

HOUSE BILL No. 5186

December 10, 2013, Introduced by Reps. Schor, Irwin, Zemke, Darany, Hovey-Wright, Slavens, Kivela, Driskell, Kandrevas and LaFontaine and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 382, entitled
"Traxler-McCauley-Law-Bowman bingo act,"
by amending the title and sections 2, 3a, 4, 4a, 7a, 7b, 7c, 10,
10a, 10b, 11b, 14, 18, and 19 (MCL 432.102, 432.103a, 432.104,
432.104a, 432.107a, 432.107b, 432.107c, 432.110, 432.110a,
432.110b, 432.111b, 432.114, 432.118, and 432.119), the title and
sections 4, 7a, 14, and 18 as amended and sections 7b, 7c, and
10b as added by 1999 PA 108, section 2 as amended by 2008 PA 401,
sections 3a, 10, 10a, and 11b as amended by 2006 PA 427, section
4a as amended by 2012 PA 189, and section 19 as amended by 1995
PA 263.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

1

1 An act to license and regulate ~~the conducting of bingo ,~~
 2 ~~millionaire parties, and certain other forms of gambling,~~
 3 **CHARITABLE GAMING;** to provide for ~~the conducting of~~ charity
 4 games, raffles, and numeral games; to provide for exemptions from
 5 licensing requirements under certain circumstances; to ~~impose~~
 6 ~~certain~~ **PROVIDE FOR THE POWERS AND** duties and ~~authority upon~~ **OF**
 7 certain state departments, agencies, and officers; to provide a
 8 tax exemption; and to provide penalties.

9 Sec. 2. As used in this act:

10 (a) "Active service" and "active state service" mean those
 11 terms as defined in section 105 of the Michigan military act,
 12 1967 PA 150, MCL 32.505.

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

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

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

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

25 (F) **"CHARITABLE GAMING" MEANS GAMING CONDUCTED UNDER SECTION**
 26 **10A.**

27 (G) ~~(e)~~ "Charity game" means the random resale of a series

1 of charity game tickets.

2 (H) ~~(f)~~ "Charity game ticket" means a ticket commonly
3 referred to as a break-open ticket or pull-tab that is approved
4 and acquired by the bureau and is distributed and sold by the
5 bureau or a licensed supplier to a qualified organization, a
6 portion of which is removed to discover whether the ticket is a
7 winning ticket and whether the purchaser may be awarded a prize.

8 (I) ~~(g)~~ "Commissioner" means the commissioner of state
9 lottery appointed under section 7 of the McCauley-Traxler-Law-
10 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.7.

11 (J) ~~(h)~~ "Coverall pattern" means a pattern required to win a
12 bingo game in which all numbers on a bingo card are required to
13 be called.

14 (K) "DAY" MEANS THE STANDARD 24-HOUR PERIOD, EXCEPT THAT,
15 WITH RESPECT TO THE ISSUANCE OF A LICENSE UNDER THIS ACT, DAY
16 MEANS THE TIME PERIOD FROM 8 A.M. OF 1 DAY TO 2 A.M. OF THE
17 FOLLOWING DAY.

18 (L) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE BOARD,
19 APPOINTED UNDER SECTION 4 OF THE MICHIGAN GAMING CONTROL AND
20 REVENUE ACT, 1996 IL 1, MCL 432.204.

21 Sec. 3a. AS USED IN THIS ACT:

22 (A) ~~(1)~~ "Equipment" means the objects and mechanical or
23 electromechanical devices used to determine or assist in
24 determining the winners of prizes at events. ~~licensed under this~~
25 ~~act.~~

26 (B) ~~(2)~~ "Event" means ~~each~~ **AN** occasion of a bingo,
27 ~~millionaire party,~~ **CHARITABLE GAMING, A raffle, A charity game,**

1 or **A** numeral game licensed under this act.

2 (C) ~~(3)~~—"Large bingo" means a series of bingo occasions that
3 occur on a regular basis during which the total value of all
4 prizes awarded through bingo at a single occasion does not exceed
5 \$3,500.00 and the total value of all prizes awarded for 1 game
6 does not exceed \$1,100.00, except that a prize awarded through a
7 Michigan progressive jackpot ~~bingo game~~ is not subject to these
8 limitations.

9 (D) ~~(4)~~—"Large raffle" means an event ~~where~~ **AT WHICH** the
10 total value of all prizes awarded through raffle drawings exceed
11 \$500.00 per occasion.

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

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

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

1 consolation prize as prescribed by the commissioner.

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

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

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

17 (J) ~~(11)~~ "Occasion" means the hours of the day for which a
18 license is issued.

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

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

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

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

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

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

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

Sec. 4. (1) ~~Each~~ **AN** applicant for a license to conduct a bingo, ~~millionaire party,~~ **CHARITABLE GAMING, A** raffle, **A** charity game, or **A** numeral game **UNDER THIS ACT** shall submit to the bureau **OR BOARD, AS APPLICABLE,** a written application on a form

1 prescribed by the commissioner **OR DIRECTOR, AS APPLICABLE.**

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

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

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

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

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

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

12 (f) Sufficient facts relating to the applicant's
13 incorporation or organization to enable the commissioner **OR**
14 **DIRECTOR, AS APPLICABLE,** to determine whether the applicant is a
15 qualified organization.

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

19 (h) Other information the commissioner **OR DIRECTOR, AS**
20 **APPLICABLE,** considers necessary.

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

<u>License</u>	<u>Fee</u>
(a) Large bingo.....	\$ 150.00
(b) Small bingo.....	\$ 55.00
(c) Special bingo.....	\$ 25.00
(d) Millionaire party CHARITABLE GAMING	\$ 50.00 per day
(e) Large raffle.....	\$ 50.00 per drawing date
(f) Small raffle:	
(i) One to 3 drawing dates.....	\$ 15.00
(ii) Four or more drawing dates.....	\$ 5.00 per drawing date
(g) Annual charity game.....	\$ 200.00
(h) Special charity game.....	\$ 15.00 per day
(i) Numeral game.....	\$ 15.00 per day

(2) Under extreme hardship conditions as determined by the commissioner **OR DIRECTOR, AS APPLICABLE**, the commissioner **OR DIRECTOR** may waive 1 or more requirements ~~of~~ **FOR AN ORGANIZATION TO QUALIFY AS** a qualified organization **AS** described in section 3 to permit the ~~licensing of a~~ **ORGANIZATION TO BE LICENSED TO CONDUCT** special bingo, ~~millionaire party~~, **CHARITABLE GAMING**, or **A** raffle, if all of the following conditions are met:

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

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

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

1 participation.

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

4 (3) Under extreme hardship conditions as determined by the
5 commissioner **OR DIRECTOR, AS APPLICABLE**, the commissioner **OR**
6 **DIRECTOR** may allow an individual or a group of individuals to
7 obtain a license to conduct ~~a special bingo, millionaire party,~~
8 **CHARITABLE GAMING**, or **A** raffle if all of the following conditions
9 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 conduct 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 (4) ~~Each event~~ **A** license issued ~~to a qualified organization~~
20 **UNDER THIS SECTION** is valid for only the location ~~included~~ **STATED**
21 on the license.

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

24 (6) ~~The~~ **A** licensee is responsible for ensuring that ~~the~~
25 ~~events are~~ **AN EVENT CONDUCTED UNDER THE LICENSE IS** conducted in
26 compliance with this act and **THE** rules **PROMULGATED UNDER THIS**
27 **ACT**.

1 (7) A licensee shall only conduct ~~events licensed under this~~
2 ~~act~~**AN EVENT** during the hours and on the day and date, or **DAYS**
3 **AND** dates, stated on the license.

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

12 Sec. 7a. (1) All charity game tickets used in the conduct of
13 a charity game shall be purchased by the qualified organization
14 from the bureau or a supplier.

15 (2) The bureau shall determine the number of charity game
16 tickets that constitute a charity game.

17 (3) The bureau shall determine the price at which ~~the~~**A**
18 qualified organization ~~shall~~**MAY** resell ~~each~~**A** charity game
19 ticket and shall have that price printed on each charity game
20 ticket.

21 (4) The bureau or a supplier shall sell charity game tickets
22 to a qualified organization that is eligible to conduct a charity
23 game at a percentage, to be determined by the bureau, of the
24 gross revenues that are realized by the resale of all the charity
25 game tickets for that game at the price established by the
26 bureau.

27 (5) The qualified organization shall retain 60% and the

1 bureau shall retain 40% of the money obtained from the sale of
2 charity game tickets.

3 (6) A qualified organization that conducts a charity game
4 shall be solely responsible for paying prizes won by purchasers
5 of winning charity game tickets.

6 (7) When all charity game tickets for a single charity game
7 are resold, prizes distributed ~~shall~~**MUST** have an aggregate value
8 of, as near as practicable, not less than 60% of the resale value
9 of all the charity game tickets for that charity game.

10 (8) The bureau shall determine the number of winning charity
11 game tickets provided on a random basis for resale for any 1
12 charity game and shall establish the value of the prize won by
13 each winning charity game ticket.

14 (9) A charity game ticket ~~shall~~**MUST** not have a price for
15 resale by a qualified organization of less than 30 cents.

16 (10) The bureau shall have a bureau control number for
17 identification purposes imprinted ~~upon~~**ON** each charity game
18 ticket.

19 (11) ~~A~~**THE** value of prizes awarded for a charity game ~~shall~~
20 ~~not be~~**IS NOT** included ~~within~~**IN** the prize limitations of a
21 ~~licensed-bingo game or millionaire party~~**CHARITABLE GAMING** in
22 conjunction with which the charity game is held.

23 (12) A **PERSON SHALL NOT SELL A** charity game ticket ~~shall not~~
24 ~~be sold to a person under~~**TO AN INDIVIDUAL WHO IS LESS THAN 18**
25 years of age. This subsection ~~shall~~**DOES** not prohibit the
26 purchase of a charity game ticket by ~~a person~~**AN INDIVIDUAL WHO**
27 **IS** 18 years of age or older for the purpose of making a gift to a

1 ~~person under~~ **AN INDIVIDUAL WHO IS LESS THAN** 18 years of age, and
2 ~~shall~~ **DOES** not prohibit ~~a person under~~ **AN INDIVIDUAL WHO IS LESS**
3 **THAN** 18 years of age from receiving a prize or prizes won in a
4 charity game conducted ~~pursuant to~~ **UNDER** this act.

5 Sec. 7b. (1) The commissioner may issue an annual charity
6 game license to a qualified organization for a location owned and
7 operated by the qualified organization for the regular use of its
8 members, or rented or leased on a continual basis for the regular
9 use of its members.

10 (2) A qualified organization may be issued only 1 annual
11 charity game license per year.

12 (3) An annual charity game license ~~shall expire~~ **EXPIRES** at
13 12 midnight on July 31 of each year.

14 (4) An annual charity game license may be reissued annually
15 if the qualified organization submits an application for renewal
16 provided by the commissioner and pays the appropriate fee.

17 (5) A qualified organization may be issued up to 8 special
18 charity game licenses per calendar year.

19 (6) A special charity game license may be issued for up to 4
20 consecutive days.

21 (7) A qualified organization that is licensed to conduct
22 bingo, ~~a millionaire party,~~ **CHARITABLE GAMING,** or ~~A~~ large raffle
23 may also sell charity game tickets and conduct a charity game at
24 the same time and location and in conjunction with the licensed
25 bingo, ~~millionaire party,~~ **CHARITABLE GAMING,** or large raffle
26 without obtaining an additional license.

27 (8) The commissioner shall promulgate rules for the

1 licensing, selling, and playing of, and financial record keeping
2 for, charity games.

3 Sec. 7c. (1) ~~A~~ **THE COMMISSIONER MAY ISSUE A** numeral game
4 license ~~may be issued to~~ a qualified organization to conduct a
5 numeral game at a specific location for up to 7 consecutive days.

6 (2) A qualified organization that is licensed to conduct a
7 ~~millionaire party~~ **CHARITABLE GAMING** or a large raffle may also
8 sell numeral game tickets and conduct a numeral game at the time
9 and location and in conjunction with the ~~event~~ **CHARITABLE GAMING**
10 **OR RAFFLE** without obtaining an additional license.

11 Sec. 10. (1) ~~Only~~ **A PERSON OTHER THAN** a member of the
12 **LICENSED** qualified organization shall **NOT** participate in the
13 management of an event **CONDUCTED UNDER THE LICENSE**.

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

19 (3) **A PERSON SHALL NOT RECEIVE COMPENSATION FOR**
20 **PARTICIPATING IN THE MANAGEMENT OF CHARITABLE GAMING EXCEPT AS**
21 **PROVIDED BY RULE PROMULGATED UNDER THIS ACT.**

22 (4) **A PERSON OTHER THAN A LICENSEE THAT PARTICIPATES IN THE**
23 **OPERATION OF CHARITABLE GAMING SHALL NOT RECEIVE COMPENSATION**
24 **THAT EXCEEDS 50% OF THE GROSS PROCEEDS FROM THE CHARITABLE**
25 **GAMING. A PERSON OTHER THAN A LICENSEE THAT PARTICIPATES IN THE**
26 **OPERATION OF CHARITABLE GAMING SHALL PAY FROM THE COMPENSATION**
27 **THE PERSON RECEIVES ALL EXPENSES OF THE CHARITABLE GAMING OTHER**

1 **THAN THE LICENSE FEE.**

2 (5) ~~(3)~~ Except by special permission of the commissioner **OR,**
 3 **AS APPLICABLE, THE DIRECTOR,** a licensee shall conduct bingo or a
 4 ~~millionaire party~~ **CHARITABLE GAMING** only with equipment that it
 5 owns, uses under a bureau-approved **OR BOARD-APPROVED, AS**
 6 **APPLICABLE,** rental contract, or is purchasing or renting at a
 7 reasonable rate from a supplier.

8 (6) ~~(4)~~ A licensee shall not advertise bingo except to the
 9 extent and in the manner permitted by rule promulgated under this
 10 act. If the commissioner permits a licensee to advertise bingo,
 11 the licensee shall indicate in the advertisement the purposes for
 12 which the net proceeds will be used by the licensee.

13 (7) ~~(5)~~ The holder of a ~~millionaire party~~ **CHARITABLE GAMING**
 14 license shall not advertise the event, except to the extent and
 15 in the manner permitted by rule promulgated under this act. If
 16 the ~~commissioner~~ **DIRECTOR** permits a licensee to advertise the
 17 event, the licensee shall indicate in the advertising the
 18 purposes for which the net proceeds will be used by the licensee.

19 (8) **AS USED IN THIS SECTION, "COMPENSATION" MEANS ANY FORM**
 20 **OF REMUNERATION, INCLUDING, BUT NOT LIMITED TO, A COMMISSION, A**
 21 **SALARY, PAY, PROFIT, OR A WAGE.**

22 Sec. 10a. ~~All of the following apply in the conduct of a~~
 23 ~~millionaire party~~ **A LICENSEE UNDER SECTION 10B SHALL CONDUCT A**
 24 **CHARITABLE GAMING EVENT AS FOLLOWS:**

25 (a) ~~A person~~ **THE LICENSEE SHALL NOT PERMIT AN INDIVIDUAL WHO**
 26 **IS** less than 18 years of age ~~shall not be permitted to wager.~~

27 (b) ~~A~~ **THE LICENSEE SHALL NOT PERMIT A** wager ~~may not~~ **TO** be

1 placed on a contest other than a game of chance taking place at
2 the location and during the time period approved for the event,
3 ~~and in no event shall~~ OR a wager TO be placed ~~upon~~ ON an athletic
4 event or ~~upon~~ a game involving personal skill.

5 (C) THE LICENSEE SHALL NOT ALLOW A WAGER TO BE PLACED ON A
6 GAME OTHER THAN A POKER GAME OR ANOTHER GAME IN WHICH THE
7 LICENSEE CANNOT SUSTAIN A FINANCIAL LOSS.

8 (D) ~~(c) The licensee under the millionaire party license~~
9 ~~shall be~~ IS responsible for insuring that the requirements of
10 this section are met.

11 (E) ~~(d) A qualified organization shall not~~ THE LICENSEE MAY
12 receive ~~more than \$15,000.00~~ AN UNLIMITED AMOUNT OF MONEY in
13 exchange for imitation money or chips in 1 day of a ~~millionaire~~
14 ~~party~~ CHARITABLE GAMING EVENT.

15 (F) AT LEAST 2 BONA FIDE MEMBERS OF THE LICENSEE MUST SERVE
16 AS WORKERS AT THE CHARITABLE GAMING EVENT. THE DIRECTOR SHALL NOT
17 REQUIRE A LICENSEE TO HAVE MORE THAN 2 MEMBERS OF THE LICENSEE
18 PRESENT OR WORKING AT THE CHARITABLE GAMING EVENT.

19 Sec. 10b. (1) A qualified organization may be issued ~~up to 4~~
20 ~~millionaire party~~ AN UNLIMITED NUMBER OF CHARITABLE GAMING
21 licenses in 1 calendar year. Each license ~~shall~~ IS only be valid
22 for 1 location.

23 (2) A ~~millionaire party~~ CHARITABLE GAMING license may be
24 issued for ~~up to 4~~ AN UNLIMITED NUMBER OF consecutive days IN 1
25 CALENDAR YEAR.

26 (3) The ~~bureau~~ DIRECTOR shall not issue more than 1
27 ~~millionaire party~~ CHARITABLE GAMING license to a qualified

1 organization for any 1 day.

2 (4) IN ISSUING CHARITABLE GAMING LICENSES, THE DIRECTOR
3 SHALL NOT LIMIT THE NUMBER OF DAYS THAT CHARITABLE GAMING EVENTS
4 MAY BE CONDUCTED AT A LOCATION IN A CALENDAR YEAR.

5 (5) THE DIRECTOR SHALL NOT LIMIT THE NUMBER OF TIMES THAT A
6 QUALIFIED ORGANIZATION CAN CONTRACT WITH OR USE THE PREMISES OR
7 SERVICES OF A PERSON THAT PROVIDES A LOCATION OR SERVICES FOR
8 CHARITABLE GAMING.

9 (6) THE DIRECTOR SHALL NOT PROHIBIT MULTIPLE CHARITABLE
10 GAMING LICENSEES FROM CONDUCTING CHARITABLE GAMING AT A LOCATION
11 AT THE SAME TIME.

12 (7) THE DIRECTOR MAY REQUIRE A CHARITABLE GAMING LICENSEE TO
13 PROVIDE SECURITY, INCLUDING SURVEILLANCE, INSIDE AND OUTSIDE OF
14 THE LOCATION WHERE THE LICENSEE IS CONDUCTING CHARITABLE GAMING.

15 (8) EXCEPT AS PROVIDED IN THIS ACT, THE DIRECTOR SHALL NOT
16 RESTRICT A CHARITABLE GAMING LICENSEE FROM CONTRACTING WITH A
17 PERSON TO OPERATE CHARITABLE GAMING FOR THE LICENSEE.

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

23 (2) ~~The~~ ~~AN~~ applicant **UNDER SUBSECTION (1)** shall pay an
24 annual license fee of \$300.00 at the time of the application.

25 (3) A supplier's license expires at 12 midnight on September
26 30 of each year.

27 (4) The commissioner shall require suppliers authorized to

1 sell charity game tickets, numeral game tickets, or both, to post
2 a performance bond of not less than \$50,000.00 and not greater
3 than \$1,000,000.00.

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

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

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

16 (8) ~~The~~ **A SUPPLIER SHALL REMIT** fees collected by the
17 supplier ~~for each numeral game sold shall be remitted~~ **UNDER**
18 **SUBSECTION (7)** to the bureau by the fifteenth day of the month
19 following the month in which the numeral game is sold. ~~A~~ **THE**
20 **COMMISSIONER MAY ASSESS A** late fee of 25% of the amount due ~~may~~
21 ~~be assessed by the commissioner~~ **UNDER THIS SUBSECTION** against any
22 **A** supplier ~~who fails to~~ **THAT DOES NOT** remit the fees by the
23 required ~~filing~~ date.

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

27 (10) A person who is directly or indirectly connected to the

1 sale, rental, or distribution of bingo or ~~millionaire party~~
 2 **CHARITABLE GAMING** equipment ~~or~~ the sale of charity game tickets
 3 or numeral game tickets, or ~~a person residing~~ **AN INDIVIDUAL WHO**
 4 **RESIDES** in the same household as the ~~supplier~~ **PERSON** shall not be
 5 involved directly or indirectly ~~with~~ **IN** the rental or leasing of
 6 a ~~facility used for an event~~ **LOCATION**.

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

11 Sec. 14. (1) ~~Each~~ **A licensee UNDER THIS ACT** shall keep a
 12 record of each event as required by the commissioner **OR DIRECTOR,**
 13 **AS APPLICABLE**. The **LICENSEE SHALL MAKE A** record and all financial
 14 accounts into which proceeds from events ~~licensed under this act~~
 15 are deposited or transferred ~~shall be open to inspection by a~~
 16 ~~duly~~ **AN** authorized representative of the bureau **OR BOARD, AS**
 17 **APPLICABLE**, during reasonable business hours.

18 (2) ~~Each~~ **A licensee UNDER THIS ACT** shall file with the
 19 commissioner **OR DIRECTOR, AS APPLICABLE**, a financial statement
 20 signed by the principal officer of the qualified organization of
 21 receipts and expenses related to the conduct of each event as ~~may~~
 22 ~~be~~ required by rule promulgated under this act. If **A LICENSEE**
 23 **REPRESENTS THAT** the revenue from a bingo game, ~~millionaire party,~~
 24 **CHARITABLE GAMING, A** raffle, **A** numeral game, or **A** charity game ~~is~~
 25 ~~represented to~~ **WILL** be used or applied by ~~a~~ **THE** licensee for a
 26 charitable purpose, the licensee shall file a copy of the
 27 financial statement with the attorney general under the

1 supervision of trustees for charitable purposes act, 1961 PA 101,
2 MCL 14.251 to 14.266.

3 (3) ~~The~~ **AN APPLICANT FOR A LICENSE OR A LICENSEE UNDER THIS**
4 **ACT SHALL KEEP THE** location at which ~~events licensed~~ **AN EVENT**
5 under ~~this act are~~ **THE LICENSE WILL BE OR IS BEING** conducted ~~or~~
6 at which an applicant or licensee intends to conduct an event
7 ~~licensed under this act shall be open to inspection at all times~~
8 by a ~~duly~~ **AN** authorized representative of the bureau **OR BOARD, AS**
9 **APPLICABLE**, or by the **DEPARTMENT OF** state police or a peace
10 officer of a political subdivision of this state.

11 Sec. 18. (1) A licensee **UNDER THIS ACT** whose license is
12 revoked in consequence of a violation of this act or a rule
13 promulgated under this act is ineligible to apply for a license
14 for a ~~period of 2~~ years.

15 (2) ~~A person~~ **AN INDIVIDUAL** convicted of an offense under
16 section 17 or any other gambling offense is ineligible to serve
17 as an officer of a licensee **UNDER THIS ACT** or to participate in
18 conducting bingo, a ~~millionaire party~~, **CHARITABLE GAMING, A**
19 raffle, **A** numeral game, or **A** charity game for a ~~period of 1~~ year
20 after the conviction becomes final. If the ~~person~~ **INDIVIDUAL** is
21 licensed under this act, the ~~person shall forfeit the~~
22 **INDIVIDUAL'S** license **IS FORFEITED** and **THE INDIVIDUAL** is
23 ineligible to apply for the issuance or reissuance of the license
24 for a ~~period of 1~~ year after the conviction becomes final.

25 Sec. 19. (1) Except as provided in subsection (2), any other
26 law ~~providing~~ **THAT IMPOSES** a penalty or disability ~~upon~~ **ON** a
27 person who conducts or participates in a bingo game, ~~millionaire~~

1 ~~party, CHARITABLE GAMING, or A~~ charity game; who sells or
 2 possesses equipment used in conducting bingo or ~~a millionaire~~
 3 ~~party, CHARITABLE GAMING; who permits bingo, a millionaire party,~~
 4 **CHARITABLE GAMING**, or a charity game to be conducted on his or
 5 her premises; or who does other acts in connection with bingo, ~~a~~
 6 ~~millionaire party, CHARITABLE GAMING, or a charity game does not~~
 7 apply to that conduct if done pursuant to this act or rules
 8 promulgated under this act.

9 (2) Subsection (1) does not limit ~~in any way~~ the application
 10 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~
 11 ~~Acts of 1976, being sections 169.201 to 169.282 of the Michigan~~
 12 ~~Compiled Laws, 1976 PA 388, MCL 169.201 TO 169.282, including,~~
 13 but not limited to, section 41 of ~~Act No. 388 of the Public Acts~~
 14 ~~of 1976, being section 169.241 of the Michigan Compiled Laws, THE~~
 15 **MICHIGAN CAMPAIGN FINANCE ACT, 1976 PA 388, MCL 169.241, to**
 16 ~~fundraising~~ **FUND-RAISING** events conducted by or for the benefit
 17 of a committee that has filed or is required to file a statement
 18 of organization ~~pursuant to Act No. 388 of the Public Acts of~~
 19 ~~1976.~~ **UNDER THAT ACT.**