

SENATE BILL No. 878

March 18, 2014, Introduced by Senators JONES, ANDERSON, KAHN, HANSEN, ROBERTSON, BRANDENBURG, MARLEAU, PAVLOV, PAPPAGEORGE, COLBECK, JOHNSON and GREGORY 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, 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, 432.111b, 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 section 11c as added by 1999 PA 108, and section 19 as amended by 1995 PA 263, and by adding 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) "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.

(E) ~~(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.

(F) "CHARITABLE PURPOSE" MEANS 1 OR MORE OF THE FOLLOWING CAUSES OR ACTIVITIES THAT ARE BENEFICIAL TO THE GENERAL PUBLIC:

(i) RELIEF OF POVERTY.

(ii) ADVANCEMENT OF EDUCATION.

(iii) ADVANCEMENT OF RELIGION.

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

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

1 (vi) PROTECTION OF THE ENVIRONMENT AND CONSERVATION OF
2 WILDLIFE.

3 (vii) DEFENSE OF HUMAN RIGHTS AND THE ELIMINATION OF
4 PREJUDICE AND DISCRIMINATION.

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

7 (G) ~~(e)~~-"Charity game" means the random resale of a series
8 of charity game tickets.

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

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

18 (J) ~~(h)~~-"Coverall pattern" means a pattern required to win a
19 bingo game in which all numbers on a bingo card are required to
20 be called.

21 (K) "DAY" MEANS THE STANDARD 24-HOUR PERIOD, EXCEPT THAT
22 WITH RESPECT TO THE ISSUANCE OF A LICENSE AND THE CONDUCT OF AN
23 EVENT UNDER THE LICENSE, DAY MEANS THE TIME PERIOD FROM 8 A.M. OF
24 THE DAY ON THE LICENSE TO 2 A.M. OF THE FOLLOWING DAY.

25 (l) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE BOARD,
26 APPOINTED UNDER SECTION 4 OF THE MICHIGAN GAMING CONTROL AND
27 REVENUE ACT, 1996 IL 1, MCL 432.204.

1 (M) "EDUCATIONAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
2 STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, WHOSE PRIMARY
3 PURPOSE IS EDUCATIONAL IN NATURE AND DESIGNED TO DEVELOP THE
4 CAPABILITIES OF INDIVIDUALS BY INSTRUCTION IN ANY PUBLIC OR
5 PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT COMPLIES WITH THE
6 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852, OR ANY
7 PRIVATE OR PUBLIC COLLEGE OR UNIVERSITY THAT IS ORGANIZED NOT FOR
8 PECUNIARY PROFIT AND THAT IS APPROVED BY THE STATE BOARD OF
9 EDUCATION.

10 (N) "EQUIPMENT" MEANS THE OBJECTS AND MECHANICAL,
11 ELECTROMECHANICAL, OR ELECTRONIC DEVICES USED TO DETERMINE OR
12 ASSIST IN DETERMINING THE WINNERS OF PRIZES AT EVENTS.

13 (O) "EVENT" MEANS AN OCCASION OF BINGO GAMES, A RAFFLE, A
14 CHARITY GAME, OR A NUMERAL GAME CONDUCTED UNDER A LICENSE ISSUED
15 UNDER THIS ARTICLE.

16 (P) "FRATERNAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
17 STATE, OTHER THAN A COLLEGE FRATERNITY OR SORORITY, THAT MEETS
18 ALL OF THE FOLLOWING CRITERIA:

19 (i) IS ORGANIZED NOT FOR PECUNIARY PROFIT.

20 (ii) IS A BRANCH, LODGE, OR CHAPTER OF A NATIONAL OR STATE
21 ORGANIZATION OR, ONLY FOR THE PURPOSE OF CONDUCTING A SMALL
22 RAFFLE OR A LARGE RAFFLE UNDER THIS ACT, IF NOT A BRANCH, LODGE,
23 OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION, IS EXEMPT FROM
24 TAXATION UNDER SECTION 501(C) OF THE INTERNAL REVENUE CODE OF
25 1986, 26 USC 501.

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

1 (Q) "GENERAL PUBLIC" MEANS SOCIETY AS A WHOLE OR ANY
2 CONSIDERABLE PART OF SOCIETY.

3 (R) "GROSS REVENUE" MEANS THE MONETARY VALUE RECEIVED BY THE
4 LICENSEE FOR ALL FEES CHARGED TO PARTICIPATE IN THE EVENT BEFORE
5 ANY DEDUCTIONS FOR PRIZES OR ANY OTHER EXPENSES.

6 Sec. 3. As used in this act:

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

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

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

20 ~~—— (ii) Is a branch, lodge, or chapter of a national or state~~
21 ~~organization or, only for the purpose of conducting a small~~
22 ~~raffle or a large raffle under this act, if not a branch, lodge,~~
23 ~~or chapter of a national or state organization, is exempt from~~
24 ~~taxation under section 501(c) of the internal revenue code of~~
25 ~~1986, 26 USC 501.~~

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

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

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

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

15 (D) ~~(c)~~—"Licensee" means a ~~person or~~ qualified organization
16 licensed under this act.

17 (E) "LOCATION" MEANS A BUILDING, ENCLOSURE, PART OF A
18 BUILDING OR ENCLOSURE, OR A DISTINCT PORTION OF REAL PROPERTY
19 THAT IS USED FOR THE PURPOSE OF CONDUCTING AN EVENT. LOCATION
20 ALSO MEANS ALL COMPONENTS OR BUILDINGS THAT COMPOSE 1
21 ARCHITECTURAL ENTITY OR THAT SERVE A UNIFIED FUNCTIONAL PURPOSE,
22 OR A RACETRACK.

23 (F) "MANUFACTURER" MEANS A PERSON LICENSED UNDER SECTION 11C
24 WHO MANUFACTURES NUMERAL GAME TICKETS FOR SALE TO SUPPLIERS FOR
25 USE IN AN EVENT.

26 (G) ~~(d)~~—"Member" means an individual who qualified for
27 membership in a qualified organization under its bylaws, articles

1 of incorporation, charter, rules, or other written statement.

2 (H) ~~(e)~~ "Michigan national guard" and "military" mean those
3 terms as defined in section 105 of the Michigan military act,
4 1967 PA 150, MCL 32.505.

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

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

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

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

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

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

25 ~~—— (i) An organization, church, body of communicants, or group~~
26 ~~that is organized not for pecuniary profit and that gathers in~~
27 ~~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.~~

(I) "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 PRESCRIBED BY THE COMMISSIONER.

(J) "MILLIONAIRE PARTY" MEANS AN EVENT AT WHICH WAGERS ARE PLACED ON GAMES OF CHANCE CUSTOMARILY ASSOCIATED WITH A GAMBLING CASINO AND DESCRIBED IN SECTION 40 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.

(K) "NUMERAL GAME" MEANS THE RANDOM RESALE OF A SERIES OF NUMERAL GAME TICKETS.

1 (1) "NUMERAL GAME TICKET" MEANS A PAPER STRIP ON WHICH
2 PREPRINTED NUMERALS ARE COVERED BY FOLDING THE STRIP AND BANDING
3 THE FOLDED STRIP WITH A SEPARATE PIECE OF PAPER, SO THAT ON
4 BREAKING THE PAPER THAT BANDS THE FOLDING STRIP THE PURCHASER
5 DISCOVERS WHETHER THE TICKET IS A WINNING TICKET.

6 (M) "OCCASION" MEANS THE HOURS OF THE DAY FOR WHICH A
7 LICENSE IS ISSUED.

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

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

15 ~~—— (3) "Large bingo" means a series of bingo occasions that~~
16 ~~occur on a regular basis during which the total value of all~~
17 ~~prizes awarded through bingo at a single occasion does not exceed~~
18 ~~\$3,500.00 and the total value of all prizes awarded for 1 game~~
19 ~~does not exceed \$1,100.00, except that a prize awarded through a~~
20 ~~Michigan progressive jackpot bingo game is not subject to these~~
21 ~~limitations.~~

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

25 ~~—— (5) "Location" means a building, enclosure, part of a~~
26 ~~building or enclosure, or a distinct portion of real estate that~~
27 ~~is used for the purpose of conducting events licensed under this~~

1 ~~act. Location also means all components or buildings that~~
2 ~~comprise 1 architectural entity or that serve a unified~~
3 ~~functional purpose.~~

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

7 ~~—— (7) "Michigan progressive jackpot" means a bingo game~~
8 ~~conducted in conjunction with a licensed large bingo occasion,~~
9 ~~where the value of the prize is carried forward to the next bingo~~
10 ~~occasion if no player bingos in a predetermined number of~~
11 ~~allowable calls. Michigan progressive jackpot may include bingo~~
12 ~~games conducted by more than 1 licensee that are linked together~~
13 ~~for the purpose of a common jackpot prize and consolation prize~~
14 ~~as prescribed by the commissioner.~~

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

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

24 ~~—— (10) "Numeral game ticket" means a paper strip on which~~
25 ~~preprinted numerals are covered by folding the strip and banding~~
26 ~~the folded strip with a separate piece of paper, if upon breaking~~
27 ~~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
(E), EITHER OF THE FOLLOWING:**

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

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

(E) "QUALIFIED ORGANIZATION" DOES NOT INCLUDE A CANDIDATE

1 COMMITTEE, POLITICAL COMMITTEE, POLITICAL PARTY COMMITTEE, BALLOT
2 QUESTION COMMITTEE, INDEPENDENT COMMITTEE, OR ANY OTHER COMMITTEE
3 AS DEFINED BY, AND ORGANIZED UNDER, THE MICHIGAN CAMPAIGN FINANCE
4 ACT, 1976 PA 388, MCL 169.201 TO 169.282.

5 (F) "RACETRACK" MEANS A RACETRACK LICENSED UNDER SECTION 9
6 OF THE HORSE RACING LAW OF 1995, 1995 PA 279, MCL 431.309.

7 (G) "RAFFLE" MEANS AN EVENT FOR WHICH RAFFLE TICKETS ARE
8 SOLD AND AT WHICH A WINNER OR WINNERS ARE DETERMINED, EITHER BY
9 RANDOMLY SELECTING STUBS FROM ALL OF THE RAFFLE TICKETS SOLD FOR
10 AN EVENT OR BY AN ALTERNATIVE METHOD THAT IS APPROVED IN WRITING
11 BY THE BOARD, AND A PREANNOUNCED PRIZE IS AWARDED.

12 (H) "RELIGIOUS ORGANIZATION" MEANS ANY OF THE FOLLOWING:

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

17 (ii) A SOCIETY OF INDIVIDUALS IN THIS STATE THAT IS ORGANIZED
18 NOT FOR PECUNIARY PROFIT AND THAT UNITES FOR RELIGIOUS PURPOSES
19 AT A DEFINITE PLACE.

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

22 (I) "RETAIL VALUE" MEANS THE PRICE AT WHICH A MERCHANDISE
23 ITEM CAN NORMALLY BE FOUND FOR PURCHASE AT A RETAIL OUTLET. FOR A
24 MERCHANDISE ITEM THAT IS NOT NORMALLY SOLD THROUGH A RETAIL
25 OUTLET, RETAIL VALUE MEANS THE PRICE AT WHICH THE ITEM NORMALLY
26 IS SOLD IN THE SECONDARY MARKET OR THE PRICE THAT A REASONABLE
27 SELLER WOULD ASK AND THAT A REASONABLE PURCHASER WOULD PAY FOR

1 THE ITEM.

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

7 (K) "SERVICE ORGANIZATION" MEANS EITHER OF THE FOLLOWING:

8 (i) A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A NATIONAL
9 OR STATE ORGANIZATION THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT
10 AND THAT IS AUTHORIZED BY ITS WRITTEN CONSTITUTION, CHARTER,
11 ARTICLES OF INCORPORATION, OR BYLAWS TO ENGAGE IN A FRATERNAL,
12 CIVIC, OR SERVICE PURPOSE IN THIS STATE.

13 (ii) A LOCAL CIVIC ORGANIZATION IN THIS STATE THAT IS
14 ORGANIZED NOT FOR PECUNIARY PROFIT; THAT IS NOT AFFILIATED WITH A
15 STATE OR NATIONAL ORGANIZATION; THAT IS RECOGNIZED BY RESOLUTION
16 ADOPTED BY THE LOCAL GOVERNMENTAL SUBDIVISION IN WHICH THE
17 ORGANIZATION CONDUCTS ITS PRINCIPAL ACTIVITIES; WHOSE
18 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS
19 CONTAIN A PROVISION FOR THE PERPETUATION OF THE ORGANIZATION AS A
20 NONPROFIT ORGANIZATION; WHOSE ENTIRE ASSETS ARE USED FOR
21 CHARITABLE PURPOSES; AND WHOSE CONSTITUTION, CHARTER, ARTICLES OF
22 INCORPORATION, OR BYLAWS CONTAIN A PROVISION THAT ALL ASSETS,
23 REAL PROPERTY, AND PERSONAL PROPERTY SHALL REVERT TO THE BENEFIT
24 OF THE LOCAL GOVERNMENTAL SUBDIVISION THAT GRANTED THE RESOLUTION
25 OR ANOTHER NONPROFIT ORGANIZATION ON DISSOLUTION OF THE
26 ORGANIZATION.

27 ~~————(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.~~

(I) ~~(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~~ **FOR** bingo **GAMES** 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.

(M) ~~(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.

(N) ~~(17)~~—"Special bingo" means a single or consecutive series of bingo occasions during which the total value of all prizes awarded ~~through~~ **FOR** bingo **GAMES** 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.

(O) ~~(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.

(P) **"VETERANS' ORGANIZATION" MEANS AN ORGANIZATION IN THIS STATE, OR A BRANCH, LODGE, OR CHAPTER IN 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**

1 WHO WERE MEMBERS OF THE ARMED SERVICES OR ARMED FORCES OF THE
2 UNITED STATES. VETERANS' ORGANIZATION INCLUDES AN AUXILIARY OF A
3 VETERANS' ORGANIZATION THAT IS A NATIONAL ORGANIZATION CHARTERED
4 BY THE CONGRESS OF THE UNITED STATES.

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

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

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

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

14 (b) The name and address of each officer of the applicant
15 organization.

16 (c) The location at which the applicant will conduct the
17 event.

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

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

21 (f) Sufficient facts relating to the applicant's
22 incorporation or organization to enable the commissioner to
23 determine whether the applicant is a qualified organization.

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

27 (h) Other information the commissioner considers necessary.

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~~ **SHALL** issue 1 or more of the following licenses:

| License | Fee |
|--|------------------------------|
| (a) Large bingo..... | \$ 150.00 |
| (b) Small bingo..... | \$ 55.00 |
| (c) Special bingo..... | \$ 25.00 |
| (d) Millionaire party..... | \$ 50.00 per day |
| (D) (e) Large raffle..... | \$ 50.00 per drawing date |
| (E) (f) Small raffle: | |
| (i) One to 3 drawing dates..... | \$ 15.00 |
| (ii) Four or more drawing dates..... | \$ 5.00 per drawing date |
| (F) (g) Annual charity game..... | \$ 200.00 |
| (G) (h) Special charity game..... | \$ 15.00 per day |
| (H) (i) Numeral game..... | \$ 15.00 per day |

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

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

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

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

7 (d) The organization complies with all other **APPLICABLE**
8 provisions of this act and rules promulgated under this
9 ~~act~~**ARTICLE**.

10 (3) Under extreme hardship conditions as determined by the
11 commissioner, the commissioner may allow an individual or a group
12 of individuals to obtain a license to conduct a special bingo ~~7~~
13 ~~millionaire party~~, **EVENT** or raffle if all of the following
14 conditions are met:

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

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

21 (c) The individual or group of individuals complies with all
22 other **APPLICABLE** provisions of this ~~act~~**ARTICLE** and the rules
23 promulgated under this ~~act~~**ARTICLE**.

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

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

1 transferable.

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

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

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

18 (9) **THE COMMISSIONER SHALL NOT DENY A LICENSE TO AN**
19 **APPLICANT UNDER SECTION 4 ON THE BASIS THAT THE LOCATION WHERE**
20 **THE EVENT WILL BE HELD IS A RACETRACK. THE COMMISSIONER SHALL NOT**
21 **DENY A LICENSE TO AN APPLICANT UNDER SECTION 4 IN ORDER TO LIMIT**
22 **THE NUMBER OF DAYS IN A WEEK THAT EVENTS MAY BE CONDUCTED AT A**
23 **RACETRACK OR LIMIT THE NUMBER OF EVENTS THAT MAY BE CONDUCTED AT**
24 **A RACETRACK ON 1 DAY TO LESS THAN 7.**

25 Sec. 8. (1) All fees and revenue collected by the
26 commissioner or bureau under this act shall be paid into the
27 state lottery fund **CREATED UNDER SECTION 41 OF THE MCCAULEY-**

1 **TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT, 1972 PA 239, MCL 432.41.**

2 All necessary expenses incurred by the bureau in the
3 administration and enforcement of any activity authorized by this
4 act and in the initiation, implementation, and ongoing operation
5 of any activity authorized by this act shall be financed from the
6 state lottery fund. The amount of these necessary expenses shall
7 not exceed the amount of revenues received from the sale of
8 charity game tickets and all fees collected under this act **BY THE**
9 **COMMISSIONER OR THE BUREAU**. At the end of each fiscal year all
10 money, including interest, in the state lottery fund ~~which~~**THAT**
11 is attributable to fees and revenue collected under this act **BY**
12 **THE COMMISSIONER OR THE BUREAU** but ~~which~~**THAT** has not been
13 expended under this section shall be deposited in the state
14 general fund.

15 (2) ALL FEES AND REVENUE COLLECTED BY THE DIRECTOR OR BOARD
16 UNDER THIS ACT SHALL BE PAID INTO THE STATE LOTTERY FUND CREATED
17 UNDER SECTION 41 OF THE MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY
18 LOTTERY ACT, 1972 PA 239, MCL 432.41. ALL NECESSARY EXPENSES
19 INCURRED BY THE DIRECTOR OR BOARD IN THE ADMINISTRATION AND
20 ENFORCEMENT OF ANY ACTIVITY AUTHORIZED BY THIS ACT AND IN THE
21 INITIATION, IMPLEMENTATION, AND ONGOING OPERATION OF ANY ACTIVITY
22 AUTHORIZED BY THIS ACT SHALL BE FINANCED FROM THE STATE LOTTERY
23 FUND. THE AMOUNT OF THESE NECESSARY EXPENSES SHALL NOT EXCEED THE
24 AMOUNT OF THE FEES COLLECTED UNDER THIS ACT BY THE DIRECTOR OR
25 THE BOARD. AT THE END OF EACH FISCAL YEAR ALL MONEY, INCLUDING
26 INTEREST, IN THE STATE LOTTERY FUND THAT IS ATTRIBUTABLE TO FEES
27 AND REVENUE COLLECTED UNDER THIS ACT BY THE DIRECTOR OR THE BOARD

1 BUT THAT HAS NOT BEEN EXPENDED UNDER THIS SECTION SHALL BE
 2 DEPOSITED IN THE STATE GENERAL FUND.

3 Sec. 9. (1) Except as provided in subsection (2), the entire
 4 net proceeds of an event **CONDUCTED UNDER A LICENSE ISSUED UNDER**
 5 **THIS ARTICLE** shall be devoted exclusively to the lawful purposes
 6 of the licensee. A licensee shall not incur or pay an item of
 7 expense in connection with ~~the~~ holding, operating, or conducting
 8 ~~of an event~~ except the following expenses in ~~reasonable~~ amounts
 9 **THAT THE COMMISSIONER DETERMINES TO BE REASONABLE:**

10 (a) The purchase or rental of equipment necessary for
 11 conducting an event and payment of services reasonably necessary
 12 for the repair of equipment.

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

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

15 (d) Janitorial services.

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

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

21 (2) A qualified organization described in section ~~3(g)(ii)~~
 22 **3A(D) (ii)** shall use the entire net proceeds of an event, after
 23 paying items of expense incurred in reasonable amounts in
 24 connection with the holding, operating, or conducting of the
 25 event and listed in subsection (1), only for the expense of
 26 training or purchasing goods or services for the support of the
 27 activities of the component.

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

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

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

13 (4) A licensee shall not advertise **A bingo EVENT** except to
14 the extent and in the manner permitted by rule promulgated under
15 this ~~act~~.**ARTICLE.** If the commissioner permits a licensee to
16 advertise **A bingo EVENT**, the licensee shall indicate in the
17 advertisement the purposes for which the net proceeds will be
18 used by the licensee.

19 ~~—— (5) The holder of a millionaire party license shall not~~
20 ~~advertise the event, except to the extent and in the manner~~
21 ~~permitted by rule promulgated under this act. If the commissioner~~
22 ~~permits a licensee to advertise the event, the licensee shall~~
23 ~~indicate in the advertising the purposes for which the net~~
24 ~~proceeds will be used by the licensee.~~

25 Sec. 11b. (1) ~~Each~~ **AN** applicant for a license or renewal of
26 a license to operate as a supplier of equipment, charity game
27 tickets, or numeral game tickets to qualified organizations

1 licensed under this act shall submit a written application to the
2 bureau on a form prescribed by the commissioner.

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

5 (3) A supplier's license expires at 12 midnight on September
6 30 of each year.

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

11 (5) A supplier shall remit to the bureau an amount equal to
12 the qualified organization's purchase price of the charity game
13 tickets less an amount that shall not be less than the sum of
14 \$.008 for each ticket sold plus 1.0% of the total resale value
15 for all charity game tickets sold.

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

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

23 (8) ~~The~~**A SUPPLIER SHALL REMIT THE** fees collected ~~by the~~
24 ~~supplier for each numeral game sold shall be remitted to the~~
25 ~~bureau~~**UNDER SUBSECTION (7) TO THE BUREAU** by the fifteenth day of
26 the month following the month in which the numeral game is sold.
27 ~~A~~**THE COMMISSIONER MAY ASSESS A** late fee of 25% of the amount due

1 ~~may be assessed by the commissioner against any~~ A supplier who
2 fails to remit the fees by the required filing date.

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

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

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

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

19 (2) The annual **MANUFACTURER'S** license fee ~~shall be~~ IS
20 \$300.00.

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

23 (4) Only numeral games and numeral game tickets approved by
24 the commissioner may be distributed to suppliers within this
25 state.

26 (5) All records supporting the sale of numeral game tickets
27 to suppliers shall be available upon request to an authorized

1 representative of the bureau for inspection or audit and shall be
 2 kept by the manufacturer for not less than the calendar year in
 3 which the sale is made plus 3 additional years.

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

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

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

14 Sec. 13. The commissioner shall promulgate rules pursuant to
 15 the administrative procedures act of 1969, 1969 PA 306, MCL
 16 24.201 to 24.328, to implement this ~~act~~**ARTICLE**.

17 Sec. 14. (1) ~~Each~~**A** licensee **UNDER THIS ARTICLE** shall keep a
 18 record of each event as required by the commissioner. ~~The~~**A**
 19 **LICENSEE SHALL ALLOW A REPRESENTATIVE AUTHORIZED BY THE BUREAU TO**
 20 **INSPECT A** record **KEPT UNDER THIS SUBSECTION** and all financial
 21 accounts into which proceeds from events ~~licensed under this act~~
 22 are deposited or transferred ~~shall be open to inspection by a~~
 23 ~~duly authorized representative of the bureau during reasonable~~
 24 business hours.

25 (2) ~~Each~~**A** licensee **UNDER THIS ARTICLE** shall file with the
 26 commissioner a financial statement signed by the principal
 27 officer of the qualified organization of receipts and expenses

1 related to the conduct of each event as ~~may be required~~ by rule
 2 promulgated under this ~~act~~. **ARTICLE**. If the revenue from a bingo
 3 ~~game, millionaire party,~~ **EVENT**, raffle, numeral game, or charity
 4 game is represented to be used or applied by a licensee **UNDER**
 5 **THIS ARTICLE** for a charitable purpose, the licensee shall file a
 6 copy of the financial statement with the attorney general under
 7 the supervision of trustees for charitable purposes act, 1961 PA
 8 101, MCL 14.251 to 14.266.

9 (3) ~~The~~ **A LICENSEE UNDER THIS ARTICLE SHALL ALLOW AN**
 10 **AUTHORIZED REPRESENTATIVE OF THE BUREAU OR THE DEPARTMENT OF**
 11 **STATE POLICE OR A LAW ENFORCEMENT OFFICER OF A POLITICAL**
 12 **SUBDIVISION OF THIS STATE TO INSPECT A** location ~~at which events~~
 13 ~~licensed under this act are conducted or at which an applicant or~~
 14 **A BUILDING, ENCLOSURE, OR PORTION OF REAL PROPERTY THAT THE**
 15 licensee intends to ~~conduct an event licensed under this act~~
 16 ~~shall be open to inspection~~ **USE AS A LOCATION** at all times by a
 17 ~~duly authorized representative of the bureau or by the state~~
 18 ~~police or a peace officer of a political subdivision of this~~
 19 ~~state.~~ **ANY TIME.**

20 Sec. 15. ~~Annually the~~ **THE** commissioner shall report **ANNUALLY**
 21 to the governor and the legislature about the operation of events
 22 licensed under this ~~act within this state,~~ **ARTICLE**, abuses that
 23 the bureau may have encountered, and recommendations for changes
 24 in this act.

25 Sec. 16. (1) The commissioner may deny, suspend, summarily
 26 suspend, or revoke ~~any~~ **A** license issued under this ~~act~~ **ARTICLE** if
 27 the licensee **HOLDER OF THE LICENSE** or an officer, director,

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

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

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

22 (4) With approval of the commissioner, **THE HOLDER OF** a **BINGO**
 23 ~~hall licensee~~**, LICENSE,** in lieu of a suspension of its license,
 24 may elect to pay a fine equal to the amount of rent that would
 25 have been paid by ~~the~~ bingo licensees during the period of the
 26 suspension. This fine shall be paid to the bureau on or before
 27 the date agreed to in the suspension agreement entered into by

1 the bureau and the **HOLDER OF THE BINGO** hall ~~licensee~~**LICENSE**.

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

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

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

25 (2) Subsection (1) does not limit in any way the application
26 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~
27 ~~Acts of 1976, being sections~~ **1976 PA 388, MCL 169.201 to 169.282**

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

9 **ARTICLE 2**

10 **SEC. 32. (1) AS USED IN THIS ARTICLE:**

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

13 (B) "CHARITABLE GAMING SERVICE PROVIDER" MEANS A PERSON
14 LICENSED AS A CHARITABLE GAMING SERVICE PROVIDER UNDER SECTION 61
15 TO RENT OR SELL EQUIPMENT OR PROVIDE OPERATION SERVICES TO
16 MILLIONAIRE PARTY LICENSEES.

17 (C) "EVENT" MEANS AN OCCASION OF A MILLIONAIRE PARTY UNDER A
18 LICENSE ISSUED UNDER THIS ARTICLE.

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

22 (E) "MANAGEMENT" MEANS HANDLING OF CASH, CHIPS, AND HOUSE
23 RAKES AT AN EVENT AND PREPARATION OF GAME RECORDS AND FINANCIAL
24 STATEMENTS FOR THE EVENT.

25 (F) "MILLIONAIRE PARTY EQUIPMENT" MEANS ANY AUTHORIZED ITEM
26 THAT IS USED TO CONDUCT AN AUTHORIZED GAME AT A MILLIONAIRE
27 PARTY.

1 (G) "OPERATION SERVICES" MEANS PROVIDING A LOCATION,
2 STAFFING, AND SERVICES COMMONLY ASSOCIATED WITH GAMES OF CHANCE
3 FOR A MILLIONAIRE PARTY EVENT.

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

8 (I) "WORKER" MEANS A PERSON WHO ASSISTS OR PARTICIPATES IN
9 THE MANAGEMENT, CONDUCT, OR OPERATION OF A MILLIONAIRE PARTY.
10 WORKER DOES NOT INCLUDE A PERSON EMPLOYED BY OR AN AGENT OF A
11 LESSOR OR CHARITABLE GAMING SERVICE PROVIDER.

12 (2) THE DEFINITIONS IN SECTIONS 2, 3, AND 3A APPLY TO THIS
13 ARTICLE, UNLESS A TERM DEFINED IN 1 OF THOSE SECTIONS IS DEFINED
14 DIFFERENTLY IN THIS SECTION.

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

18 (2) THE APPLICATION UNDER SUBSECTION (1) MUST INCLUDE ALL OF
19 THE FOLLOWING:

20 (A) THE NAME AND ADDRESS OF THE APPLICANT.

21 (B) THE NAME AND ADDRESS OF EACH OFFICER OF THE APPLICANT.

22 (C) THE NAME OF THE INDIVIDUAL WHO WILL SERVE AS THE
23 CHAIRPERSON OF THE MILLIONAIRE PARTY UNDER SECTION 39.

24 (D) THE NAME OF THE INDIVIDUAL WHO WILL SERVE AS THE RECORD
25 KEEPER OF THE MILLIONAIRE PARTY UNDER SECTION 44.

26 (E) THE LOCATION AT WHICH THE APPLICANT WILL CONDUCT THE
27 EVENT.

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

(G) THE DAY OR DATES OF THE EVENT.

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

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

(J) A SWORN STATEMENT ATTESTING TO THE NONPROFIT STATUS OF
THE APPLICANT, SIGNED BY THE PRINCIPAL OFFICER OF THE APPLICANT.

(K) OTHER INFORMATION THE DIRECTOR CONSIDERS NECESSARY.

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

(4) AN APPLICANT UNDER SUBSECTION (1) SHALL DISCLOSE TO THE
DIRECTOR WHETHER ANY OFFICER OR AGENT OF THE APPLICANT, BEFORE OR
DURING THE APPLICATION PROCESS, HAS BEEN CONVICTED OF, FORFEITED
BOND ON A CHARGE OF, OR PLED GUILTY TO ANY OF THE FOLLOWING:

(A) A FELONY.

(B) A GAMBLING OFFENSE.

(C) CRIMINAL FRAUD.

1 (D) FORGERY.

2 (E) LARCENY.

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

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

7 (A) THAT THE APPLICANT IS BOUND BY AND WILL COMPLY WITH THIS
8 ACT, AND THE RULES PROMULGATED UNDER THIS ARTICLE.

9 (B) THAT THE APPLICANT WILL NOT ASSIGN OR TRANSFER THE
10 LICENSE.

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

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

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

19 (F) THAT THE APPLICANT WILL IMMEDIATELY REPORT TO THE
20 DIRECTOR IN WRITING ANY CHANGE IN THE INFORMATION STATED IN OR
21 THAT ACCOMPANIES THE APPLICATION.

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

25 (6) AN APPLICANT UNDER THIS SECTION SHALL IMMEDIATELY REPORT
26 IN WRITING TO THE DIRECTOR ANY CHANGES TO THE INFORMATION
27 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 DIRECTOR 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 DIRECTOR, IN HIS OR HER DISCRETION, MAY REQUIRE AN APPLICANT THAT WAS PREVIOUSLY LICENSED TO CONDUCT A MILLIONAIRE PARTY TO SUBMIT UPDATED INFORMATION TO ASSURE THAT THE APPLICANT CONTINUES TO BE A QUALIFIED ORGANIZATION.

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

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

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

(A) WHETHER THE CHARACTER, RESPONSIBILITY, AND FITNESS OF THE OFFICERS AND MEMBERS OF THE APPLICANT AND THEIR MOTIVES IN SEEKING TO CONDUCT THE MILLIONAIRE PARTY ARE SUCH AS TO COMMAND THE CONFIDENCE OF THE COMMUNITY AND TO WARRANT THE BELIEF THAT

1 THE MILLIONAIRE PARTY WILL BE HONESTLY AND EFFICIENTLY CONDUCTED.

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 AND THE RULES PROMULGATED UNDER THIS ARTICLE.

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) FOR THE PURPOSES OF DETERMINING WHETHER AN APPLICANT IS
22 A QUALIFIED ORGANIZATION, THE DIRECTOR SHALL CONSIDER ALL OF THE
23 FOLLOWING WHEN DETERMINING WHETHER A SERVICE, FRATERNAL, OR
24 VETERAN'S ORGANIZATION QUALIFIES AS A BRANCH, LODGE, OR CHAPTER:

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

1 (B) CONDITIONS ESTABLISHED BY THE NATIONAL OR STATE
2 ORGANIZATION FOR THE REVOCATION OR SUSPENSION OF THE CHARTER OR
3 RELATIONSHIP WITH THE APPLICANT.

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

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

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

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

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

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

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

24 (A) THE PERSON IS A NONPROFIT 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 HAS COMPLIED AND WILL COMPLY WITH ALL OTHER
5 PROVISIONS OF THIS ACT AND RULES PROMULGATED UNDER THIS ARTICLE.

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 HAS COMPLIED AND
17 WILL COMPLY WITH ALL OTHER PROVISIONS OF THIS ACT AND THE RULES
18 PROMULGATED UNDER THIS ARTICLE.

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 DAYS IN 1 WEEK.

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 6 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 IF NOT MORE THAN 6 EVENTS ARE BEING CONDUCTED AT
4 ANY 1 TIME.

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

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

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

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

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

25 (16) THE DIRECTOR SHALL ESTABLISH CRITERIA UNDER WHICH A
26 QUALIFIED ORGANIZATION MAY RECEIVE AN EXPEDITED MILLIONAIRE PARTY
27 LICENSE AND ESTABLISH A FEE STRUCTURE FOR EXPEDITED LICENSES. A

1 FEE FOR AN EXPEDITED MILLIONAIRE PARTY LICENSE SHALL NOT EXCEED
2 150% OF THE STANDARD LICENSE FEE.

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

6 (18) THE DIRECTOR SHALL NOT DENY A LICENSE TO AN APPLICANT
7 FOR A MILLIONAIRE PARTY LICENSE ON THE BASIS THAT THE LOCATION
8 WHERE THE EVENT WILL BE HELD IS A RACETRACK. THE DIRECTOR SHALL
9 NOT DENY A LICENSE TO AN APPLICANT FOR A MILLIONAIRE PARTY
10 LICENSE IN ORDER TO LIMIT THE NUMBER OF DAYS IN A WEEK THAT
11 EVENTS MAY BE CONDUCTED AT A RACETRACK OR LIMIT THE NUMBER OF
12 EVENTS THAT MAY BE CONDUCTED AT A RACETRACK ON 1 DAY TO LESS THAN
13 7.

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

16 (A) THE EXPENDITURE FOR ADVERTISING MUST BE REASONABLE AND
17 NECESSARY.

18 (B) THE ADVERTISING MUST INCLUDE THE NAME OF THE LICENSEE
19 AND THE LICENSE NUMBER.

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

23 (A) LICENSED MILLIONAIRE PARTIES ARE CONDUCTED AT THE
24 LOCATION OR BY THE CHARITABLE GAMING SERVICE PROVIDER ON AN
25 ONGOING BASIS.

26 (B) THE ADVERTISEMENT STATES THAT THE PROCEEDS FROM THE
27 MILLIONAIRE PARTIES BENEFIT NONPROFIT ORGANIZATIONS. THE

1 STATEMENT REQUIRED BY THIS SUBDIVISION SHALL BE DISPLAYED AS
2 FOLLOWS:

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

6 (ii) IF THE ADVERTISING IS TELEVISED, IN A MANNER THAT IS
7 EASILY READABLE BY THE VIEWER CONTINUOUSLY DURING THE
8 ADVERTISEMENT.

9 (3) ADVERTISING UNDER THIS SECTION DOES NOT INCLUDE ANY OF
10 THE FOLLOWING:

11 (A) A MESSAGE OR GREETING ON AN ANSWERING MACHINE OR
12 VOICEMAIL INTENDED TO BE HEARD BY AN INDIVIDUAL WHO TELEPHONES A
13 LICENSEE, LESSOR, OR CHARITABLE GAMING SERVICE PROVIDER.

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

17 (C) PRINTED MATTER INSIDE A LOCATION WHERE AN EVENT IS BEING
18 CONDUCTED THAT IS INTENDED TO BE VISIBLE ONLY INSIDE THE
19 LOCATION.

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

23 (E) A SIGN LOCATED AT A LOCATION THAT DOES NOT MENTION THE
24 DAY, DATE, OR TIME OF, SPECIFY GAMES PLAYED AT, OR GIVE PROGRAM
25 INFORMATION FOR AN EVENT.

26 SEC. 37. AN EVENT HELD UNDER A MILLIONAIRE PARTY LICENSE
27 SHALL BE HELD AT A LOCATION THAT MEETS 1 OR MORE OF THE FOLLOWING

1 REQUIREMENTS:

2 (A) THE LOCATION IS OWNED OR RENTED ON A CONTINUAL BASIS AND
3 OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
4 MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE LOCATION IS
5 OWNED BY THE LICENSEE.

6 (B) THE LOCATION IS RENTED OR CONTROLLED BY A QUALIFIED
7 ORGANIZATION FOR THE EVENT AND THE EQUIPMENT USED FOR GAMING AT
8 THE LOCATION IS OWNED BY THE LICENSEE.

9 (C) THE LOCATION IS OWNED OR RENTED ON A CONTINUAL BASIS AND
10 OPERATED BY A QUALIFIED ORGANIZATION FOR THE REGULAR USE OF ITS
11 MEMBERS AND THE EQUIPMENT USED FOR GAMING AT THE LOCATION IS
12 RENTED FROM A CHARITABLE GAMING SERVICE PROVIDER.

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

16 (E) THE LOCATION IS OWNED, RENTED, OR OPERATED BY A
17 CHARITABLE GAMING SERVICE PROVIDER.

18 SEC. 38. A MILLIONAIRE PARTY LICENSEE SHALL DESIGNATE AN
19 OFFICER OF THE LICENSEE TO BE RESPONSIBLE FOR ALL OF THE
20 FOLLOWING:

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

24 (B) ENSURING THAT THE EVENT IS CONDUCTED IN ACCORDANCE WITH
25 THIS ACT AND RULES PROMULGATED UNDER THIS ARTICLE.

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

1 (D) REVIEWING ALL REPORTS AND CORRESPONDENCE FROM THE
2 DIRECTOR.

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

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

7 (G) ENSURING THAT ALL WORKERS ARE QUALIFIED TO WORK THE
8 EVENT.

9 SEC. 39. (1) THE OFFICERS OF A MILLIONAIRE PARTY LICENSEE
10 SHALL DESIGNATE 1 INDIVIDUAL TO SERVE AS CHAIRPERSON TO BE IN
11 CHARGE OF AND RESPONSIBLE FOR ASSURING THAT THE MILLIONAIRE PARTY
12 IS CONDUCTED IN ACCORDANCE WITH THIS ACT AND RULES PROMULGATED
13 UNDER THIS ARTICLE.

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

16 (3) A CHAIRPERSON MUST BE FAMILIAR WITH THIS ACT, RULES
17 PROMULGATED UNDER THIS ARTICLE, AND ANY APPLICABLE TERMS OF
18 PROBATION.

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

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

24 (6) AN INDIVIDUAL DESIGNATED AS CHAIRPERSON SHALL BE IN FULL
25 CHARGE OF THE EVENT, SUPERVISE AND DIRECT ALL WORKERS, AND ASSURE
26 THAT PROPER RECEIPTS ARE GIVEN FOR ALL MONEY RECEIVED DURING THE
27 EVENT, THAT THE RECEIPT OF THE MONEY IS PROPERLY RECORDED, AND

1 THAT THE MONEY IS PROPERLY DEPOSITED.

2 (7) THE CHAIRPERSON SHALL ATTEMPT TO RESOLVE IN ACCORDANCE
3 WITH THIS ACT, RULES PROMULGATED UNDER THIS ARTICLE, AND EVENT
4 RULES ANY DISPUTES THAT MAY OCCUR DURING THE EVENT.

5 (8) THE PRINCIPAL OFFICER OF A LICENSEE SHALL IMMEDIATELY
6 NOTIFY THE DIRECTOR IN A WRITING SIGNED BY THE OFFICER OF ANY
7 CHANGE IN THE CHAIRPERSON LISTED ON THE APPLICATION FOR THE
8 LICENSE.

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

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

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

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

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

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

22 (F) THAT IMITATION MONEY OR CHIPS ARE USED ONLY FOR WAGERING
23 OR REDEMPTION.

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

27 (H) THAT IMITATION MONEY OR CHIPS ARE ONLY SOLD BY

1 AUTHORIZED SELLERS.

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

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

6 (K) THAT THE LICENSEE DOES NOT RECEIVE MORE THAN \$15,000.00
7 IN EXCHANGE FOR IMITATION MONEY OR CHIPS IN 1 DAY OF THE
8 MILLIONAIRE PARTY.

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

12 (2) IF A LICENSEE HAS ENGAGED A CHARITABLE GAMING SERVICE
13 PROVIDER TO PROVIDE OPERATION SERVICES FOR AN EVENT, THE
14 CHARITABLE GAMING SERVICE PROVIDER SHALL ENSURE ALL OF THE
15 FOLLOWING:

16 (A) THAT ALL STAFF PROVIDED BY THE CHARITABLE GAMING SERVICE
17 PROVIDER HAVE UNDERGONE A CRIMINAL BACKGROUND CHECK AS REQUIRED
18 UNDER SECTION 63.

19 (B) THAT AN INDIVIDUAL PROVIDED BY THE CHARITABLE GAMING
20 SERVICE PROVIDER IS PROHIBITED FROM PLACING A WAGER AT A
21 MILLIONAIRE PARTY HELD AT A LOCATION WHERE AND ON A DATE THAT THE
22 INDIVIDUAL IS ASSIGNED TO PROVIDE SERVICES. THE INDIVIDUAL MAY
23 PLACE A WAGER AT A MILLIONAIRE PARTY HELD AT A LOCATION WHERE AND
24 ON A DATE THAT THE INDIVIDUAL IS NOT PERFORMING SERVICES.

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

1 (D) THAT A WAGER IS NOT PLACED ON A CONTEST OTHER THAN A
2 GAME OF CHANCE TAKING PLACE AT THE LOCATION AND DURING THE TIME
3 PERIOD APPROVED FOR THE EVENT AND THAT A WAGER IS NOT PLACED ON
4 AN ATHLETIC EVENT OR A GAME INVOLVING PERSONAL SKILL.

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

8 (3) A MILLIONAIRE PARTY LICENSEE MAY ASSIGN A MEMBER TO
9 PROVIDE SECURITY SERVICES AT AN EVENT HELD UNDER THE LICENSE AND
10 PAY THE MEMBER FOR THE SERVICES.

11 (4) A MILLIONAIRE PARTY LICENSEE OR CHARITABLE GAMING
12 SERVICE PROVIDER MAY CONTRACT FOR SECURITY SERVICES FROM A PERSON
13 LICENSED UNDER THE PRIVATE SECURITY BUSINESS AND SECURITY ALARM
14 ACT, 1968 PA 330, MCL 338.1051 TO 338.1092. A LICENSEE OR
15 CHARITABLE GAMING SERVICE PROVIDER SHALL PAY A PERSON WHO
16 PROVIDES SECURITY UNDER THIS SUBSECTION AT CURRENT MARKET RATES.
17 A PERSON WHO PROVIDES SECURITY UNDER THIS SUBSECTION SHALL NOT
18 PARTICIPATE IN ANY OTHER WAY IN CONDUCTING THE MILLIONAIRE PARTY.

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

21 (A) WHEEL OF FORTUNE.

22 (B) ROULETTE.

23 (C) A DICE GAME IN WHICH THE PLAYERS COMPETE ONLY AGAINST
24 THE LICENSEE.

25 (D) TWENTY-ONE OR BLACKJACK.

26 (E) POKER, IN ANY FORM.

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

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

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

6 (B) THE CHARITABLE GAMING SERVICE PROVIDER SHALL HOLD THE
7 LICENSEE HARMLESS FROM ANY LOSS FROM THE CONDUCT OF A GAME OVER
8 THE COURSE OF THE EVENT.

9 SEC. 41. (1) A MILLIONAIRE PARTY LICENSEE SHALL ESTABLISH
10 AND ADHERE TO EVENT RULES FOR THE CONDUCT OF THE EVENT. THE EVENT
11 RULES MUST NOT CONFLICT WITH THIS ACT OR RULES PROMULGATED UNDER
12 THIS ARTICLE. AT A MINIMUM, THE HOUSE RULES SHALL CONTAIN ALL OF
13 THE FOLLOWING INFORMATION:

14 (A) THE LICENSEE'S NAME.

15 (B) THE LICENSE NUMBER.

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

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

20 (E) A REFUND POLICY.

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

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

24 (H) THE BET LIMIT FOR ALL GAMES.

25 (I) AN EFFECTIVE DATE OF THE EVENT RULES.

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

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

3 (B) THE METHOD BY WHICH WINNERS WILL BE DETERMINED.

4 (3) A MILLIONAIRE PARTY LICENSEE SHALL POST THE EVENT RULES
5 IN A CONSPICUOUS PLACE AT THE EVENT OR PRINT THE EVENT RULES IN
6 SUFFICIENT NUMBER FOR DISTRIBUTION TO ALL INTERESTED PERSONS.

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

9 (2) A MILLIONAIRE PARTY LICENSEE SHALL POST THE MILLIONAIRE
10 PARTY LICENSE IN A CONSPICUOUS PLACE AT THE LOCATION DURING THE
11 EVENT.

12 (3) A MILLIONAIRE PARTY LICENSEE SHALL HAVE A COPY OF THE
13 APPLICATION FOR THE MILLIONAIRE PARTY LICENSE AND ANY CHANGES ON
14 SITE AND AVAILABLE FOR REVIEW.

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

18 (5) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN
19 INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY
20 LICENSEE TO PARTICIPATE IN THE MANAGEMENT OF THE EVENT. AN
21 INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY
22 LICENSEE SHALL NOT PARTICIPATE IN THE MANAGEMENT OF AN EVENT.

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

26 (A) COUNTING, DISTRIBUTING, HANDLING, SELLING, OR REDEEMING
27 CHIPS.

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

2 (C) COLLECTING THE HOUSE RAKE.

3 (D) PAYING OUT CASH PRIZES.

4 (E) PAYING WORKERS.

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

6 (7) EXCEPT WITH PRIOR WRITTEN APPROVAL OF THE DIRECTOR, A
7 MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN INDIVIDUAL TO
8 ASSIST IN THE OPERATION OF THE EVENT UNLESS THE INDIVIDUAL IS A
9 BONA FIDE MEMBER OF THE LICENSEE OR AN EMPLOYEE OR AGENT OF A
10 CHARITABLE GAMING SERVICE PROVIDER.

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

16 (A) PARTICIPATE IN THE MANAGEMENT OF A MILLIONAIRE PARTY AT
17 THE LOCATION.

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

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

22 (D) ACCEPT A PRIZE OR PURCHASE, PLAY, OR ACCEPT A CHARITY
23 GAME TICKET OR NUMERAL GAME TICKET DURING AN EVENT AT THE
24 LOCATION.

25 (E) SPLIT A PRIZE WITH A PLAYER.

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

1 (9) AN EMPLOYEE OR AGENT OF A LESSOR OR CHARITABLE GAMING
2 SERVICE PROVIDER MAY ACCEPT CASH TIPS AT A MILLIONAIRE PARTY
3 EVENT.

4 SEC. 44. (1) THE OFFICERS OF A MILLIONAIRE PARTY LICENSEE
5 SHALL DESIGNATE 1 INDIVIDUAL TO SERVE AS RECORD KEEPER TO BE
6 RESPONSIBLE FOR THE HANDLING OF CASH, PRIZES, CHIPS, AND
7 IMITATION MONEY AT THE EVENT.

8 (2) AN INDIVIDUAL DESIGNATED AS A RECORD KEEPER SHALL BE
9 PRESENT ON THE PREMISES CONTINUOUSLY DURING THE EVENT. THE RECORD
10 KEEPER SHALL GIVE PROPER RECEIPTS FOR ALL MONEY RECEIVED DURING
11 THE EVENT AND PROPERLY RECORD THE RECEIPT OF THE MONEY.

12 (3) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN
13 INDIVIDUAL TO ACT AS A RECORD KEEPER AT AN EVENT UNLESS THE
14 INDIVIDUAL QUALIFIES AS A WORKER AND IS A BONA FIDE MEMBER OF THE
15 LICENSEE.

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

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

23 (6) A WORKER SHALL NOT SPLIT A PRIZE WITH A PLAYER OR ACCEPT
24 ANY KIND OF TIP.

25 SEC. 45. (1) EXCEPT AS PROVIDED IN SUBSECTION (3), A
26 LICENSEE SHALL DEVOTE THE ENTIRE NET PROCEEDS OF A MILLIONAIRE
27 PARTY EXCLUSIVELY TO THE LAWFUL PURPOSES OF THE LICENSEE. A

1 LICENSEE SHALL NOT USE THE NET PROCEEDS FROM A MILLIONAIRE PARTY
2 FOR THE BENEFIT OF AN INDIVIDUAL OR A DIRECTOR, MEMBER, OR
3 SHAREHOLDER OF THE LICENSEE EXCEPT TO DIRECTLY FURTHER THE LAWFUL
4 PURPOSES OF THE LICENSEE. A MILLIONAIRE PARTY LICENSEE SHALL NOT
5 INCUR OR PAY AN ITEM OF EXPENSE IN CONNECTION WITH HOLDING OR
6 CONDUCTING AN EVENT EXCEPT THE FOLLOWING EXPENSES IN AMOUNTS THAT
7 THE DIRECTOR DETERMINES TO BE REASONABLE:

8 (A) PURCHASE OF EQUIPMENT.

9 (B) REPAIR OF EQUIPMENT.

10 (C) CASH PRIZES OR THE PURCHASE OF PRIZES OF MERCHANDISE.

11 (D) RENTAL OF THE LOCATION AT WHICH THE EVENT IS CONDUCTED.

12 (E) JANITORIAL SERVICES.

13 (F) THE FEE REQUIRED FOR ISSUANCE OR REISSUANCE OF A LICENSE
14 TO CONDUCT THE EVENT.

15 (G) SECURITY.

16 (H) REASONABLE ADVERTISING.

17 (I) FEES PAID TO A CHARITABLE GAMING SERVICE PROVIDER FOR
18 ANY OF THE FOLLOWING:

19 (i) RENTAL OF EQUIPMENT.

20 (ii) OPERATION SERVICES.

21 (iii) SECURITY.

22 (J) OTHER REASONABLE EXPENSES INCURRED BY THE LICENSEE, NOT
23 INCONSISTENT WITH THIS ACT OR RULES PROMULGATED UNDER THIS
24 ARTICLE.

25 (2) A MILLIONAIRE PARTY LICENSEE SHALL NOT PAY MORE THAN 45%
26 OF THE GROSS PROFIT FROM AN EVENT FOR EXPENSES, NOT INCLUDING
27 EXPENSES DESCRIBED IN SUBSECTION (1) (C) AND (F). AS USED IN THIS

1 SUBSECTION, "GROSS PROFIT" MEANS THE TOTAL AMOUNT PAID BY PATRONS
2 TO PARTICIPATE IN CHARITABLE GAMING AT THE EVENT LESS THE AMOUNT
3 OR VALUE OF PRIZES PAID.

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

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

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

19 (A) FOR WORKERS WHO SERVE AS CHAIRPERSON OR RECORD KEEPER,
20 \$150.00 PER DAY.

21 (B) FOR ALL OTHER WORKERS, \$100.00 PER DAY.

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

24 (4) A MILLIONAIRE PARTY LICENSEE SHALL ONLY COMPENSATE AN
25 INDIVIDUAL FOR BEING 1 OF THE FOLLOWING PER DAY OF THE EVENT:

26 (A) CHAIRPERSON.

27 (B) RECORD KEEPER.

1 (C) OTHER WORKER.

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

5 (A) CASH OR CHECK.

6 (B) ANYTHING OF VALUE.

7 (C) CREDIT TOWARD DUES, TUITION, OR ANY OTHER ITEMS OF
8 VALUE.

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

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

14 (8) A MILLIONAIRE PARTY LICENSEE SHALL RECORD THE NAMES OF
15 WORKERS AND THE AMOUNT PAID TO EACH WORKER, INCLUDING ANY
16 CREDITS, ON A SERVICE RECORD FOR EACH DAY OF THE EVENT.

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

20 (10) A MILLIONAIRE PARTY LICENSEE SHALL REPORT ALL
21 COMPENSATION PAID TO WORKERS ON THE FINANCIAL STATEMENT REQUIRED
22 UNDER SECTION 48.

23 SEC. 47. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT WRITE A
24 CHECK ON AN ACCOUNT INTO WHICH PROCEEDS FROM THE EVENT ARE
25 DEPOSITED OR TRANSFERRED UNLESS THE CHECK SATISFIES ALL OF THE
26 FOLLOWING REQUIREMENTS:

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

1 (B) AN AUTHORIZED INDIVIDUAL OR INDIVIDUALS SIGN THE CHECK.

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

4 (D) THE CHECK CONTAINS A BRIEF DESCRIPTION OF THE EXPENSE ON
5 THE MEMO LINE.

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

12 (3) A MILLIONAIRE PARTY LICENSEE SHALL DEPOSIT ALL MONEY
13 DERIVED FROM THE CONDUCT OF THE EVENT INTO THE LICENSEE'S
14 FINANCIAL ACCOUNT WITHIN 4 BUSINESS DAYS AFTER THE EVENT.

15 (4) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW A CHECK TO
16 BE CASHED OUT OF THE MILLIONAIRE PARTY START CASH OR GROSS
17 REVENUE.

18 (5) EXCEPT FOR CASH PRIZES AND WORKER COMPENSATION, A
19 MILLIONAIRE PARTY LICENSEE SHALL NOT PAY ANY EXPENDITURE IN CASH
20 FROM PROCEEDS OF THE EVENT. A MILLIONAIRE PARTY LICENSEE SHALL
21 PAY ALL OTHER EXPENSES RELATED TO THE EVENT BY CHECK AS REQUIRED
22 BY THIS SECTION.

23 SEC. 48. (1) A MILLIONAIRE PARTY LICENSEE SHALL KEEP A
24 RECORD OF EACH EVENT AS REQUIRED BY THE DIRECTOR. THE RECORD MUST
25 INCLUDE A COPY OF THE APPLICATION FOR THE LICENSE AND ANY CHANGES
26 TO THE LICENSE. A LICENSEE SHALL ALLOW A REPRESENTATIVE
27 AUTHORIZED BY THE DIRECTOR TO INSPECT A RECORD KEPT UNDER THIS

1 SUBSECTION AND A FINANCIAL ACCOUNT INTO WHICH PROCEEDS FROM AN
2 EVENT ARE DEPOSITED OR TRANSFERRED DURING REASONABLE BUSINESS
3 HOURS. AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY REMOVE
4 FOR REVIEW A RECORD KEPT UNDER THIS SUBSECTION AND ANY DOCUMENT
5 THAT SUPPORTS ANY ENTRIES MADE IN THE RECORD. A LICENSEE SHALL
6 KEEP A RECORD UNDER THIS SUBSECTION AND ALL DOCUMENTS THAT
7 SUPPORT ENTRIES MADE IN THE RECORD FOR AT LEAST THE CALENDAR YEAR
8 IN WHICH THE EVENT OCCURRED AND THE 3 FOLLOWING YEARS. A RECORD
9 DESCRIBED IN THIS SUBSECTION MAY BE MAINTAINED USING A COMPUTER
10 IF IT IS MAINTAINED IN ACCORDANCE WITH RULES PROMULGATED UNDER
11 THIS ARTICLE.

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

22 (3) A MILLIONAIRE PARTY LICENSEE SHALL ALLOW AN AUTHORIZED
23 REPRESENTATIVE OF THE DIRECTOR OR THE DEPARTMENT OF STATE POLICE
24 OR A LAW ENFORCEMENT OFFICER OF A POLITICAL SUBDIVISION OF THIS
25 STATE TO INSPECT A LOCATION OR A BUILDING, ENCLOSURE, OR PORTION
26 OF REAL PROPERTY THAT THE LICENSEE INTENDS TO USE AS A LOCATION
27 AT ANY TIME.

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

4 SEC. 49. A MILLIONAIRE PARTY LICENSEE SHALL MAKE ALL OF THE
5 FOLLOWING FINANCIAL RECORDS AVAILABLE TO AN AUTHORIZED
6 REPRESENTATIVE OF THE DIRECTOR FOR REVIEW AND SHALL KEEP THE
7 RECORDS FOR AT LEAST THE CALENDAR YEAR IN WHICH THE EVENT
8 OCCURRED AND THE 3 FOLLOWING YEARS:

9 (A) A COPY OF THE FINANCIAL STATEMENT REQUIRED UNDER SECTION
10 50.

11 (B) BANK-VALIDATED DEPOSIT SLIPS FOR ALL PROCEEDS FROM THE
12 EVENT.

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

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

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

22 SEC. 50. (1) A MILLIONAIRE PARTY LICENSEE SHALL SUBMIT A
23 FINANCIAL STATEMENT TO THE DIRECTOR ON A FORM PRESCRIBED BY THE
24 DIRECTOR, BY THE TENTH DAY OF THE MONTH FOLLOWING THE MONTH IN
25 WHICH THE EVENT WAS HELD.

26 (2) A FINANCIAL STATEMENT SUBMITTED UNDER SUBSECTION (1)
27 MUST BE SIGNED BY AN OFFICER OF THE LICENSEE, CERTIFYING THAT THE

1 INFORMATION ON THE FINANCIAL STATEMENT IS TRUE, CORRECT, AND
2 COMPLETE TO THE BEST OF THE OFFICER'S KNOWLEDGE.

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

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

13 (A) A FELONY.

14 (B) A GAMBLING OFFENSE.

15 (C) CRIMINAL FRAUD.

16 (D) FORGERY.

17 (E) LARCENY.

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

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

22 (4) THE DIRECTOR SHALL CONSIDER ALL OF THE FOLLOWING FACTORS
23 WHEN REVIEWING AN APPLICATION OR RENEWAL APPLICATION UNDER THIS
24 SECTION:

25 (A) WHETHER THE CHARACTER, RESPONSIBILITY, AND FITNESS OF
26 THE SHAREHOLDERS, DIRECTORS, OFFICERS, MEMBERS, PARTNERS, OWNERS,
27 EMPLOYEES, AND AGENTS OF THE APPLICANT AND THE APPLICANT'S

1 MOTIVES IN SEEKING TO BE LICENSED AS A CHARITABLE GAMING SERVICE
2 PROVIDER ARE SUCH AS TO COMMAND THE CONFIDENCE OF THE COMMUNITY
3 AND TO WARRANT THE BELIEF THAT THE CHARITABLE GAMING SERVICE
4 PROVIDER'S BUSINESS WILL BE HONESTLY AND EFFICIENTLY CONDUCTED.

5 (B) THE VERACITY AND ACCURACY OF ANY INFORMATION SUPPLIED BY
6 THE APPLICANT.

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

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

12 (E) THE CURRENT OR PAST HISTORY OF COMPLIANCE OF THE
13 APPLICANT OR ANY OWNER, PARTNER, SHAREHOLDER, MEMBER, DIRECTOR,
14 OFFICER, OR AGENT OF THE APPLICANT, OR OF ANY INDIVIDUAL WHO
15 RESIDES IN THE SAME HOUSEHOLD AS ANY OF THESE, WITH THIS ACT AND
16 RULES PROMULGATED UNDER THIS ARTICLE.

17 (F) CRIMINAL CONVICTIONS OF THE APPLICANT OR ANY OWNER,
18 PARTNER, SHAREHOLDER, MEMBER, DIRECTOR, OFFICER, OR AGENT OF THE
19 APPLICANT, OR OF ANY INDIVIDUAL WHO RESIDES IN THE SAME HOUSEHOLD
20 AS ANY OF THESE, FOR ANY OF THE FOLLOWING OFFENSES:

21 (i) A VIOLATION OF THE ACT.

22 (ii) A FELONY.

23 (iii) A GAMBLING OFFENSE.

24 (iv) CRIMINAL FRAUD.

25 (v) FORGERY.

26 (vi) LARCENY.

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

1 (G) ANY OTHER INFORMATION CONSIDERED ADVISABLE BY THE
2 DIRECTOR.

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

11 SEC. 62. (1) A CHARITABLE GAMING SERVICE PROVIDER LICENSE
12 EXPIRES AT MIDNIGHT ON SEPTEMBER 30 AND IS RENEWABLE ANNUALLY ON
13 THE SUBMISSION OF A RENEWAL APPLICATION, PRESCRIBED BY THE
14 DIRECTOR, UNLESS THE LICENSE IS SUMMARILY SUSPENDED, SUSPENDED,
15 DENIED, OR REVOKED BY THE DIRECTOR.

16 (2) IF THE OWNERSHIP OR ANY PORTION OF OWNERSHIP OF THE
17 CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR SOLE
18 PROPRIETORSHIP ACTING AS A CHARITABLE GAMING SERVICE PROVIDER
19 CHANGES, NOT INCLUDING THE DEPARTURE OF AN OWNER OR A CHANGE IN
20 PERCENTAGE OF OWNERSHIP, THE LICENSE ISSUED TO THE CORPORATION,
21 PARTNERSHIP, OR SOLE PROPRIETORSHIP IS VOID AND THE CHARITABLE
22 GAMING SERVICE PROVIDER SHALL RETURN THE LICENSE TO THE DIRECTOR
23 WITHOUT DELAY.

24 (3) A CHARITABLE GAMING SERVICE PROVIDER LICENSE SHALL STATE
25 THAT THE CHARITABLE GAMING SERVICE PROVIDER IS LICENSED TO DO
26 EITHER OF THE FOLLOWING:

27 (A) RENT OR SELL EQUIPMENT.

1 (B) PROVIDE OPERATION SERVICES.

2 SEC. 63. (1) ON THE ISSUANCE OF A CHARITABLE GAMING SERVICE
3 PROVIDER LICENSE, THE CHARITABLE GAMING SERVICE PROVIDER AGREES
4 TO ALL OF THE FOLLOWING TERMS AND CONDITIONS:

5 (A) TO BE BOUND BY AND COMPLY WITH THIS ACT AND RULES
6 PROMULGATED UNDER THIS ARTICLE.

7 (B) TO NOT ASSIGN OR TRANSFER THE LICENSE. A CHARITABLE
8 GAMING SERVICE PROVIDER SHALL NOT ATTEMPT TO SELL OR TRANSFER AN
9 INTEREST IN ITS BUSINESS WITHOUT THE PRIOR WRITTEN APPROVAL OF
10 THE DIRECTOR.

11 (C) TO IMMEDIATELY REPORT TO THE DIRECTOR IN WRITING ANY
12 CHANGE IN THE INFORMATION STATED ON OR ATTACHED TO THE
13 APPLICATION FOR THE LICENSE.

14 (D) TO ONLY ACCEPT CHECKS FROM A MILLIONAIRE PARTY
15 LICENSEE'S ACCOUNT FOR THE PAYMENT OF MILLIONAIRE PARTY EQUIPMENT
16 OR OPERATION SERVICES.

17 (E) TO NOT REVEAL INVESTIGATIVE INFORMATION TO ANY
18 MILLIONAIRE PARTY LICENSEE.

19 (F) TO HOLD THE DIRECTOR, THE BOARD, AND THIS STATE HARMLESS
20 FROM ANY LIABILITY, INCLUDING, BUT NOT LIMITED TO, TAXES AND
21 LEGAL EXPENSES.

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

26 (3) A PERSON SHALL NOT REFUSE TO COOPERATE WITH, HINDER, OR
27 OBSTRUCT IN ANY WAY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR

1 WHILE THE REPRESENTATIVE IS PERFORMING OFFICIAL DUTIES.

2 (4) A CHARITABLE GAMING SERVICE PROVIDER SHALL NOT REQUIRE A
3 MILLIONAIRE PARTY LICENSEE TO ENTER INTO AN EXCLUSIVE CONTRACT
4 WITH THE CHARITABLE GAMING SERVICE PROVIDER.

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

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

13 (7) BEFORE HIRING A PROSPECTIVE EMPLOYEE, A CHARITABLE
14 GAMING SERVICE PROVIDER SHALL REQUEST THE BOARD TO CONDUCT A
15 BACKGROUND CHECK OF THE PROSPECTIVE EMPLOYEE TO DETERMINE WHETHER
16 THE PROSPECTIVE EMPLOYEE HAS BEEN CONVICTED OF A CRIMINAL OFFENSE
17 OR HAS ANY CRIMINAL CHARGES PENDING AGAINST HIM OR HER. THE BOARD
18 SHALL CONDUCT THE BACKGROUND CHECK AS PROVIDED IN SECTION 21 OF
19 THE MICHIGAN GAMING CONTROL AND REVENUE ACT, 1996 IL 1, MCL
20 432.221. THE CHARITABLE GAMING SERVICE PROVIDER SHALL NOT HIRE
21 THE PROSPECTIVE EMPLOYEE UNTIL THE DIRECTOR HAS DETERMINED, BASED
22 ON THE RESULTS OF THE BACKGROUND CHECK, WHETHER THE PROSPECTIVE
23 EMPLOYEE IS DISQUALIFIED FROM EMPLOYMENT UNDER THIS ACT. IF THE
24 DIRECTOR HAS NOT NOTIFIED THE CHARITABLE GAMING SERVICE PROVIDER
25 OF THE DIRECTOR'S DETERMINATION WITHIN 30 DAYS AFTER THE DIRECTOR
26 IS ADVISED OF THE PROSPECTIVE HIRING AND PROVIDED WITH ANY
27 DOCUMENTS AND INFORMATION NECESSARY TO PERFORM THE BACKGROUND

1 CHECK, THE CHARITABLE GAMING SERVICE PROVIDER MAY CONSIDER THE
2 EMPLOYEE TO BE QUALIFIED UNDER THIS ACT AND EMPLOY THE EMPLOYEE
3 UNTIL THE DIRECTOR NOTIFIES THE CHARITABLE GAMING SERVICE
4 PROVIDER OF A NEGATIVE DETERMINATION.

5 (8) A CHARITABLE GAMING SERVICE PROVIDER SHALL PAY TO THE
6 BOARD AT THE TIME OF A REQUEST FOR A CRIMINAL BACKGROUND CHECK
7 UNDER SUBSECTION (7) AN AMOUNT DETERMINED BY THE BOARD TO COVER
8 THE COST OF THE BACKGROUND CHECK AND DETERMINATION BY THE
9 DIRECTOR. THE AMOUNT CHARGED UNDER THIS SUBSECTION MAY NOT EXCEED
10 \$25.00.

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

15 (2) A CHARITABLE GAMING SERVICE PROVIDER SHALL PUBLISH IN
16 WRITING WITH AN EFFECTIVE DATE AN ITEMIZED PRICE LIST OF ALL
17 MILLIONAIRE PARTY EQUIPMENT AND SERVICES THAT IT PROVIDES TO
18 MILLIONAIRE PARTY LICENSEES. THE LIST MUST HAVE SUFFICIENT DETAIL
19 TO PERMIT A POTENTIAL CUSTOMER TO EASILY MAKE PRICE COMPARISONS.
20 A CHARITABLE GAMING SERVICE PROVIDER SHALL FILE A PRICE LIST
21 PUBLISHED UNDER THIS SUBSECTION WITH THE DIRECTOR NOT LESS THAN
22 10 DAYS BEFORE THE EFFECTIVE DATE OF THE LIST.

23 (3) A CHARITABLE GAMING SERVICE PROVIDER SHALL REMOVE ALL
24 MILLIONAIRE PARTY EQUIPMENT FROM A RENTED LOCATION WITHIN 2
25 BUSINESS DAYS AFTER THE EVENT.

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

1 TICKETS OR NUMERAL GAME TICKETS. THE AUTHORITY TO PURCHASE AND
2 SELL CHARITY GAME OR NUMERAL GAME TICKETS IS CONTROLLED BY
3 ARTICLE 1.

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

12 (2) AN EMPLOYEE OR AGENT OF A CHARITABLE GAMING SERVICE
13 PROVIDER SHALL NOT RECEIVE ANY COMPENSATION, FOOD, OR BEVERAGE
14 FROM A MILLIONAIRE PARTY LICENSEE.

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

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

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

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

1 (D) SPLIT A PRIZE WITH A PLAYER.

2 SEC. 67. (1) A CHARITABLE GAMING SERVICE PROVIDER SHALL
3 RECORD EVERY SALE, RENTAL, RETURN, OR ANY OTHER TYPE OF TRANSFER
4 OF MILLIONAIRE PARTY EQUIPMENT TO OR FROM A MILLIONAIRE PARTY
5 LICENSEE BY COMPLETING A SALES INVOICE OR CREDIT MEMO.

6 (2) ALL INVOICES FOR MILLIONAIRE PARTY EQUIPMENT MUST BE
7 SEQUENTIALLY NUMBERED AND ISSUED IN SEQUENTIAL ORDER.

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

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

13 (A) THE AMOUNT OF EACH SALE.

14 (B) ALL CREDITS.

15 (C) ALL EXCHANGES.

16 (D) ALL SALES PREMIUMS.

17 (E) ALL REBATES OR DISCOUNTS.

18 (F) THE NET AMOUNT OF EACH SALE.

19 (G) ANY OTHER INFORMATION REQUIRED BY THE 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 AND THE PROVISION OF OPERATION SERVICES AS
26 REQUIRED BY THIS ACT.

27 (2) AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR MAY REVIEW

1 THE RECORDS DESCRIBED IN SUBSECTION (1) AND ALL DOCUMENTS
2 SUPPORTING ENTRIES MADE IN THE RECORDS AT THE LOCATION.

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

7 (4) A CHARITABLE GAMING SERVICE PROVIDER SHALL REPORT TO THE
8 DIRECTOR, ON A FORM PRESCRIBED BY THE DIRECTOR, THE TYPE AND
9 TOTAL AMOUNT OF SALES AND RENTALS OF MILLIONAIRE PARTY EQUIPMENT.

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

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

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

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

14 SEC. 71. A PERSON SHALL NOT ACT AS A CHARITABLE GAMING
15 SERVICE PROVIDER UNLESS THE PERSON IS LICENSED AS A CHARITABLE
16 GAMING SERVICE PROVIDER UNDER THIS ACT.

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

19 (2) A MILLIONAIRE PARTY LICENSEE OR A CHARITABLE GAMING
20 SERVICE PROVIDER SHALL RESPOND TO A VIOLATION NOTICE IN WRITING
21 WITHIN THE TIME SPECIFIED IN THE NOTICE AND SHALL INFORM THE
22 DIRECTOR WHAT ACTION HAS BEEN TAKEN TO CORRECT THE VIOLATION
23 CITED. THE RESPONSE SHALL BE SIGNED BY THE PRINCIPAL OFFICER OF A
24 MILLIONAIRE PARTY LICENSEE OR AN OFFICER OF A CHARITABLE GAMING
25 SERVICE PROVIDER, AS APPLICABLE.

26 (3) AT HIS OR HER DISCRETION, THE DIRECTOR MAY INITIATE
27 FURTHER ADMINISTRATIVE ACTION IF A RESPONSE TO A VIOLATION NOTICE

1 IS NOT RECEIVED OR THE RESPONSE DOES NOT RESOLVE THE VIOLATION.

2 SEC. 82. (1) AT HIS OR HER DISCRETION, THE DIRECTOR MAY
3 REQUIRE THE PRINCIPAL OFFICER OF A MILLIONAIRE PARTY LICENSEE OR
4 AN OFFICER OF A CHARITABLE GAMING SERVICE PROVIDER TO ATTEND AN
5 INFORMAL MEETING TO DISCUSS A VIOLATION OF THIS ACT OR RULES
6 PROMULGATED UNDER THIS ARTICLE.

7 (2) THE PURPOSE OF A MEETING UNDER SUBSECTION (1) IS TO
8 ASSIST THE LICENSEE OR LICENSE HOLDER TO COMPLY WITH THIS ACT OR
9 RULES PROMULGATED UNDER THIS ARTICLE AND TO FORESTALL FURTHER
10 ACTION, INCLUDING, BUT NOT LIMITED TO, A CONTESTED CASE HEARING.

11 (3) DURING OR AFTER A MEETING UNDER SUBSECTION (1), A
12 LICENSEE OR LICENSE HOLDER MAY AGREE TO BE PLACED ON PROBATION.

13 (4) THE DIRECTOR MAY WAIVE A MEETING UNDER SUBSECTION (1) IF
14 IN THE OPINION OF THE DIRECTOR THE VIOLATION OF THIS ACT OR RULES
15 PROMULGATED UNDER THIS ARTICLE WARRANTS ACTION UNDER SECTIONS 83
16 TO 86.

17 SEC. 83. IN DETERMINING A PROPER SANCTION FOR A VIOLATION OF
18 THIS ACT OR RULES PROMULGATED UNDER THIS ARTICLE, THE DIRECTOR
19 SHALL CONSIDER WHETHER THE VIOLATION WAS INADVERTENT OR
20 INTENTIONAL AND WHAT THE CONSEQUENCES OF THE VIOLATION WERE. FOR
21 A VIOLATION, THE DIRECTOR MAY ORDER 1 OR MORE OF THE FOLLOWING:

22 (A) THAT THE LICENSEE OR LICENSE HOLDER RECEIVE A WRITTEN
23 WARNING.

24 (B) THAT THE LICENSEE OR LICENSE HOLDER BE PLACED ON
25 PROBATION UNDER SECTION 84.

26 (C) FOR A FIRST VIOLATION, THAT THE LICENSEE OR LICENSE
27 HOLDER PAY A FINE OF UP TO \$1,000.00 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 30 DAYS.

3 (D) FOR A SECOND VIOLATION IN A 2-YEAR PERIOD, THAT THE
4 LICENSEE OR LICENSE HOLDER PAY A FINE OF UP TO \$2,000.00 AND, IF
5 THE VIOLATION THREATENED THE PUBLIC HEALTH, SAFETY, OR WELFARE OR
6 PUBLIC TRUST, THAT THE LICENSE BE SUSPENDED UNDER SECTION 85 FOR
7 UP TO 60 DAYS.

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

13 (F) FOR A FOURTH OR SUBSEQUENT VIOLATION IN A 2-YEAR PERIOD,
14 THAT THE LICENSEE OR LICENSE HOLDER PAY A FINE OF UP TO \$4,000.00
15 AND, AT THE DIRECTOR'S DISCRETION, THAT THE LICENSEE OR LICENSE
16 HOLDER BE PROHIBITED FROM HOLDING EVENTS FOR UP TO 2 YEARS. IF A
17 2-YEAR SUSPENSION IS IMPOSED UNDER THIS SUBDIVISION, THE DIRECTOR
18 SHALL NOT ISSUE A LICENSE TO THE QUALIFIED ORGANIZATION OR
19 CHARITABLE GAMING SERVICE PROVIDER UNLESS THE ORGANIZATION OR
20 CHARITABLE GAMING SERVICE PROVIDER DEMONSTRATES TO THE DIRECTOR
21 THE CHANGES THAT HAVE BEEN PUT IN PLACE TO ENSURE THAT VIOLATIONS
22 WILL NOT CONTINUE.

23 SEC. 84. (1) THE DIRECTOR MAY PLACE A MILLIONAIRE PARTY
24 LICENSEE OR CHARITABLE GAMING SERVICE PROVIDER ON PROBATION OR
25 MAY CONDITION THE RENEWAL OF A LICENSE WITH TERMS OF PROBATION AS
26 PROVIDED IN SECTION 83.

27 (2) THE CONTINUATION OF A PROBATIONARY LICENSE UNDER THIS

1 SECTION IS CONDITIONED ON STRICT COMPLIANCE WITH THIS ACT, RULES
2 PROMULGATED UNDER THIS ACT, AND TERMS OF PROBATION.

3 (3) IT IS A VIOLATION OF PROBATION UNDER THIS SECTION IF THE
4 LICENSEE OR LICENSE HOLDER FAILS TO COMPLY WITH THIS ACT, RULES
5 PROMULGATED UNDER THIS ACT, OR TERMS OF PROBATION.

6 (4) THE DIRECTOR MAY SUMMARILY SUSPEND A PROBATIONARY
7 LICENSE ISSUED UNDER THIS SECTION AS PROVIDED IN SECTION 85 IF
8 THE LICENSEE OR LICENSE HOLDER VIOLATES THIS ACT, RULES
9 PROMULGATED UNDER THIS ACT, AND TERMS OF PROBATION.

10 SEC. 85. (1) THE DIRECTOR MAY DENY, SUSPEND, SUMMARILY
11 SUSPEND, OR REVOKE A LICENSE ISSUED UNDER THIS ARTICLE IF THE
12 HOLDER OF THE LICENSE OR AN OFFICER, DIRECTOR, AGENT, MEMBER, OR
13 EMPLOYEE OF THE HOLDER OF THE LICENSE VIOLATES THIS ACT OR A RULE
14 PROMULGATED UNDER THIS ARTICLE. THE DIRECTOR MAY SUMMARILY
15 SUSPEND A LICENSE FOR A PERIOD OF NOT MORE THAN 60 DAYS PENDING
16 PROSECUTION, INVESTIGATION, OR PUBLIC HEARING.

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

20 (3) ON PETITION OF THE DIRECTOR, THE CIRCUIT COURT AFTER A
21 HEARING MAY ISSUE SUBPOENAS TO COMPEL THE ATTENDANCE OF WITNESSES
22 AND THE PRODUCTION OF DOCUMENTS, PAPERS, BOOKS, RECORDS, AND
23 OTHER EVIDENCE BEFORE THE DIRECTOR IN A MATTER OVER WHICH THE
24 DIRECTOR HAS JURISDICTION, CONTROL, OR SUPERVISION. IF A PERSON
25 SUBPOENAED TO ATTEND IN ANY SUCH PROCEEDING OR HEARING FAILS TO
26 OBEY THE COMMAND OF THE SUBPOENA WITHOUT REASONABLE CAUSE, OR IF
27 A PERSON IN ATTENDANCE IN ANY SUCH PROCEEDING OR HEARING REFUSES,

1 WITHOUT LAWFUL CAUSE, TO BE EXAMINED OR TO ANSWER A LEGAL OR
2 PERTINENT QUESTION OR TO EXHIBIT A BOOK, ACCOUNT, RECORD, OR
3 OTHER DOCUMENT WHEN ORDERED TO DO SO BY THE COURT, THAT PERSON
4 MAY BE PUNISHED AS BEING IN CONTEMPT OF THE COURT.

5 SEC. 86. (1) A HOLDER OF A LICENSE WHOSE LICENSE IS REVOKED
6 FOR A VIOLATION OF THIS ARTICLE OR A RULE PROMULGATED UNDER THIS
7 ARTICLE IS INELIGIBLE TO APPLY FOR A LICENSE FOR 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 HOLDER OF A LICENSE OR TO PARTICIPATE IN CONDUCTING A MILLIONAIRE
11 PARTY FOR 1 YEAR AFTER THE CONVICTION BECOMES FINAL. IF THE
12 PERSON IS LICENSED UNDER THIS ARTICLE, THE PERSON SHALL FORFEIT
13 THE LICENSE AND IS INELIGIBLE TO APPLY FOR THE ISSUANCE OR
14 REISSUANCE OF THE LICENSE FOR 1 YEAR AFTER THE CONVICTION BECOMES
15 FINAL.

16 SEC. 87. IF THE DIRECTOR DETERMINES THAT THE HOLDER OF A
17 LICENSE UNDER THIS ARTICLE HAS VIOLATED THIS ACT OR A RULE
18 PROMULGATED UNDER THIS ARTICLE, THE HOLDER OF THE LICENSE MAY
19 REQUEST A HEARING BEFORE THE BOARD. A HOLDER OF A LICENSE SHALL
20 REQUEST A HEARING UNDER THIS SECTION IN WRITING BY FILING THE
21 REQUEST WITH THE BOARD WITHIN 21 DAYS AFTER THE HOLDER OF THE
22 LICENSE RECEIVES NOTICE OF THE LICENSE ACTION UNDER SECTIONS 83
23 TO 86 AS A RESULT OF THE DETERMINATION.

24 SEC. 89. (1) ANY ADMINISTRATIVE RULES RELATING TO
25 MILLIONAIRE PARTIES PROMULGATED BEFORE THE EFFECTIVE DATE OF THIS
26 ARTICLE ARE RESCINDED.

27 (2) WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THIS ARTICLE,

1 THE DIRECTOR SHALL PROMULGATE RULES PURSUANT TO THE
2 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
3 24.328, TO IMPLEMENT THIS ARTICLE.

4 Enacting section 1. Sections 10a, 10b, and 20 of the
5 Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.110a,
6 432.110b, and 432.120, are repealed.