TO PROVIDE OPERATION SERVICES FOR AN EVENT HELD UNDER A
7 MILLIONAIRE PARTY LICENSE, THE CHARITABLE GAMING SERVICE PROVIDER
8 SHALL ENSURE ALL OF THE FOLLOWING:

9 (A) THAT ALL STAFF PROVIDED BY THE CHARITABLE GAMING SERVICE
10 PROVIDER HAVE UNDERGONE A CRIMINAL BACKGROUND CHECK.

11 (B) THAT AN INDIVIDUAL PROVIDED BY THE CHARITABLE GAMING
12 SERVICE PROVIDER IS PROHIBITED FROM PLACING A WAGER AT A
13 MILLIONAIRE PARTY HELD AT A LOCATION WHERE AND ON A DATE THAT THE
14 INDIVIDUAL IS ASSIGNED TO PROVIDE SERVICES. THE INDIVIDUAL MAY
15 PLACE A WAGER AT A MILLIONAIRE PARTY HELD AT A LOCATION WHERE AND
16 ON A DATE THAT THE INDIVIDUAL IS NOT PERFORMING SERVICES.

17 (C) THAT AN INDIVIDUAL WHO IS LESS THAN 18 YEARS OF AGE IS
18 NOT PERMITTED TO WAGER OR PARTICIPATE IN THE OPERATION OF THE
19 EVENT.

20 (D) THAT A WAGER NOT BE PLACED ON A CONTEST OTHER THAN A
21 GAME OF CHANCE TAKING PLACE AT THE LOCATION AND DURING THE TIME
22 PERIOD APPROVED FOR THE EVENT AND THAT A WAGER IS NOT PLACED ON
23 AN ATHLETIC EVENT OR A GAME INVOLVING PERSONAL SKILL.

24 (E) THAT A SIGN ON WHICH A TOLL-FREE COMPULSIVE GAMING
25 HELPLINE NUMBER IS PRINTED IS POSTED SO AS TO BE VISUALLY
26 PROMINENT AT EACH ENTRANCE AND EXIT OF THE LOCATION.

27 (3) A MILLIONAIRE PARTY LICENSEE MAY ASSIGN A MEMBER TO

1 PROVIDE SECURITY SERVICES AT AN EVENT HELD UNDER THE LICENSE AND
2 PAY THE MEMBER FOR THE SERVICES.

3 (4) A MILLIONAIRE PARTY LICENSEE OR CHARITABLE GAMING
4 SERVICE PROVIDER MAY CONTRACT FOR SECURITY SERVICES FROM A PERSON
5 LICENSED UNDER THE PRIVATE SECURITY BUSINESS AND SECURITY ALARM
6 ACT, 1968 PA 330, MCL 338.1051 TO 338.1092. A LICENSEE OR
7 CHARITABLE GAMING SERVICE PROVIDER SHALL PAY A PERSON WHO
8 PROVIDES SECURITY UNDER THIS SUBSECTION AT CURRENT MARKET RATES.
9 A PERSON WHO PROVIDES SECURITY UNDER THIS SUBSECTION SHALL NOT
10 PARTICIPATE IN ANY OTHER WAY IN CONDUCTING THE MILLIONAIRE PARTY.

11 (5) A MILLIONAIRE PARTY LICENSEE MAY CONDUCT THE FOLLOWING
12 GAMES AT AN EVENT HELD UNDER THE LICENSE:

13 (A) WHEEL OF FORTUNE.

14 (B) ROULETTE.

15 (C) A DICE GAME IN WHICH THE PLAYERS COMPETE ONLY AGAINST
16 THE LICENSEE.

17 (D) TWENTY-ONE OR BLACKJACK.

18 (E) POKER, IN ANY FORM.

19 (F) ANY OTHER GAME APPROVED BY THE DIRECTOR.

20 (6) IF A CHARITABLE GAMING SERVICE PROVIDER PROVIDES
21 OPERATION SERVICES DURING AN EVENT TO A MILLIONAIRE PARTY
22 LICENSEE, BOTH OF THE FOLLOWING APPLY:

23 (A) THE CHARITABLE GAMING SERVICE PROVIDER SHALL ONLY
24 CONDUCT GAMES THAT HAVE BEEN AGREED TO BY THE LICENSEE.

25 (B) THE CHARITABLE GAMING SERVICE PROVIDER SHALL HOLD THE
26 LICENSEE HARMLESS FROM ANY LOSS FROM THE CONDUCT OF A GAME OVER
27 THE COURSE OF THE EVENT.

1 SEC. 41. (1) A MILLIONAIRE PARTY LICENSEE SHALL ESTABLISH
2 AND ADHERE TO HOUSE RULES FOR THE CONDUCT OF THE EVENT. THE HOUSE
3 RULES MUST NOT CONFLICT WITH THIS ACT, RULES PROMULGATED UNDER
4 THIS ACT, OR DIRECTIVES OF THE DIRECTOR. AT A MINIMUM, THE HOUSE
5 RULES SHALL CONTAIN ALL OF THE FOLLOWING INFORMATION:

6 (A) THE LICENSEE'S NAME.

7 (B) THE LICENSE NUMBER.

8 (C) THE PRICE OF IMITATION MONEY OR CHIPS AND THE ADMISSION
9 FEE, IF ANY.

10 (D) A CONTINGENCY PLAN FOR INCLEMENT WEATHER, POWER OUTAGES,
11 EQUIPMENT FAILURE, AND OTHER EMERGENCIES.

12 (E) A REFUND POLICY.

13 (F) THE METHOD OF PLAY FOR ALL GAMES THAT WILL BE CONDUCTED.

14 (G) THE STATUTORY LIMIT FOR TOTAL PRIZES OR WINNINGS AWARDED
15 TO A SINGLE PERSON IN A SINGLE DAY.

16 (H) THE BET LIMIT FOR ALL GAMES.

17 (I) AN EFFECTIVE DATE OF THE HOUSE RULES.

18 (2) A MILLIONAIRE PARTY LICENSEE SHALL POST ALL OF THE
19 FOLLOWING AT THE EVENT, IF APPLICABLE:

20 (A) ANY LIMIT TO THE NUMBER OF HANDS A PLAYER MAY PLAY IN A
21 GAME.

22 (B) THE METHOD BY WHICH WINNERS WILL BE DETERMINED AND THE
23 RAFFLE WILL BE CONDUCTED.

24 (C) ANY REDEMPTION CLAIM PERIOD FOR CHARITY GAME TICKETS.

25 (D) ANY REDEMPTION CLAIM PERIOD FOR NUMERAL GAME TICKETS.

26 (3) A MILLIONAIRE PARTY LICENSEE SHALL POST THE HOUSE RULES
27 IN A CONSPICUOUS PLACE AT THE EVENT OR PRINT THE HOUSE RULES IN

1 SUFFICIENT NUMBER FOR DISTRIBUTION TO ALL INTERESTED PERSONS.

2 SEC. 42. (1) A PERSON SHALL NOT CONDUCT A MILLIONAIRE PARTY
3 BETWEEN THE HOURS OF 2 A.M. AND 8 A.M.

4 (2) A MILLIONAIRE PARTY LICENSEE SHALL POST THE MILLIONAIRE
5 PARTY LICENSE IN A CONSPICUOUS PLACE AT THE LOCATION DURING THE
6 EVENT.

7 (3) A MILLIONAIRE PARTY LICENSEE SHALL HAVE A COPY OF THE
8 APPLICATION FOR THE MILLIONAIRE PARTY LICENSE AND ANY CHANGES ON
9 SITE AND AVAILABLE FOR REVIEW.

10 (4) EXCEPT FOR DISPUTED PRIZES, A MILLIONAIRE PARTY LICENSEE
11 SHALL DETERMINE ALL PRIZE WINNERS AT THE EVENT AND ALL PRIZES
12 SHALL BE AWARDED WITHIN THE HOURS STATED ON THE LICENSE.

13 (5) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN
14 INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY
15 LICENSEE TO PARTICIPATE IN THE MANAGEMENT OF THE EVENT. AN
16 INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY
17 LICENSEE SHALL NOT PARTICIPATE IN THE MANAGEMENT OF AN EVENT.

18 (6) EXCEPT WHEN DEALING CARDS, AN INDIVIDUAL WHO IS NOT A
19 BONA FIDE MEMBER OF THE MILLIONAIRE PARTY LICENSEE SHALL NOT
20 PERFORM ANY OF THE FOLLOWING MILLIONAIRE PARTY MANAGEMENT DUTIES:

21 (A) COUNTING, DISTRIBUTING, HANDLING, SELLING, OR REDEEMING
22 CHIPS.

23 (B) RECEIVING, HANDLING, OR COUNTING CASH.

24 (C) COLLECTING THE HOUSE RAKE.

25 (D) PAYING OUT CASH PRIZES.

26 (E) PAYING WORKERS.

27 (F) COMPLETING GAME RECORDS AND THE FINANCIAL STATEMENT.

1 (6) EXCEPT WITH PRIOR WRITTEN APPROVAL OF THE DIRECTOR, A
2 MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN INDIVIDUAL TO
3 ASSIST IN THE OPERATION OF THE EVENT UNLESS THE INDIVIDUAL IS AN
4 EMPLOYEE OR AGENT OF A CHARITABLE GAMING SERVICE PROVIDER.

5 (7) UNLESS APPROVED IN WRITING BY THE DIRECTOR, A LESSOR, A
6 SHAREHOLDER OF A PRIVATELY HELD CORPORATION THAT OWNS OR LEASES A
7 LOCATION, A PARTNER, OFFICER, AGENT, OR EMPLOYEE OF THE OWNER OF
8 A LOCATION, OR AN INDIVIDUAL WHO RESIDES IN THE SAME HOUSEHOLD
9 WITH ANY OF THESE INDIVIDUALS SHALL NOT DO ANY OF THE FOLLOWING:

10 (A) PARTICIPATE IN THE MANAGEMENT OF A MILLIONAIRE PARTY AT
11 THE LOCATION.

12 (B) BE AN OFFICER OF A MILLIONAIRE PARTY LICENSEE THAT
13 CONDUCTS AN EVENT AT THE LOCATION.

14 (C) PARTICIPATE AS A PLAYER IN ANY GAMES AT AN EVENT HELD AT
15 THE LOCATION.

16 (D) ACCEPT A PRIZE OR PURCHASE, PLAY, OR ACCEPT A CHARITY
17 GAME TICKET OR NUMERAL GAME TICKET DURING AN EVENT AT THE
18 LOCATION.

19 (E) SPLIT A PRIZE WITH A PLAYER.

20 (F) RECEIVE ANY COMPENSATION, FOOD, OR BEVERAGE AS
21 PRESCRIBED BY SECTION 46.

22 (8) AN EMPLOYEE OR AGENT OF A LESSOR OR CHARITABLE GAMING
23 SERVICE PROVIDER MAY ACCEPT CASH TIPS AT A MILLIONAIRE PARTY
24 EVENT.

25 SEC. 43. (1) AN INDIVIDUAL AT A MILLIONAIRE PARTY WHO IS NOT
26 A DEALER OR OPERATOR SHALL NOT TOUCH DICE USED IN A GAME. A
27 PLAYER IN A GAME AT A MILLIONAIRE PARTY SHALL USE A DICE CUP WHEN

1 THROWING DICE IN A GAME.

2 (2) A PLAYER IN A GAME AT A MILLIONAIRE PARTY THAT INVOLVES
3 THE THROW OF DICE SHALL THROW THE DICE SO AS TO HIT THE SIDE
4 BOARDS OF THE TABLE. IF THE DICE DO NOT HIT THE SIDE BOARDS, THE
5 ROLL IS VOID AND THE DICE SHALL BE ROLLED AGAIN.

6 (3) IN A GAME OF BLACKJACK AT A MILLIONAIRE PARTY, THE
7 DEALER SHALL DRAW ON 16 AND UNDER AND STAND ON 17 AND OVER.

8 (4) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW MORE THAN
9 10 PLAYERS TO PLAY AT A BLACKJACK TABLE AT THE SAME TIME.

10 SEC. 44. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN
11 INDIVIDUAL TO ACT AS A RECORD KEEPER AT AN EVENT UNLESS THE
12 INDIVIDUAL QUALIFIES AS A WORKER AND IS A BONA FIDE MEMBER OF THE
13 LICENSEE.

14 (2) A WORKER AT A MILLIONAIRE PARTY SHALL NOT PLAY GAMES IN
15 WHICH HE OR SHE IS WORKING OR ASSISTING. A WORKER MAY PLAY WHEN
16 NOT WORKING, AFTER PAYING ANY ADMISSION FEE AND ALL OTHER FEES IN
17 THE SAME MANNER AS OTHER PLAYERS.

18 (3) A WORKER SHALL NOT ACCEPT A PRIZE OR PURCHASE, PLAY, OR
19 ACCEPT A CHARITY GAME TICKET OR NUMERAL GAME TICKET AT AN EVENT
20 AT WHICH HE OR SHE IS WORKING OR ASSISTING.

21 (4) A WORKER SHALL NOT SPLIT A PRIZE WITH A PLAYER OR ACCEPT
22 ANY KIND OF TIP.

23 SEC. 45. (1) EXCEPT AS PROVIDED IN SUBSECTION (3), A
24 LICENSEE SHALL DEVOTE THE ENTIRE NET PROCEEDS OF A MILLIONAIRE
25 PARTY EXCLUSIVELY TO THE LAWFUL PURPOSES OF THE LICENSEE. A
26 LICENSEE SHALL NOT USE THE NET PROCEEDS FROM A MILLIONAIRE PARTY
27 FOR THE BENEFIT OF AN INDIVIDUAL OR A MEMBER OR SHAREHOLDER OF

1 THE LICENSEE EXCEPT TO DIRECTLY FURTHER THE LAWFUL PURPOSES OF
2 THE LICENSEE. A MILLIONAIRE PARTY LICENSEE SHALL NOT INCUR OR PAY
3 AN ITEM OF EXPENSE IN CONNECTION WITH HOLDING OR CONDUCTING AN
4 EVENT EXCEPT THE FOLLOWING EXPENSES IN AMOUNTS THAT THE DIRECTOR
5 DETERMINES TO BE REASONABLE:

6 (A) FEES FOR THE OPERATION OF THE EVENT, INCLUDING ANY OF
7 THE FOLLOWING:

8 (i) FEES FOR THE PURCHASE OF EQUIPMENT NECESSARY TO CONDUCT
9 THE EVENT.

10 (ii) FEES FOR SERVICES REASONABLY NECESSARY FOR THE REPAIR OF
11 EQUIPMENT.

12 (iii) FEES PAID TO A CHARITABLE GAMING SERVICE PROVIDER FOR
13 ANY OF THE FOLLOWING:

14 (A) RENTAL OF EQUIPMENT.

15 (B) OPERATION SERVICES.

16 (C) SECURITY.

17 (B) CASH PRIZES OR THE PURCHASE OF PRIZES OF MERCHANDISE.

18 (C) RENTAL OF THE LOCATION AT WHICH THE EVENT IS CONDUCTED.

19 (D) JANITORIAL SERVICES.

20 (E) THE FEE REQUIRED FOR ISSUANCE OR REISSUANCE OF A LICENSE
21 TO CONDUCT THE EVENT.

22 (F) SECURITY.

23 (G) OTHER REASONABLE EXPENSES INCURRED BY THE LICENSEE, NOT
24 INCONSISTENT WITH THIS ACT, AS PERMITTED BY RULE PROMULGATED BY
25 THE DIRECTOR.

26 (H) REASONABLE ADVERTISING.

27 (2) A MILLIONAIRE PARTY LICENSEE SHALL NOT PAY MORE THAN 50%

1 OF THE GROSS PROFIT FROM AN EVENT FOR EXPENSES, NOT INCLUDING
2 EXPENSES DESCRIBED IN SUBSECTION (1) (B) AND (E). AS USED IN THIS
3 SUBSECTION, "GROSS PROFIT" MEANS THE TOTAL AMOUNT PAID BY PATRONS
4 TO PARTICIPATE IN CHARITABLE GAMING AT THE EVENT LESS THE AMOUNT
5 OR VALUE OF PRIZES PAID.

6 (3) A MILLIONAIRE PARTY LICENSEE SHALL KEEP AT THE LOCATION
7 INVOICES SHOWING THE COST PER ITEM FOR ALL EQUIPMENT USED AT THE
8 EVENT AND SHALL ALLOW AN AUTHORIZED REPRESENTATIVE OF THE
9 DIRECTOR TO REVIEW THE INVOICES AT ANY TIME.

10 SEC. 46. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT PAY A
11 PERSON A COMMISSION, SALARY, WAGE, OR OTHER COMPENSATION FOR
12 PARTICIPATING IN THE MANAGEMENT OF THE EVENT EXCEPT AS PROVIDED
13 BY THIS SECTION OR RULE PROMULGATED UNDER THIS ACT.

14 (2) A MILLIONAIRE PARTY LICENSEE SHALL NOT COMPENSATE A
15 WORKER MORE THAN \$50.00 PER DAY. THE DIRECTOR MAY ADJUST THIS
16 AMOUNT BY RULE PROMULGATED UNDER SECTION 89. IF THE DIRECTOR
17 PROPOSES AN ADJUSTMENT, THE DIRECTOR SHALL GIVE LICENSEES 30 DAYS
18 TO COMMENT BEFORE THE CHANGE IS IMPLEMENTED. THE MAXIMUM
19 COMPENSATION UNDER THIS SECTION SHALL NOT BE ADJUSTED TO AMOUNTS
20 THAT ARE MORE THAN THE FOLLOWING, AS APPLICABLE:

21 (A) FOR WORKERS WHO SERVE AS CHAIRPERSON OR RECORD KEEPER,
22 \$150.00 PER DAY.

23 (B) FOR ALL OTHER WORKERS, EXCEPT RAFFLE TICKET SELLERS,
24 \$100.00 PER DAY.

25 (3) ONLY 1 PERSON MAY BE PAID AS CHAIRPERSON AND ONLY 1
26 PERSON MAY BE PAID AS RECORD KEEPER PER DAY OF AN EVENT.

27 (4) A MILLIONAIRE PARTY LICENSEE SHALL ONLY COMPENSATE AN

1 INDIVIDUAL FOR BEING 1 OF THE FOLLOWING PER DAY OF THE EVENT:

2 (A) CHAIRPERSON.

3 (B) RECORD KEEPER.

4 (C) OTHER WORKER.

5 (5) IN DETERMINING THE AMOUNT OF COMPENSATION OF A WORKER,
6 COMPENSATION INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE
7 FOLLOWING:

8 (A) CASH OR CHECK.

9 (B) ANYTHING OF VALUE.

10 (C) CREDIT TOWARD DUES, TUITION, OR ANY OTHER ITEMS OF
11 VALUE.

12 (6) IN DETERMINING THE AMOUNT OF COMPENSATION OF A WORKER,
13 COMPENSATION DOES NOT INCLUDE FOOD AND BEVERAGES CONSUMED WHILE
14 WORKING THAT DO NOT EXCEED \$10.00 IN RETAIL VALUE.

15 (7) A MILLIONAIRE PARTY LICENSEE SHALL PAY ALL WORKER
16 COMPENSATION, OTHER THAN CREDITS, ON THE DAY OF THE EVENT.

17 (8) A MILLIONAIRE PARTY LICENSEE SHALL RECORD THE NAMES OF
18 WORKERS AND THE AMOUNT PAID TO EACH WORKER, INCLUDING ANY
19 CREDITS, ON A SERVICE RECORD FOR EACH DAY OF THE EVENT, OR AS
20 DIRECTED IN WRITING BY THE DIRECTOR.

21 (9) A MILLIONAIRE PARTY LICENSEE SHALL PAY ALL COMPENSATION
22 FOR A WORKER IN ANY FORM ONLY FROM THE PROCEEDS OF THE EVENT OR
23 THE FINANCIAL ACCOUNT AS PROVIDED IN SECTION 47.

24 (10) A MILLIONAIRE PARTY LICENSEE SHALL REPORT ALL
25 COMPENSATION PAID TO WORKERS ON THE FINANCIAL STATEMENT REQUIRED
26 UNDER SECTION 48.

27 SEC. 47. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT WRITE A

1 CHECK ON AN ACCOUNT INTO WHICH PROCEEDS FROM THE EVENT ARE
2 DEPOSITED OR TRANSFERRED UNLESS THE CHECK SATISFIES ALL OF THE
3 FOLLOWING REQUIREMENTS:

4 (A) THE NAME OF THE LICENSEE IS PREPRINTED ON THE CHECK.

5 (B) AN AUTHORIZED PERSON OR PERSONS SIGN THE CHECK.

6 (C) THE CHECK IS NOT MADE PAYABLE TO CASH OR BEARER OR DRAWN
7 IN BLANK.

8 (D) THE CHECK CONTAINS A BRIEF DESCRIPTION OF THE EXPENSE ON
9 THE MEMO LINE.

10 (2) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT CANCELED
11 CHECKS WRITTEN ON AN ACCOUNT INTO WHICH PROCEEDS FROM THE EVENT
12 ARE DEPOSITED OR TRANSFERRED ARE RETURNED ON A MONTHLY BASIS TO
13 THE ACCOUNT HOLDER. THIS SUBSECTION IS SATISFIED BY THE RETURN OF
14 COPIES OF THE CHECKS, IF THE COPIES ARE LEGIBLE AND IF THE
15 ORIGINALS CAN BE MADE AVAILABLE TO THE DIRECTOR ON REQUEST.

16 (3) A MILLIONAIRE PARTY LICENSEE SHALL DEPOSIT ALL MONEY
17 DERIVED FROM THE CONDUCT OF THE EVENT INTO THE LICENSEE'S
18 FINANCIAL ACCOUNT WITHIN 4 BUSINESS DAYS AFTER THE EVENT OR AS
19 DIRECTED IN WRITING BY THE DIRECTOR.

20 (4) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW A CHECK TO
21 BE CASHED OUT OF THE MILLIONAIRE PARTY START CASH OR GROSS
22 REVENUE.

23 (5) EXCEPT FOR CASH PRIZES AND WORKER COMPENSATION, A
24 MILLIONAIRE PARTY LICENSEE SHALL NOT PAY ANY EXPENDITURE IN CASH
25 FROM PROCEEDS OF THE EVENT. A MILLIONAIRE PARTY LICENSEE SHALL
26 PAY ALL OTHER EXPENSES RELATED TO THE EVENT BY CHECK AS REQUIRED
27 BY THIS SECTION.

1 SEC. 48. (1) A MILLIONAIRE PARTY LICENSEE SHALL KEEP A
2 RECORD OF EACH EVENT AS REQUIRED BY THE DIRECTOR. THE RECORD MUST
3 INCLUDE A COPY OF THE APPLICATION FOR THE LICENSE AND ANY CHANGES
4 TO THE LICENSE. A LICENSEE SHALL ALLOW A REPRESENTATIVE
5 AUTHORIZED BY THE DIRECTOR TO INSPECT A RECORD KEPT UNDER THIS
6 SUBSECTION AND ALL FINANCIAL ACCOUNTS INTO WHICH PROCEEDS FROM
7 EVENTS ARE DEPOSITED OR TRANSFERRED DURING REASONABLE BUSINESS
8 HOURS. AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY REMOVE
9 FOR REVIEW A RECORD KEPT UNDER THIS SUBSECTION AND ALL DOCUMENTS
10 SUPPORTING ENTRIES MADE IN THE RECORD. A LICENSEE SHALL KEEP A
11 RECORD UNDER THIS SUBSECTION AND ALL DOCUMENTS SUPPORTING ENTRIES
12 MADE IN THE RECORD FOR AT LEAST THE CURRENT CALENDAR YEAR PLUS 3
13 YEARS OR AS DIRECTED IN WRITING BY THE DIRECTOR. A RECORD
14 DESCRIBED IN THIS SUBSECTION MAY BE MAINTAINED USING A COMPUTER
15 IF IT IS MAINTAINED IN ACCORDANCE WITH DIRECTIVES OF THE
16 DIRECTOR.

17 (2) A MILLIONAIRE PARTY LICENSEE SHALL FILE WITH THE
18 DIRECTOR A FINANCIAL STATEMENT SIGNED BY THE PRINCIPAL OFFICER OF
19 THE QUALIFIED ORGANIZATION OF RECEIPTS AND EXPENSES RELATED TO
20 THE CONDUCT OF EACH EVENT AS REQUIRED BY RULE PROMULGATED UNDER
21 THIS ACT. IF THE REVENUE FROM A MILLIONAIRE PARTY IS REPRESENTED
22 TO BE USED OR APPLIED BY A LICENSEE FOR A CHARITABLE PURPOSE, THE
23 LICENSEE SHALL FILE A COPY OF THE FINANCIAL STATEMENT WITH THE
24 ATTORNEY GENERAL UNDER THE SUPERVISION OF TRUSTEES FOR CHARITABLE
25 PURPOSES ACT, 1961 PA 101, MCL 14.251 TO 14.266.

26 (3) A MILLIONAIRE PARTY LICENSEE SHALL ALLOW AN AUTHORIZED
27 REPRESENTATIVE OF THE DIRECTOR OR THE DEPARTMENT OF STATE POLICE

1 OR A LAW ENFORCEMENT OFFICER OF A POLITICAL SUBDIVISION OF THIS
2 STATE TO INSPECT A LOCATION OR A BUILDING, ENCLOSURE, OR PORTION
3 OF REAL PROPERTY THAT THE LICENSEE INTENDS TO USE AS A LOCATION
4 AT ANY TIME.

5 (4) A PERSON SHALL NOT REFUSE TO COOPERATE WITH, HINDER, OR
6 OBSTRUCT IN ANY WAY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR
7 WHILE THE REPRESENTATIVE IS PERFORMING OFFICIAL DUTIES.

8 SEC. 49. (1) A MILLIONAIRE PARTY LICENSEE SHALL MAKE ALL OF
9 THE FOLLOWING FINANCIAL RECORDS AVAILABLE TO AN AUTHORIZED
10 REPRESENTATIVE OF THE DIRECTOR FOR REVIEW AND SHALL KEEP THE
11 RECORD FOR AT LEAST THE CURRENT CALENDAR YEAR PLUS 3 YEARS OR AS
12 DIRECTED IN WRITING BY THE DIRECTOR:

13 (A) A COPY OF THE FINANCIAL STATEMENT REQUIRED UNDER SECTION
14 50.

15 (B) BANK-VALIDATED DEPOSIT SLIPS FOR ALL PROCEEDS FROM THE
16 EVENT.

17 (C) BANK STATEMENTS FROM ALL ACCOUNTS INTO WHICH PROCEEDS
18 FROM THE EVENT WERE DEPOSITED OR TRANSFERRED.

19 (D) CANCELED CHECKS OR COPIES OF CHECKS, AS REQUIRED UNDER
20 SECTION 47, FROM ALL ACCOUNTS INTO WHICH PROCEEDS FROM THE EVENT
21 WERE DEPOSITED OR TRANSFERRED.

22 (E) INVOICES OR RECEIPTS WITH THE DATE, THE VENDOR'S NAME,
23 AND A DESCRIPTION OF THE ITEM OR SERVICE FOR ALL EXPENDITURES
24 MADE FROM ACCOUNTS INTO WHICH PROCEEDS FROM THE EVENT WERE
25 DEPOSITED OR TRANSFERRED.

26 SEC. 50. (1) A MILLIONAIRE PARTY LICENSEE SHALL SUBMIT A
27 FINANCIAL STATEMENT TO THE DIRECTOR ON A FORM, PROVIDED BY OR

1 APPROVED IN WRITING BY THE DIRECTOR, BY THE TENTH DAY OF THE
2 MONTH FOLLOWING THE MONTH IN WHICH THE EVENT WAS HELD.

3 (2) A FINANCIAL STATEMENT SUBMITTED UNDER SUBSECTION (1)
4 MUST BE SIGNED BY AN OFFICER OF THE LICENSEE, CERTIFYING THAT THE
5 INFORMATION ON THE FINANCIAL STATEMENT IS TRUE, CORRECT, AND
6 COMPLETE TO THE BEST OF THE OFFICER'S KNOWLEDGE.

7 SEC. 61. (1) AN APPLICANT FOR A LICENSE TO OPERATE AS A
8 CHARITABLE GAMING SERVICE PROVIDER TO QUALIFIED ORGANIZATIONS
9 LICENSED UNDER THIS ARTICLE SHALL SUBMIT A WRITTEN APPLICATION TO
10 THE DIRECTOR ON A FORM PRESCRIBED BY THE DIRECTOR.

11 (2) AN APPLICANT UNDER THIS SECTION SHALL DISCLOSE TO THE
12 DIRECTOR WHETHER AN OWNER, PARTNER, SHAREHOLDER, OFFICER, OR
13 AGENT OF THE APPLICANT, OR ANY INDIVIDUAL WHO RESIDES IN THE SAME
14 HOUSEHOLD AS ANY OF THESE, HAS BEEN CONVICTED OF, HAS FORFEITED
15 BOND ON A CHARGE OF, OR HAS PLEAD GUILTY TO ANY OF THE FOLLOWING
16 OFFENSES:

17 (A) A FELONY.

18 (B) A GAMBLING OFFENSE.

19 (C) CRIMINAL FRAUD.

20 (D) FORGERY.

21 (E) LARCENY.

22 (F) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

23 (3) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY REPORT
24 TO THE DIRECTOR IN WRITING ANY CHANGES TO THE INFORMATION
25 PROVIDED ON AN APPLICATION FILED UNDER THIS SECTION.

26 (4) THE DIRECTOR SHALL CONSIDER ALL OF THE FOLLOWING FACTORS
27 WHEN REVIEWING AN APPLICATION OR RENEWAL APPLICATION UNDER THIS

1 SECTION:

2 (A) THE HONESTY AND INTEGRITY OF THE APPLICANT.

3 (B) THE VERACITY AND ACCURACY OF ANY INFORMATION SUPPLIED BY
4 THE APPLICANT.

5 (C) ANY INDEBTEDNESS OF THE APPLICANT TO A LOCAL, STATE, OR
6 FEDERAL GOVERNMENTAL AGENCY.

7 (D) ANY PENDING LAWSUIT OR BANKRUPTCY PROCEEDING INVOLVING
8 THE APPLICANT OR ANY OWNER, PARTNER, SHAREHOLDER, OR OFFICER OF
9 THE APPLICANT.

10 (E) THE CURRENT OR PAST HISTORY OF COMPLIANCE OF THE
11 APPLICANT OR ANY OWNER, PARTNER, SHAREHOLDER, OFFICER, OR AGENT
12 OF THE APPLICANT, OR OF ANY INDIVIDUAL WHO RESIDES IN THE SAME
13 HOUSEHOLD AS ANY OF THESE, WITH THIS ACT, INCLUDING SECTION 7.

14 (F) CRIMINAL CONVICTIONS OF THE APPLICANT OR ANY OWNER,
15 PARTNER, SHAREHOLDER, OFFICER, OR AGENT OF THE APPLICANT, OR OF
16 ANY INDIVIDUAL WHO RESIDES IN THE SAME HOUSEHOLD AS ANY OF THESE,
17 FOR ANY OF THE FOLLOWING OFFENSES:

18 (i) A VIOLATION OF THE ACT.

19 (ii) A FELONY.

20 (iii) A GAMBLING OFFENSE.

21 (iv) CRIMINAL FRAUD.

22 (v) FORGERY.

23 (vi) LARCENY.

24 (vii) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

25 (G) ANY OTHER INFORMATION CONSIDERED ADVISABLE BY THE
26 DIRECTOR.

27 (5) IF THE DIRECTOR DETERMINES THAT AN APPLICATION AND

1 SUPPORTING INFORMATION SUBMITTED UNDER THIS SECTION COMPLY WITH
2 THIS ACT AND RULES PROMULGATED UNDER THIS ACT, THE APPLICANT HAS
3 NOT MATERIALLY MISREPRESENTED OR OMITTED REQUIRED INFORMATION OR
4 VIOLATED THIS ACT OR A RULE PROMULGATED UNDER THIS ACT, AND THE
5 APPLICANT HAS PAID AN ANNUAL LICENSE FEE OF \$300.00, THE DIRECTOR
6 SHALL ISSUE A CHARITABLE GAMING SERVICE PROVIDER LICENSE TO THE
7 APPLICANT.

8 SEC. 62. (1) A CHARITABLE GAMING SERVICE PROVIDER LICENSE
9 EXPIRES AT MIDNIGHT ON SEPTEMBER 30 AND IS RENEWABLE ANNUALLY ON
10 THE SUBMISSION OF A RENEWAL APPLICATION, PROVIDED BY OR APPROVED
11 IN WRITING BY THE DIRECTOR, UNLESS THE LICENSE IS SUMMARILY
12 SUSPENDED, SUSPENDED, DENIED, OR REVOKED BY THE DIRECTOR.

13 (2) IF THE OWNERSHIP OR ANY PORTION OF OWNERSHIP OF THE
14 CORPORATION, PARTNERSHIP, OR SOLE PROPRIETORSHIP ACTING AS A
15 LICENSED CHARITABLE GAMING SERVICE PROVIDER CHANGES, NOT
16 INCLUDING THE DEPARTURE OF AN OWNER OR A CHANGE IN PERCENTAGE OF
17 OWNERSHIP, THE LICENSE ISSUED TO THE CORPORATION, PARTNERSHIP, OR
18 SOLE PROPRIETORSHIP IS VOID AND THE LICENSEE SHALL RETURN THE
19 LICENSE TO THE DIRECTOR WITHOUT DELAY.

20 (3) A CHARITABLE GAMING SERVICE PROVIDER LICENSE SHALL STATE
21 THAT THE CHARITABLE GAMING SERVICE PROVIDER IS LICENSED TO DO
22 EITHER OF THE FOLLOWING:

23 (A) RENT OR SELL EQUIPMENT.

24 (B) PROVIDE OPERATION SERVICES.

25 SEC. 63. (1) ON THE ISSUANCE OF A CHARITABLE GAMING SERVICE
26 PROVIDER LICENSE, THE LICENSEE AGREES TO ALL OF THE FOLLOWING
27 TERMS AND CONDITIONS:

1 (A) TO BE BOUND BY AND COMPLY WITH THIS ACT, INCLUDING
2 SECTION 7.

3 (B) TO NOT ASSIGN OR TRANSFER THE LICENSE. A LICENSED
4 CHARITABLE GAMING SERVICE PROVIDER SHALL NOT ATTEMPT TO SELL OR
5 TRANSFER AN INTEREST IN ITS BUSINESS WITHOUT THE PRIOR WRITTEN
6 APPROVAL OF THE DIRECTOR.

7 (C) TO IMMEDIATELY REPORT TO THE DIRECTOR IN WRITING ANY
8 CHANGE IN THE INFORMATION STATED ON OR ATTACHED TO THE
9 APPLICATION FOR THE LICENSE.

10 (D) TO ONLY ACCEPT CHECKS FROM A MILLIONAIRE PARTY
11 LICENSEE'S ACCOUNT FOR THE PAYMENT OF MILLIONAIRE PARTY
12 EQUIPMENT.

13 (E) TO NOT REVEAL INVESTIGATIVE INFORMATION TO ANY
14 MILLIONAIRE PARTY LICENSEE.

15 (F) TO HOLD THE DIRECTOR, THE DEPARTMENT, AND THIS STATE
16 HARMLESS FROM ANY LIABILITY, INCLUDING, BUT NOT LIMITED TO, TAXES
17 AND LEGAL EXPENSES.

18 (2) AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY INSPECT
19 THE LOCATION AT WHICH A CHARITABLE GAMING SERVICE PROVIDER DOES
20 BUSINESS, INCLUDING SUPPLEMENTAL STORAGE LOCATIONS, OR INTENDS TO
21 DO BUSINESS OR STORE EQUIPMENT DURING REASONABLE BUSINESS HOURS.

22 (3) A PERSON SHALL NOT REFUSE TO COOPERATE WITH, HINDER, OR
23 OBSTRUCT IN ANY WAY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR
24 WHILE THE REPRESENTATIVE IS PERFORMING OFFICIAL DUTIES.

25 (4) A CHARITABLE GAMING SERVICE PROVIDER SHALL NOT REQUIRE A
26 MILLIONAIRE PARTY LICENSEE TO ENTER INTO AN EXCLUSIVE PURCHASE
27 AGREEMENT WITH THE LICENSED CHARITABLE GAMING SERVICE PROVIDER.

1 (5) THE DIRECTOR MAY DENY, SUMMARILY SUSPEND, SUSPEND,
2 REVOKE, OR REFUSE TO RENEW A CHARITABLE GAMING SERVICE PROVIDER
3 LICENSE AS PROVIDED IN SECTIONS 83 TO 86.

4 (6) A PERSON CONVICTED OF A CRIMINAL OFFENSE UNDER THIS ACT
5 OR ANY OTHER GAMBLING OFFENSE IS INELIGIBLE TO BE AN OWNER,
6 PARTNER, SHAREHOLDER, OFFICER, AGENT, OR EMPLOYEE OF A CHARITABLE
7 GAMING SERVICE PROVIDER FOR 1 YEAR AFTER THE CONVICTION BECOMES
8 FINAL.

9 SEC. 64. (1) A CHARITABLE GAMING SERVICE PROVIDER SHALL NOT
10 SELL OR RENT MILLIONAIRE PARTY EQUIPMENT THAT HAS NOT BEEN
11 AUTHORIZED IN WRITING BY THE DIRECTOR OR THAT IS NOT IN SOUND
12 WORKING CONDITION.

13 (2) A CHARITABLE GAMING SERVICE PROVIDER SHALL PUBLISH IN
14 WRITING WITH AN EFFECTIVE DATE AN ITEMIZED PRICE LIST OF ALL
15 MILLIONAIRE PARTY EQUIPMENT AND SERVICES THAT IT PROVIDES TO
16 MILLIONAIRE PARTY LICENSEES. THE LIST MUST HAVE SUFFICIENT DETAIL
17 TO PERMIT A POTENTIAL CUSTOMER TO EASILY MAKE PRICE COMPARISONS.
18 A CHARITABLE GAMING SERVICE PROVIDER SHALL FILE A PRICE LIST
19 PUBLISHED UNDER THIS SUBSECTION WITH THE DIRECTOR NOT LESS THAN
20 10 DAYS BEFORE THE EFFECTIVE DATE OF THE LIST.

21 (3) A CHARITABLE GAMING SERVICE PROVIDER SHALL REMOVE ALL
22 MILLIONAIRE PARTY EQUIPMENT FROM A RENTED LOCATION WITHIN 2
23 BUSINESS DAYS AFTER THE EVENT OR AS DIRECTED IN WRITING BY THE
24 DIRECTOR.

25 SEC. 65. A CHARITABLE GAMING SERVICE PROVIDER LICENSE DOES
26 NOT INCLUDE THE AUTHORITY TO PURCHASE AND SELL CHARITY GAME
27 TICKETS OR NUMERAL GAME TICKETS. THE AUTHORITY TO PURCHASE AND

1 SELL CHARITY GAME OR NUMERAL GAME TICKETS IS CONTROLLED BY
2 ARTICLE 1.

3 SEC. 66. (1) A CHARITABLE GAMING SERVICE PROVIDER OR AN
4 OWNER, PARTNER, SHAREHOLDER, OFFICER, AGENT, OR EMPLOYEE OF A
5 CHARITABLE GAMING SERVICE PROVIDER, OR AN INDIVIDUAL WHO RESIDES
6 IN THE SAME HOUSEHOLD AS ANY OF THESE, SHALL NOT BE INVOLVED WITH
7 THE MANAGEMENT OF AN EVENT. THIS SUBSECTION DOES NOT APPLY TO THE
8 DELIVERY, REPAIR, AND SET UP OF EQUIPMENT, TRAINING BEFORE THE
9 START OF THE EVENT, OR TECHNICAL ADVICE DURING THE EVENT.

10 (2) AN EMPLOYEE OR AGENT OF A CHARITABLE GAMING SERVICE
11 PROVIDER SHALL NOT RECEIVE ANY COMPENSATION, FOOD, OR BEVERAGE AS
12 PROVIDED IN SECTION 46.

13 (3) A CHARITABLE GAMING SERVICE PROVIDER OR AN OWNER,
14 PARTNER, SHAREHOLDER, OFFICER, AGENT, OR EMPLOYEE OF A CHARITABLE
15 GAMING SERVICE PROVIDER, OR AN INDIVIDUAL WHO RESIDES IN THE SAME
16 HOUSEHOLD AS ANY OF THESE, SHALL NOT DO ANY OF THE FOLLOWING:

17 (A) BE AN OFFICER OF A MILLIONAIRE PARTY LICENSEE CONDUCTING
18 AN EVENT FOR WHICH THE CHARITABLE GAMING SERVICE PROVIDER IS
19 PROVIDING EQUIPMENT OR SERVICES.

20 (B) PLAY MILLIONAIRE PARTY GAMES AT THE LOCATION WHERE HE OR
21 SHE WORKS OR ASSISTS.

22 (C) SHARE IN A PRIZE OR PURCHASE, PLAY, OR ACCEPT CHARITY
23 GAME TICKETS OR NUMERAL GAME TICKETS OFFERED FOR SALE BY THE
24 MILLIONAIRE PARTY LICENSEE AT ANY TIME AT THE LOCATION WHERE HE
25 OR SHE IS WORKING OR ASSISTING.

26 (D) SPLIT A PRIZE WITH A PLAYER.

27 SEC. 67. (1) A LICENSED SUPPLIER SHALL RECORD EVERY SALE,

1 LEASE, RENTAL, RETURN, OR ANY OTHER TYPE OF TRANSFER OF
2 MILLIONAIRE PARTY EQUIPMENT TO OR FROM A MILLIONAIRE PARTY
3 LICENSEE BY COMPLETING A SALES INVOICE OR CREDIT MEMO.

4 (2) ALL INVOICES FOR MILLIONAIRE PARTY EQUIPMENT MUST BE
5 SEQUENTIALLY NUMBERED AND ISSUED IN SEQUENTIAL ORDER OR AS
6 DIRECTED IN WRITING BY THE DIRECTOR.

7 (3) A CHARITABLE GAMING SERVICE PROVIDER SHALL GIVE A
8 MILLIONAIRE PARTY LICENSEE AN INVOICE FOR ALL MILLIONAIRE PARTY
9 EQUIPMENT SUPPLIED TO THE LICENSEE BEFORE THE EVENT.

10 (4) AN INVOICE UNDER THIS SECTION MUST CONTAIN ALL OF THE
11 FOLLOWING INFORMATION:

12 (A) THE AMOUNT OF EACH SALE.

13 (B) ALL CREDITS.

14 (C) ALL EXCHANGES.

15 (D) ALL SALES PREMIUMS.

16 (E) ALL REBATES OR DISCOUNTS.

17 (F) THE NET AMOUNT OF EACH SALE.

18 (G) ANY OTHER INFORMATION AS DIRECTED IN WRITING BY THE
19 DIRECTOR.

20 (5) A CHARITABLE GAMING SERVICE PROVIDER SHALL RETAIN ALL
21 VOIDED OR SPOILED INVOICES FOR MILLIONAIRE PARTY EQUIPMENT.

22 SEC. 68. (1) A CHARITABLE GAMING SERVICE PROVIDER SHALL
23 MAINTAIN CURRENT AND ACCURATE RECORDS OF ALL OPERATIONS IN
24 CONJUNCTION WITH THE PURCHASE, SALE, OR RENTAL OF MILLIONAIRE
25 PARTY EQUIPMENT AS REQUIRED BY THIS ACT.

26 (2) AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY REVIEW
27 THE RECORDS DESCRIBED IN SUBSECTION (1) AND ALL DOCUMENTS

1 SUPPORTING ENTRIES MADE IN THE RECORDS AT THE LOCATION.

2 (3) A CHARITABLE GAMING SERVICE PROVIDER SHALL KEEP THE
3 RECORDS DESCRIBED IN SUBSECTION (1) AND ALL DOCUMENTS SUPPORTING
4 ENTRIES MADE IN THE RECORDS FOR AT LEAST THE CALENDAR YEAR IN
5 WHICH THE EVENT OCCURRED AND THE 3 FOLLOWING YEARS OR AS DIRECTED
6 IN WRITING BY THE DIRECTOR.

7 (4) A CHARITABLE GAMING SERVICE PROVIDER SHALL REPORT TO THE
8 DIRECTOR, ON A FORM PROVIDED BY OR APPROVED IN WRITING BY THE
9 DIRECTOR, THE TYPE AND TOTAL AMOUNT OF SALES AND RENTALS OF
10 MILLIONAIRE PARTY EQUIPMENT AS DIRECTED IN WRITING BY THE
11 DIRECTOR.

12 SEC. 69. (1) A CHARITABLE GAMING SERVICE PROVIDER SHALL FILE
13 WITH THE DIRECTOR A FINANCIAL STATEMENT SIGNED BY THE PRINCIPAL
14 OFFICER OF THE CHARITABLE GAMING SERVICE PROVIDER OF RECEIPTS AND
15 EXPENSES RELATED TO THE CONDUCT OF EACH EVENT AS REQUIRED BY RULE
16 PROMULGATED UNDER THIS ACT. IF THE REVENUE FROM A MILLIONAIRE
17 PARTY IS REPRESENTED BY A LICENSEE FOR WHICH A CHARITABLE GAMING
18 SERVICE PROVIDER PROVIDES SERVICES TO BE USED OR APPLIED FOR A
19 CHARITABLE PURPOSE, THE CHARITABLE GAMING SERVICE PROVIDER SHALL
20 FILE A COPY OF THE FINANCIAL STATEMENT WITH THE ATTORNEY GENERAL
21 UNDER THE SUPERVISION OF TRUSTEES FOR CHARITABLE PURPOSES ACT,
22 1961 PA 101, MCL 14.251 TO 14.266. THE REPORTS REQUIRED UNDER
23 THIS SUBSECTION SHALL BE FILED QUARTERLY.

24 (2) A CHARITABLE GAMING SERVICE PROVIDER THAT PROVIDES
25 OPERATION SERVICES AT A MILLIONAIRE PARTY SHALL MAINTAIN RECORDS
26 IN A FORM PRESCRIBED BY THE DIRECTOR THAT ALLOW A RUNNING
27 RECONCILIATION OF THE AMOUNT OF IMITATION MONEY OR CHIPS

1 AVAILABLE FOR SALE, THE AMOUNT OF IMITATION MONEY OR CHIPS BOUGHT
2 BACK, AND THE AMOUNT OF CASH RECEIVED AND DISBURSED. THE
3 CHARITABLE GAMING SERVICE PROVIDER SHALL KEEP IMITATION MONEY AND
4 CHIPS THAT ARE BOUGHT BACK OUT OF USE AND SEPARATE FROM IMITATION
5 MONEY AND CHIPS FOR SALE.

6 (3) A CHARITABLE GAMING SERVICE PROVIDER THAT PROVIDES
7 OPERATION SERVICES AT A MILLIONAIRE PARTY SHALL ALLOW AN
8 AUTHORIZED REPRESENTATIVE OF THE DIRECTOR OR OF THE DEPARTMENT OF
9 STATE POLICE OR A LAW ENFORCEMENT OFFICER OF A POLITICAL
10 SUBDIVISION OF THIS STATE TO INSPECT AT ANY TIME A LOCATION UNDER
11 ITS CONTROL, INCLUDING THE RECORDS MAINTAINED UNDER SUBSECTION
12 (2), OR A BUILDING, ENCLOSURE, OR PORTION OF REAL PROPERTY AT
13 WHICH THE CHARITABLE GAMING SERVICE PROVIDER INTENDS TO USE AS A
14 LOCATION.

15 SEC. 81. (1) AT HIS OR HER DISCRETION, THE DIRECTOR MAY
16 ISSUE A VIOLATION NOTICE.

17 (2) A LICENSEE UNDER THIS ARTICLE SHALL RESPOND TO A
18 VIOLATION NOTICE IN WRITING WITHIN THE TIME SPECIFIED IN THE
19 NOTICE AND SHALL INFORM THE DIRECTOR WHAT ACTION HAS BEEN TAKEN
20 TO CORRECT THE VIOLATION CITED. THE RESPONSE SHALL BE SIGNED BY
21 THE PRINCIPAL OFFICER IF THE LICENSEE HOLDS A MILLIONAIRE PARTY
22 LICENSE OR THE OWNER OR TOP OFFICER IF THE LICENSEE IS A
23 CHARITABLE GAMING SERVICE PROVIDER.

24 (3) AT HIS OR HER DISCRETION, THE DIRECTOR MAY INITIATE
25 FURTHER ADMINISTRATIVE ACTION IF A RESPONSE TO A VIOLATION NOTICE
26 IS NOT RECEIVED OR THE RESPONSE DOES NOT RESOLVE THE VIOLATION.

27 SEC. 82. (1) AT HIS OR HER DISCRETION, THE DIRECTOR MAY

1 REQUIRE THE PRINCIPAL OFFICER OF A MILLIONAIRE PARTY LICENSEE OR
2 THE OWNER OR TOP OFFICER OF A CHARITABLE GAMING SERVICE PROVIDER
3 TO ATTEND AN INFORMAL MEETING TO DISCUSS A VIOLATION OF THIS
4 ARTICLE, INCLUDING SECTION 7.

5 (2) THE PURPOSE OF A MEETING UNDER SUBSECTION (1) IS TO
6 ASSIST THE LICENSEE TO COMPLY WITH THIS ARTICLE, INCLUDING
7 SECTION 7, AND TO FORESTALL FURTHER ACTION, INCLUDING, BUT NOT
8 LIMITED TO, A CONTESTED CASE HEARING.

9 (3) DURING OR AFTER A MEETING UNDER SUBSECTION (1), A
10 LICENSEE MAY AGREE TO BE PLACED ON PROBATION.

11 (4) THE DIRECTOR MAY WAIVE A MEETING UNDER SUBSECTION (1) IF
12 IN THE OPINION OF THE DIRECTOR THE VIOLATION OF THIS ARTICLE,
13 INCLUDING SECTION 7, WARRANTS ACTION UNDER SECTIONS 83 TO 86.

14 SEC. 83. IN DETERMINING A PROPER SANCTION FOR A VIOLATION OF
15 THIS ARTICLE, INCLUDING SECTION 7, THE DIRECTOR SHALL CONSIDER
16 WHETHER THE VIOLATION WAS INADVERTENT OR INTENTIONAL AND WHAT THE
17 CONSEQUENCES OF THE VIOLATION WERE. FOR A VIOLATION, THE DIRECTOR
18 MAY ORDER 1 OR MORE OF THE FOLLOWING:

19 (A) THAT THE LICENSEE RECEIVE A WRITTEN WARNING.

20 (B) THAT THE LICENSEE BE PLACED ON PROBATION UNDER SECTION
21 84.

22 (C) FOR A FIRST VIOLATION, THAT THE LICENSEE PAY A FINE OF
23 UP TO \$1,000.00 AND, IF THE VIOLATION THREATENED THE PUBLIC
24 HEALTH, SAFETY, OR WELFARE OR PUBLIC TRUST, THAT THE LICENSE BE
25 SUSPENDED UNDER SECTION 85 FOR UP TO 30 DAYS.

26 (D) FOR A SECOND VIOLATION IN A 2-YEAR PERIOD, THAT THE
27 LICENSEE PAY A FINE OF UP TO \$2,000.00 AND, IF THE VIOLATION

1 THREATENED THE PUBLIC HEALTH, SAFETY, OR WELFARE OR PUBLIC TRUST,
2 THAT THE LICENSE BE SUSPENDED UNDER SECTION 85 FOR UP TO 60 DAYS.

3 (E) FOR A THIRD VIOLATION IN A 2-YEAR PERIOD, THAT THE
4 LICENSEE PAY A FINE OF UP TO \$3,000.00 AND, IF THE VIOLATION
5 THREATENED THE PUBLIC HEALTH, SAFETY, OR WELFARE OR PUBLIC TRUST,
6 THAT THE LICENSE BE SUSPENDED UNDER SECTION 85 FOR UP TO 90 DAYS.

7 (F) FOR A FOURTH OR SUBSEQUENT VIOLATION IN A 2-YEAR PERIOD,
8 THAT THE LICENSEE PAY A FINE OF UP TO \$4,000.00 AND, AT THE
9 DIRECTOR'S DISCRETION, THAT THE LICENSEE BE PROHIBITED FROM
10 HOLDING EVENTS FOR UP TO 2 YEARS. IF A 2-YEAR SUSPENSION IS
11 IMPOSED UNDER THIS SUBDIVISION, THE DIRECTOR SHALL NOT ISSUE A
12 LICENSE TO THE QUALIFIED ORGANIZATION OR CHARITABLE GAMING
13 SERVICE PROVIDER UNLESS THE ORGANIZATION OR CHARITABLE GAMING
14 SERVICE PROVIDER DEMONSTRATES TO THE DIRECTOR THE CHANGES THAT
15 HAVE BEEN PUT IN PLACE TO ENSURE THAT VIOLATIONS WILL NOT
16 CONTINUE.

17 SEC. 84. (1) THE DIRECTOR MAY PLACE A LICENSEE ON PROBATION
18 OR MAY CONDITION THE RENEWAL OF A LICENSE WITH TERMS OF PROBATION
19 AS PROVIDED IN SECTION 83.

20 (2) THE CONTINUATION OF A PROBATIONARY LICENSE UNDER THIS
21 SECTION IS CONDITIONED ON STRICT COMPLIANCE WITH THIS ACT,
22 INCLUDING SECTION 7.

23 (3) IT IS A VIOLATION OF PROBATION UNDER THIS SECTION IF THE
24 LICENSEE FAILS TO COMPLY WITH THIS ACT, INCLUDING SECTION 7.

25 (4) THE DIRECTOR MAY SUMMARILY SUSPEND A PROBATIONARY
26 LICENSE ISSUED UNDER THIS SECTION AS PROVIDED IN SECTION 85 IF
27 THE LICENSEE VIOLATES THIS ACT, INCLUDING SECTION 7.

1 SEC. 85. (1) THE DIRECTOR MAY DENY, SUSPEND, SUMMARILY
2 SUSPEND, OR REVOKE A LICENSE ISSUED UNDER THIS ARTICLE IF THE
3 HOLDER OF THE LICENSE OR AN OFFICER, DIRECTOR, AGENT, MEMBER, OR
4 EMPLOYEE OF THE HOLDER OF THE LICENSE VIOLATES THIS ARTICLE OR A
5 RULE PROMULGATED UNDER THIS ARTICLE. THE DIRECTOR MAY SUMMARILY
6 SUSPEND A LICENSE FOR A PERIOD OF NOT MORE THAN 60 DAYS PENDING
7 PROSECUTION, INVESTIGATION, OR PUBLIC HEARING.

8 (2) A PROCEEDING TO SUSPEND OR REVOKE A LICENSE UNDER THIS
9 ARTICLE IS A CONTESTED CASE GOVERNED BY THE ADMINISTRATIVE
10 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

11 (3) ON PETITION OF THE DIRECTOR, THE CIRCUIT COURT AFTER A
12 HEARING MAY ISSUE SUBPOENAS TO COMPEL THE ATTENDANCE OF WITNESSES
13 AND THE PRODUCTION OF DOCUMENTS, PAPERS, BOOKS, RECORDS, AND
14 OTHER EVIDENCE BEFORE IT IN A MATTER OVER WHICH IT HAS
15 JURISDICTION, CONTROL, OR SUPERVISION. IF A PERSON SUBPOENAED TO
16 ATTEND IN ANY SUCH PROCEEDING OR HEARING FAILS TO OBEY THE
17 COMMAND OF THE SUBPOENA WITHOUT REASONABLE CAUSE, OR IF A PERSON
18 IN ATTENDANCE IN ANY SUCH PROCEEDING OR HEARING REFUSES, WITHOUT
19 LAWFUL CAUSE, TO BE EXAMINED OR TO ANSWER A LEGAL OR PERTINENT
20 QUESTION OR TO EXHIBIT A BOOK, ACCOUNT, RECORD, OR OTHER DOCUMENT
21 WHEN ORDERED TO DO SO BY THE COURT, THAT PERSON MAY BE PUNISHED
22 AS BEING IN CONTEMPT OF THE COURT.

23 SEC. 86. (1) A HOLDER OF A LICENSE WHOSE LICENSE IS REVOKED
24 FOR A VIOLATION OF THIS ARTICLE OR A RULE PROMULGATED UNDER THIS
25 ARTICLE IS INELIGIBLE TO APPLY FOR A LICENSE FOR 2 YEARS.

26 (2) A PERSON CONVICTED OF AN OFFENSE UNDER SECTION 17 OR ANY
27 OTHER GAMBLING OFFENSE IS INELIGIBLE TO SERVE AS AN OFFICER OF A

1 HOLDER OF A LICENSE OR TO PARTICIPATE IN CONDUCTING A MILLIONAIRE
2 PARTY FOR 1 YEAR AFTER THE CONVICTION BECOMES FINAL. IF THE
3 PERSON IS LICENSED UNDER THIS ARTICLE, THE PERSON SHALL FORFEIT
4 THE LICENSE AND IS INELIGIBLE TO APPLY FOR THE ISSUANCE OR
5 REISSUANCE OF THE LICENSE FOR 1 YEAR AFTER THE CONVICTION BECOMES
6 FINAL.

7 SEC. 89. THE DIRECTOR SHALL PROMULGATE RULES PURSUANT TO THE
8 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
9 24.328, TO IMPLEMENT THIS ARTICLE.

10 Enacting section 1. Sections 10a, 10b, and 20 of the
11 Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.110a,
12 432.110b, and 432.120, are repealed.