

# HOUSE BILL No. 5509

May 1, 2014, Introduced by Rep. MacGregor and referred to the Committee on Families, Children, and Seniors.

A bill to amend 1996 IL 1, entitled  
"Michigan gaming control and revenue act,"  
by amending the title and section 3 (MCL 432.203), as amended by  
1997 PA 69, and by adding section 9e.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to provide for the licensing, regulation, and control  
3 of casino gaming operations, manufacturers and distributors of  
4 gaming devices and gaming related equipment and supplies, and  
5 persons who participate in gaming; to provide **FOR** the distribution  
6 of revenue for public education, public safety, and economic  
7 development; ~~authorizing~~ **TO AUTHORIZE** limited casino operations  
8 ~~within the~~ **IN THIS** state; ~~of Michigan;~~ to **CREATE AND** vest authority

1 for the licensing, regulation, and control of casino gaming in the  
2 Michigan gaming control board; **TO PROVIDE FOR THE PROMULGATION OF**  
3 **RULES; TO PROVIDE FOR THE POWERS AND DUTIES OF CERTAIN STATE AND**  
4 **LOCAL GOVERNMENTAL OFFICERS AND ENTITIES;** to restrict certain  
5 political contributions; to establish a code of ethics for **AND**  
6 **LICENSE** certain persons involved in gaming; to create ~~certain~~  
7 funds; to impose and authorize certain taxes and fees; to impose  
8 penalties; to authorize conservators under certain circumstances;  
9 and to make an appropriation.

10 Sec. 3. (1) Casino gaming is authorized to the extent that it  
11 is conducted in accordance with this act.

12 (2) Except as provided in subsection (5) **AND SECTION 9E**, this  
13 act does not apply to any of the following:

14 (a) The pari-mutuel system of wagering used or intended to be  
15 used in connection with race meetings as authorized under the horse  
16 racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

17 (b) Lottery games authorized under the McCauley-Traxler-Law-  
18 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47.

19 (c) Bingo, ~~or~~ millionaire parties, or any other activities  
20 authorized under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA  
21 382, MCL 432.101 to 432.120.

22 (d) Gambling on Native American land and land held in trust by  
23 the United States for a federally recognized Indian tribe on which  
24 gaming may be conducted under the Indian gaming regulatory act,  
25 Public Law 100-497, 102 Stat. 2467.

26 (e) Recreational card playing, bowling, redemption games, and  
27 occasional promotional activities under sections 303a, 310a, 310b,

1 372, and 375 of the Michigan penal code, 1931 PA 328, MCL 750.303a,  
2 750.310a, 750.310b, 750.372, and 750.375.

3 (3) Any other law that is inconsistent with this act does not  
4 apply to casino gaming as provided for by this act.

5 (4) This act and rules promulgated by the board ~~shall~~ apply to  
6 all persons who are licensed or otherwise participate in gaming  
7 under this act.

8 (5) If a federal court or agency rules or federal legislation  
9 is enacted that allows a state to regulate gambling on Native  
10 American land or land held in trust by the United States for a  
11 federally recognized Indian tribe, the legislature shall enact  
12 legislation creating a new act consistent with this act to regulate  
13 casinos that are operated on Native American land or land held in  
14 trust by the United States for a federally recognized Indian tribe.  
15 The legislation shall be passed by a simple majority of members  
16 elected to and serving in each house.

17 **SEC. 9E. (1) A LICENSEE SHALL INTERCEPT WINNINGS TO PAY PAST-**  
18 **DUE SUPPORT AS REQUIRED BY THIS SECTION.**

19 **(2) THE DEPARTMENT OF HUMAN SERVICES SHALL CREATE AND**  
20 **MAINTAIN, OR SHALL CONTRACT WITH A PRIVATE OR PUBLIC ENTITY TO**  
21 **CREATE AND MAINTAIN, A SECURE, ELECTRONICALLY ACCESSIBLE REGISTRY**  
22 **CONTAINING INFORMATION REGARDING INDIVIDUALS WHO HAVE PAST-DUE**  
23 **SUPPORT. THE REGISTRY MUST BE CAPABLE OF PERFORMING THE FOLLOWING**  
24 **FUNCTIONS:**

25 **(A) ON RECEIPT OF INFORMATION UNDER SUBSECTION (5) (A), IF THE**  
26 **WAGERER IS LISTED IN THE REGISTRY, INFORMING THE PERSON THAT**  
27 **SUBMITTED THE INFORMATION OF THE WAGERER'S PAST-DUE SUPPORT AND THE**

1 ACCOUNT NUMBER OR IDENTIFIER ASSIGNED TO THE PAST-DUE SUPPORT.

2 (B) PROVIDING A PERSON THAT SUBMITS INFORMATION UNDER  
3 SUBSECTION (5) (A) WITH A NOTICE OF INTERCEPT FORM IN A STANDARD  
4 FORMAT DEVELOPED BY THE DEPARTMENT OF HUMAN SERVICES THAT INFORMS A  
5 WAGERER IDENTIFIED UNDER SUBDIVISION (A) OF THE RIGHT TO A REVIEW  
6 BY THE DEPARTMENT OF HUMAN SERVICES AS PROVIDED IN THIS SECTION.

7 (3) THE DEPARTMENT OF HUMAN SERVICES SHALL REGULARLY ENTER  
8 INFORMATION INTO THE REGISTRY, INCLUDING AT LEAST ALL OF THE  
9 FOLLOWING:

10 (A) THE NAME AND SOCIAL SECURITY NUMBER OF EACH INDIVIDUAL WHO  
11 HAS PAST-DUE SUPPORT.

12 (B) THE ACCOUNT NUMBER OR IDENTIFIER ASSIGNED BY THE  
13 DEPARTMENT OF HUMAN SERVICES TO THE PAST-DUE SUPPORT.

14 (C) THE AMOUNT OF THE PAST-DUE SUPPORT.

15 (D) ANY OTHER INFORMATION NECESSARY TO EFFECTUATE THE PURPOSES  
16 OF THIS SECTION.

17 (4) THE DEPARTMENT SHALL ASSIST THE DEPARTMENT OF HUMAN  
18 SERVICES TO THE EXTENT NECESSARY TO EFFECTUATE THE PURPOSES OF THIS  
19 SECTION.

20 (5) BEFORE PAYING WINNINGS IN AN AMOUNT EQUAL TO OR GREATER  
21 THAN THE AMOUNT FOR WHICH THE LICENSEE IS REQUIRED TO FILE A FORM  
22 W-2G OR SUBSTANTIALLY EQUIVALENT FORM WITH THE UNITED STATES  
23 INTERNAL REVENUE SERVICE, A LICENSEE SHALL FOLLOW THE FOLLOWING  
24 PROCEDURE:

25 (A) THE LICENSEE SHALL OBTAIN THE NAME, ADDRESS, DATE OF  
26 BIRTH, AND SOCIAL SECURITY NUMBER OF THE WAGERER AND ELECTRONICALLY  
27 SUBMIT THE INFORMATION TO THE REGISTRY.

1 (B) IF THE REGISTRY INFORMS THE LICENSEE THAT THE WAGERER IS  
2 NOT LISTED IN THE REGISTRY OR IF THE LICENSEE IS NOT ABLE TO OBTAIN  
3 INFORMATION FROM THE REGISTRY ON A REAL-TIME BASIS AFTER ATTEMPTING  
4 IN GOOD FAITH TO DO SO, THE LICENSEE MAY PAY THE WINNINGS TO THE  
5 WAGERER.

6 (C) IF THE REGISTRY INFORMS THE LICENSEE THAT THE WAGERER IS  
7 LISTED IN THE REGISTRY, THE LICENSEE SHALL NOT PAY THE WINNINGS TO  
8 THE WAGERER UNLESS THE AMOUNT OF THE PAYMENT EXCEEDS THE AMOUNT OF  
9 PAST-DUE SUPPORT AND THE FEE IMPOSED UNDER SUBSECTION (8), IN WHICH  
10 CASE THE LICENSEE MAY PAY THE WAGERER THE AMOUNT OF THE WINNINGS  
11 THAT EXCEEDS THE AMOUNT OF THE PAST-DUE SUPPORT AND THE FEE.

12 (6) IF THE REGISTRY INFORMS A LICENSEE THAT A WAGERER IS  
13 LISTED IN THE REGISTRY, THE DEPARTMENT OF HUMAN SERVICES HAS A  
14 VALID CLAIM AGAINST THE WINNINGS IN THE AMOUNT OF THE WAGERER'S  
15 PAST-DUE SUPPORT.

16 (7) A LICENSEE SHALL INTERCEPT FROM ANY WINNINGS AN AMOUNT  
17 EQUAL TO THE AMOUNT OF A CLAIM CREATED UNDER SUBSECTION (6) AND  
18 SHALL PROVIDE THE NOTICE OF INTERCEPT PROVIDED TO THE LICENSEE  
19 UNDER SUBSECTION (2) (B) TO THE WAGERER. WITHIN 3 BUSINESS DAYS  
20 AFTER INTERCEPTING AN AMOUNT UNDER THIS SUBSECTION, THE LICENSEE  
21 SHALL TRANSMIT THE AMOUNT INTERCEPTED TO THE STATE DISBURSEMENT  
22 UNIT WITH A COPY OF THE NOTICE OF INTERCEPT AND A REPORT OF THE  
23 NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF THE WAGERER, THE  
24 ACCOUNT NUMBER OR IDENTIFIER ASSIGNED TO THE PAST-DUE SUPPORT, THE  
25 AMOUNT INTERCEPTED, THE DATE OF INTERCEPTION, AND THE NAME AND  
26 LOCATION OF THE LICENSEE.

27 (8) A LICENSEE MAY RETAIN \$10.00 FROM ANY AMOUNT OF WINNINGS

1 THAT EXCEEDS THE AMOUNT OF THE WAGERER'S PAST-DUE SUPPORT TO COVER  
2 THE COST OF THE LICENSEE'S COMPLIANCE WITH THIS SECTION.

3 (9) A WAGERER FROM WHOSE WINNINGS AN AMOUNT WAS WITHHELD UNDER  
4 THIS SECTION MAY, WITHIN 15 CALENDAR DAYS AFTER RECEIPT OF A NOTICE  
5 OF INTERCEPT UNDER SUBSECTION (7), REQUEST, IN WRITING, THAT THE  
6 DEPARTMENT OF HUMAN SERVICES REVIEW THE INTERCEPT. THE WAGERER  
7 SHALL INCLUDE A COPY OF THE NOTICE OF INTERCEPT WITH THE WRITTEN  
8 REVIEW REQUEST. A CHALLENGE TO AN INTERCEPT IS GOVERNED BY THIS ACT  
9 AND IS NOT SUBJECT TO CHAPTER 4 OF THE ADMINISTRATIVE PROCEDURES  
10 ACT OF 1969, 1969 PA 306, MCL 24.271 TO 24.287.

11 (10) THE STATE DISBURSEMENT UNIT SHALL HOLD AN AMOUNT THAT A  
12 LICENSEE TRANSMITS UNDER SUBSECTION (7) UNTIL AFTER THE TIME THAT  
13 THE WAGERER HAS TO REQUEST A REVIEW UNDER SUBSECTION (9).

14 (11) WITHIN 15 CALENDAR DAYS AFTER RECEIVING A WRITTEN REQUEST  
15 FOR A REVIEW UNDER SUBSECTION (7), THE DEPARTMENT OF HUMAN SERVICES  
16 SHALL CONDUCT A REVIEW TO DETERMINE WHETHER THERE WAS A MISTAKE IN  
17 THE WAGERER'S IDENTITY OR IN THE AMOUNT OF THE PAST-DUE SUPPORT AND  
18 ISSUE A DECISION. THE REVIEW DECISION IS FINAL AGENCY ACTION.

19 (12) IF A WAGERER DISAGREES WITH A REVIEW DECISION ISSUED  
20 UNDER SUBSECTION (11), THE WAGERER MAY CHALLENGE THE INTERCEPT BY  
21 FILING AN ACTION IN THE CIRCUIT COURT THAT ISSUED A SUPPORT ORDER  
22 THAT IS AN UNDERLYING BASIS FOR THE INTERCEPT. THE WAGERER MUST  
23 FILE AN ACTION UNDER THIS SUBSECTION WITHIN 21 DAYS AFTER THE  
24 DEPARTMENT OF HUMAN SERVICES SENDS THE WAGERER NOTICE OF ITS REVIEW  
25 DECISION AND SHALL GIVE THE DEPARTMENT OF HUMAN SERVICES NOTICE OF  
26 FILING THE ACTION.

27 (13) A LICENSEE MAY PROVIDE TO THE DEPARTMENT, THE DEPARTMENT

1 OF HUMAN SERVICES, OR THE REGISTRY OPERATOR ANY INFORMATION  
2 NECESSARY TO EFFECTUATE THE INTENT OF THIS SECTION AND THE  
3 DEPARTMENT, THE DEPARTMENT OF HUMAN SERVICES, OR THE REGISTRY  
4 OPERATOR MAY PROVIDE TO THE LICENSEE ANY INFORMATION NECESSARY TO  
5 EFFECTUATE THE INTENT OF THIS SECTION.

6 (14) INFORMATION OBTAINED BY THE DEPARTMENT, THE DEPARTMENT OF  
7 HUMAN SERVICES, OR THE REGISTRY OPERATOR FROM A LICENSEE UNDER THIS  
8 SECTION AND INFORMATION OBTAINED BY A LICENSEE FROM THE DEPARTMENT,  
9 THE DEPARTMENT OF HUMAN SERVICES, OR THE REGISTRY OPERATOR UNDER  
10 THIS SECTION IS CONFIDENTIAL AND MAY BE USED ONLY FOR THE PURPOSES  
11 SET FORTH IN THIS SECTION. AN EMPLOYEE OR FORMER EMPLOYEE OF THE  
12 DEPARTMENT, THE DEPARTMENT OF HUMAN SERVICES, THE REGISTRY  
13 OPERATOR, OR A LICENSEE WHO KNOWINGLY OR INTENTIONALLY DISCLOSES  
14 ANY SUCH INFORMATION IS GUILTY OF A MISDEMEANOR PUNISHABLE BY  
15 IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A FINE OF NOT MORE THAN  
16 \$500.00, OR BOTH.

17 (15) A LICENSEE, THE DEPARTMENT, THE DEPARTMENT OF HUMAN  
18 SERVICES, AND THE REGISTRY OPERATOR ARE NOT LIABLE FOR ANY ACTION  
19 TAKEN IN GOOD FAITH TO COMPLY WITH THIS SECTION. A LICENSEE THAT  
20 DOES NOT MAKE A GOOD FAITH EFFORT TO OBTAIN INFORMATION FROM THE  
21 REGISTRY AS REQUIRED BY THIS SECTION OR INTERCEPT AND TRANSMIT THE  
22 AMOUNT OF A CLAIM CREATED UNDER SUBSECTION (6) IS LIABLE TO THE  
23 DEPARTMENT OF HUMAN SERVICES FOR THE AMOUNT THE LICENSEE WAS  
24 REQUIRED TO INTERCEPT AND TRANSMIT TO THE DEPARTMENT OF HUMAN  
25 SERVICES UNDER THIS SECTION AND ANY COURT COSTS, INTEREST, AND  
26 REASONABLE ATTORNEY FEES.

27 (16) THE CHAIRPERSON SHALL ATTEMPT TO ENTER INTO AN AGREEMENT

1 WITH EACH INDIAN TRIBE THAT CONDUCTS GAMBLING GAMES IN THIS STATE  
2 FOR THE TRIBE TO VOLUNTARILY INTERCEPT WINNINGS TO PAY PAST-DUE  
3 SUPPORT. A VOLUNTARY AGREEMENT ENTERED INTO UNDER THIS SUBSECTION  
4 MUST REQUIRE THE INTERCEPT AND PAYMENT OF MONEY INTERCEPTED TO BE  
5 PERFORMED IN THE SAME MANNER AS IS REQUIRED FOR THE INTERCEPT AND  
6 PAYMENT OF MONEY INTERCEPTED BY A LICENSEE UNDER THIS SECTION.

7 (17) BY JANUARY 31, 2016 AND JANUARY 31 OF EACH EVEN-NUMBERED  
8 YEAR AFTER 2016, THE DEPARTMENT OF HUMAN SERVICES SHALL REPORT TO  
9 THE LEGISLATURE AND THE GOVERNOR ON ALL OF THE FOLLOWING:

10 (A) THE NUMBER OF NAMES OF WAGERERS SUBMITTED BY LICENSEES TO  
11 THE REGISTRY UNDER THIS SECTION IN EACH OF THE PRECEDING 2 CALENDAR  
12 YEARS.

13 (B) THE NUMBER OF WAGERERS WHO WERE FOUND TO BE LISTED IN THE  
14 REGISTRY AFTER THE SUBMISSION OF THEIR NAMES IN EACH OF THE  
15 PRECEDING 2 CALENDAR YEARS.

16 (C) THE AMOUNT OF WINNINGS WITHHELD BY LICENSEES UNDER THIS  
17 SECTION IN EACH OF THE PRECEDING 2 CALENDAR YEARS.

18 (18) THE DEPARTMENT OF HUMAN SERVICES, THE DEPARTMENT, AND THE  
19 LICENSEES SHALL COOPERATE WITH EACH OTHER TO CREATE THE REGISTRY  
20 AND MAKE IT CAPABLE OF PERFORMING THE FUNCTIONS DESCRIBED IN  
21 SUBSECTION (2) AND TO CREATE ANY OTHER SYSTEMS NECESSARY TO  
22 IMPLEMENT THIS SECTION. THE DEPARTMENT OF HUMAN SERVICES SHALL HAVE  
23 THE REGISTRY FULLY OPERATIONAL BY JANUARY 1, 2016. OTHER THAN THE  
24 PROVISIONS RELATING TO THE CREATION OF THE REGISTRY, THIS SECTION  
25 APPLIES 90 DAYS AFTER THE DEPARTMENT OF HUMAN SERVICES NOTIFIES THE  
26 LICENSEES THAT THE REGISTRY IS FULLY OPERABLE.

27 (19) AS USED IN THIS SECTION:



1           (A) "LICENSEE" MEANS THE HOLDER OF A CASINO LICENSE ISSUED  
2 UNDER SECTION 6.

3           (B) "REGISTRY" MEANS THE REGISTRY CREATED AND MAINTAINED UNDER  
4 SUBSECTION (2).

5           (C) "REGISTRY OPERATOR" MEANS THE DEPARTMENT OF HUMAN SERVICES  
6 OR A PUBLIC OR PRIVATE ENTITY WITH WHOM THE DEPARTMENT OF HUMAN  
7 SERVICES ENTERS INTO A CONTRACT TO MAINTAIN THE REGISTRY UNDER  
8 SUBSECTION (2).

9           (D) "STATE DISBURSEMENT UNIT" MEANS THAT TERM AS DEFINED IN  
10 SECTION 2A OF THE FRIEND OF THE COURT ACT, 1982 PA 294, MCL  
11 552.502A.

12           (E) "SUPPORT" MEANS THAT TERM AS DEFINED IN SECTION 2A OF THE  
13 FRIEND OF THE COURT ACT, 1982 PA 294, MCL 552.502A.